

## POLICY REVIEW AND DEVELOPMENT PANEL REPORT

REPORT TO:	Audit Committee		
DATE:	13 <sup>th</sup> February 2017		
TITLE:	Review of Anti-Fraud and Anti-Corruption Strategy, Whistleblowing Policy and Fraud Response Plan		
TYPE OF REPORT:	Scrutiny		
PORTFOLIO(S):	Cllr Daubney, Performance		
REPORT AUTHOR:	Kate Littlewood, Audit Manager		
OPEN		WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

### **REPORT SUMMARY/COVER PAGE**

<b>PURPOSE OF REPORT/SUMMARY:</b>
The 'Anti-Fraud and Anti-Corruption Strategy', 'Whistleblowing Policy' and 'Fraud Response Plan' were last reviewed in 2014/15 and are therefore due for the 3-year review. The documents have been reviewed and the results, with tracked changes, are presented to the Committee to consider and comment on before they are presented to Cabinet and Council for approval.
<b>KEY ISSUES:</b>
The changes mainly relate to : <ul style="list-style-type: none"> <li>• The changes in benefit fraud investigation responsibilities since BEU transferred to the DWP.</li> <li>• Deletion of the Deputy Chief Executive role and transfer of responsibilities to Assistant Director (s151 Officer)</li> <li>• Change in title from Executive Director, Central Services to 'Central and Community Services'.</li> <li>• Change in title from 'Audit and Risk Committee' to 'Audit Committee'</li> <li>• Minor corrections to grammar and spelling</li> </ul>
<b>OPTIONS CONSIDERED:</b>
1. Adopt the revised anti-fraud suite of documents to ensure the Council has relevant and up-to-date procedures and policies.
2. Remain with the existing anti-fraud suite of documents, which are no longer fully relevant or fit for purpose.
<b>RECOMMENDATIONS:</b>
To consider the changes made to the anti-fraud suite of documents and recommend approval of the revised documents to Cabinet.
<b>REASONS FOR RECOMMENDATIONS:</b>
To bring the documents up-to-date with the Council's current requirements and ensure they are fit for purpose.

## **REPORT DETAIL**

### **1. Introduction**

1.1 The Council needs to remain vigilant in order to safeguard its resources and to protect its reputation. As a Council, we therefore need to raise awareness, deter and identify fraud. At the same time, it is essential to provide the means by which employees, Members and anyone representing the Council, can raise legitimate concerns when they feel something has been done that is either illegal or improper.

1.2 The Council has always endeavoured to promote a culture of honesty, integrity and openness. This is reflected in its policies and strategies to deter and prevent fraud and corruption. A comprehensive review was completed in 2014 to provide consistent, up-to-date and fit for purpose documents. Another extensive review was not considered to be required again at the moment.

### **2. Proposal**

2.1 The revised documents are attached, with tracked changes to highlight the changes made. Since 2014 several changes have taken place, which need to be reflected in the anti-fraud suite of documents as outlined below.

2.2 The work of the Benefits Enquiry Unit (BEU) on fraud relating to Benefits has transferred to the Single Fraud Investigation Service within the Department for Work and Pensions (DWP). Capacity for investigating fraud relating to Council Tax and Business Rates, as well as dealing with the National Fraud Initiative work, has been retained within the Council in the form of a Fraud Investigations Officer/ Internal Auditor role. Reference to the investigation of Benefit fraud has been removed from the documents.

2.3 The Deputy Chief Executive has left the Council and his responsibilities in relation to anti-fraud and whistleblowing have been transferred to the Assistant Director (s151 Officer).

2.4 There has been a change in title for the Executive Director, Central Services to Executive Director, Central and Community Services.

2.5 There has been a change in the title of the Audit Committee from Audit and Risk Committee.

### **3. Issues for the Panel to Consider**

3.1 The Committee needs to consider if the changes made to the documents adequately reflect the current requirements of the Council.

### **4. Corporate Priorities**

4.1 Sound anti-fraud policies and strategies indirectly support the achievement of the Council's objectives by safeguarding the Council's assets and resources that are required to carry out the necessary work.

### **5. Financial Implications**

5.1 There are no direct financial implications, but indirectly, if the anti-fraud documents are not effective, there could be repercussions as frauds may not be effectively prevented or detected.

## **6. Any other Implications/Risks**

6.1 A failure to respond appropriately could lead to a claim against the Council in an Employment Tribunal for unfair dismissal. This could expose the Council to additional cost, as well as the risk that any fraudster could continue to be employed by the Council as a result of a flawed investigation. There is also a risk that such a failure would result in adverse publicity for the Council.

## **7. Equal Opportunity Considerations**

7.1 None.

## **8. Consultation**

8.1 Fraud Investigations Officer/ Internal Auditor and the Legal Services Manager.

## **9. Conclusion**

9.1 The Council needs to have effective policies, procedures and a strategy for ensuring the safeguarding of assets and resources. The changes, if approved, will ensure the Council has effective measures to support its culture of honesty, integrity and openness.

## **10. Background Papers**

10.1 None.