

AUDIT COMMITTEE

25 JANUARY 2024

REPORT OF ASSURANCE AND RESILIENCE MANAGER

A.3 ANTI-FRAUD AND CORRUPTION STRATEGY

(Report prepared by Clare Lewis)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present to the Audit Committee an updated Anti-Fraud and Corruption Strategy.

EXECUTIVE SUMMARY

- The Council's Anti-Fraud and Corruption Strategy was last updated in Jan 2023, and it remains subject to an annual review process.
- An amended strategy is attached as **Appendix A** which reflects a number of minor amendments emerging as part of the annual review process but remains based on CIPFA's Code of Practice on managing the risk of fraud and corruption as adopted by the Committee at its 22 March 2018 meeting.
- The updated strategy provides details of ongoing projects and provides realistic timescale for these to be finalised.

RECOMMENDATION(S)

It is recommended that Audit Committee approves the amended Anti-Fraud and Corruption Strategy set out in Appendix A.

REASON(S) FOR THE RECOMMENDATION(S)

To keep the Audit Committee updated with the timescales of ongoing projects and forms part of the annual governance review process.

ALTERNATIVE OPTIONS CONSIDERED

Not Applicable. This document forms part of a committee process demonstrating transparency to the committee, members and to the public.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

This decision forms part of the Councils Corporate Plan 2020/24 relating to strong finance and governance. This does not form part of the Cabinet's Key Priority Actions.

As a public body Tendring District Council is both required and expected to demonstrate a commitment to a Fraud and Corruption policy. This document sets out the expectations of all individuals and organisations associated with it to act with integrity and that all Members and employees will demonstrate their commitment to the content in this policy.

The Council strives to maintain a robust response to fraudulent activity directed towards it which in turn protects the financial position of the Council that supports the delivery of the Council's priorities and objectives.

The Fraud and Risk team have now completed the Fraud Awareness training across all aspects of the Council and external partners. This training has been conducted both virtually and via face-to-face. The Fraud awareness training now forms part of the induction process for all new employees, members, and apprentices.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Information is set out within the Strategy in terms of the various legal issues, legislation and regulation associated with the Strategy.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Finance and other resources

Detecting and investigating potential fraud acts as a deterrent which protects public money. Also, successful investigations and sanctions identify overpayments that are required to be repaid, which otherwise would fall as a potential cost to the Council.

There are no other direct financial implications associated with the Strategy. Any actions emerging from the Strategy that have a financial implication will be considered within the Council's wider financial framework and decision-making processes.

The Councils' approach to fraud is based on fairness and consistency and through the application of the Strategy the aim is to ensure that this can be demonstrated and therefore reducing the risk of challenge, damage to the Council's reputation and unsuccessful sanctions such as prosecutions, where appropriate.

Failure to take part in data matching exercises could also result in an adverse impact on the Council's reputation and may lead to increased external inspection / audit at additional cost.

USE OF RESOURCES AND VALUE FOR MONEY

The Fraud and Risk team will continue to provide value for money within existing resources and budgets.

The team is now fully staffed, and training is ongoing for two new staff members. The team continue to work on generating income for the Authority, one of these areas relates to New Homes which result in a financial bonus from the Government.

The team have a programme of work to ensure the building sites across the district are checked to identify homes that are ready for completion notices to be issued, generating

additional Council Tax and the additional financial reward from the Government.

The team are also working a project relating to Business Rates ensuring that business are claiming the right discounts and exemptions and ensuring new business are registered for rating purposes.

The team continue to liaise and work with external bodies and internal departments to ensure the councils records remain updated and the right charges are applicable and generating additional income for the Council.

This strategy gives the guidelines of how officers should conduct themselves while performing their day-to-day duties and expectations of the Council around this.

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	From existing budgets
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	Decisions around workflow are regularly reviewed to ensure that maximum savings can be identified for the council within existing resources.
C) Improving economy, efficiency, and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	Regular reviews are conducted to ensure that the team provide value for money and keep within existing budgets while providing a high-quality service.

MILESTONES AND DELIVERY

Realistic deadlines are set within the strategy for projects to ensure they can be met.

There are no critical timelines included in this strategy.

Service delivery will be met from internal resources.

ASSOCIATED RISKS AND MITIGATION

There is minimal risk of the team not achieving these deadlines set within the strategy. The risk would be linked to a reduction in resources. The probability of this happening is considered to be below 10%.

The severity of any impact is considered to be moderate and would be linked to lack of income generation and a reduction in enforcement action taken by the council.

The team are able to mitigate this risk by using officers from other job roles within the team that could assist in some of the aspects of the role, and therefore keep the risk to a minimum.

OUTCOME OF CONSULTATION AND ENGAGEMENT

There are no requirements to seek consultation on this strategy. This is a public document and will be made available once agreed for residents to review and provide comment if necessary.

Any feedback received would be considered for any future amendments provided to the Audit Committee.	
EQUALITIES	
An equalities assessment form has been conducted and considered in relation to this strategy.	
An understanding of how this strategy might impact the protected characteristics has been conducted and there were no issues identified at this time.	
The Strategy aims to deliver fairness, transparency and consistency to all customers and stakeholders.	
SOCIAL VALUE CONSIDERATIONS	
In terms of social value, the strategy and activities protect 'the public purse' from fraud and error.	
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030	
The Fraud and Risk Team continue to look at new ways to identify Fraud and Error while considering its carbon footprint.	
Journeys are restricted and kept to a minimum, where possible.	
OTHER RELEVANT IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	None identified.
Health Inequalities	None identified.
Area or Ward affected	All wards could be affected.
ANY OTHER RELEVANT INFORMATION	
None	

PART 3 – SUPPORTING INFORMATION

BACKGROUND
<p>The Council are required to have an Anti-Fraud and Corruption Strategy, this was last updated in Jan 2024. The strategy is subject to an annual review process.</p> <p>The amended strategy is set out in Appendix A. Amendments made since the last review are highlighted in red/ italic font. For completeness, any sections being removed have been retained for the purpose of reporting the final version back to the Committee, with the font being struck through and in a red/ italic font.</p> <p>The Strategy continues to be based on CIPFA's code of practice on managing the risk of fraud and corruption. As its foundation, the Strategy sets out the Council's commitments along with the following key areas:</p> <ul style="list-style-type: none"> • Purpose, Commitment and Procedure

- Legislation and General Governance
- Definitions
- Standards, Expectations and Commitment
- Roles and Responsibilities
- Prevention
- Detection and Investigation.
- Resources Invested in Counter Fraud and Corruption

The strategy will continue to be subject to an annual review process including progress against identified actions and has therefore been included on the ongoing work programme of the Committee. It is acknowledged that through its application, the Strategy will evolve to reflect the various strands of work being developed within the Council, which will be included in future updates presented to the Committee.

Updates against the Councils Anti-Fraud and Corruption Strategy Action Plan are also included within **Appendix A**.

PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.

This document was last reviewed by Audit Committee and updates were agreed in April 2022.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

An Equality Impact Assessment has been completed and no issues have been identified in relation to this strategy.

No scoping document is required in relation to this strategy.

Risk assessment documentation is not provided at this time.

APPENDICES

Appendix A – Anti-Fraud and Corruption Strategy (including action plan)

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