

 Finance and Audit Scrutiny Committee 25 July 2017		Agenda Item No. <h1 style="text-align: center;">5</h1>
Title	Anti Fraud & Corruption Progress Report 2016/17	
For further information about this report please contact	John King Tel: (01926) 456816 E Mail: john.king@warwickdc.gov.uk	
Wards of the District directly affected	Not applicable	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	
Date and meeting when issue was last considered and relevant minute number	Finance and Audit Scrutiny Committee – 26 July 2016 Minute 33	
Background Papers	Anti Fraud and Corruption Strategy	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	N/A: no direct service implications

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	20.06.2017	Chris Elliott
Head of Service	20.06.2017	Mike Snow
CMT		
Section 151 Officer	20.06.2017	Mike Snow
Monitoring Officer	27.06.2017	Andrew Jones
Finance	20.06.2017	As Section 151 Officer
Portfolio Holder	20.06.2017	Councillor Whiting
Consultation & Community Engagement		
None other than consultation with members and officers listed above.		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		

1 **Summary**

- 1.1 In 1995 the council was among the first in the country to adopt formally an Anti-Fraud and Corruption Policy and Strategy. Since that time the strategy has been subject to an annual review and for some time the review has been accompanied by an action plan to maintain the strategy and to help deliver its objectives. A copy of the strategy is attached as Appendix C.
- 1.2 Ensuring that the strategy is reviewed and remains relevant and completing the action plan contributes towards improving the overall control environment, raising awareness on fraud and corruption matters and the prevention and detection of fraud and corruption.
- 1.3 The strategy relates to internal fraud only and not to any frauds involving Council Tax Reduction, Single Person Discount, Business Rates and Right to Buy. There is a separate strategy for those areas, overseen by the Benefits Manager.
- 1.4 This report informs members on the measures that were taken to deliver the 2016/2017 action plan and presents the 2017/2018 action plan for approval.

2 **Recommendations**

- 2.1 That members note the report and the progress made in implementing the 2016/2017 action plan. (Appendix A)
- 2.2 That members approve the action plan for 2017/2018. (Appendix B)

3 **Reasons for the Recommendations**

- 3.1 The Anti Fraud and Corruption Strategy has been reviewed to ensure that it remains relevant to the council's structure and organisation and it has undergone comparison with a number of other strategies, including those of the other Warwickshire authorities. As the strategy is broadly similar in content to the others examined no changes are considered necessary as part of the current review.
- 3.2 The action plan for 2017/2018 needs to be approved. The action plan is based on the continuous improvement of the council's anti fraud and corruption measures. The completion of the 2016/2017 action plan needs to be considered.

4 **Policy Framework**

- 4.1 The council is committed to managing services and resources openly, fairly and efficiently. The Anti-Fraud and Corruption Strategy assists in delivering those aims.

5 **Budgetary Framework**

- 5.1 All of the council's services and activities can be affected by fraud and corruption but approval of the action plan does not have any direct impact on council budgets.

6 **Risks**

- 6.1 The risk of not approving an action plan for 2017/2018 relates to a perception that the action plan is not supported by the council's leadership. This could impact on the level of fraud in the community. Conversely no risks are evident from approving the action plan.

7 **Alternative Option considered**

- 7.1 This report is not concerned with recommending a particular option in preference to others so this section is not applicable.

8. **Background**

- 8.1 In the mid-1990s a series of reports entitled "Protecting the Public Purse" was produced by the Audit Commission in response to increasing concerns about the level of fraud and corruption in the public sector. Prior to this time local authorities would have been strongly opposed to any form of fraud and corruption but most of them had no formal stance on fraud and no policies, procedures or systems in place to deal with it. The first Audit Commission report made several recommendations including the creation of an anti-fraud culture with the formal adoption of a policy stating that an authority had a zero tolerance attitude to fraud and corruption.
- 8.2 Warwick District Council was one of the very first local authorities to take action on this recommendation and formally adopted a policy and strategy in September 1995. The policy and strategy was revised and replaced by the current version in September 2005. Minor amendments were approved in July 2011, 2013, 2015 and 2016.
- 8.3 The Audit Commission ceased to exist on 31 March 2015 and some of the staff transferred to The European Institute for Combatting Corruption and Fraud (TEICCAF) and they produced their first report in July 2015 entitled Protecting the English Public Purse. The report was similar in format and content to the annual Audit Commission reports. The 2016 version of the report was published in January 2017.