

 Finance & Audit Scrutiny Committee - 1 July 2014		Agenda Item No. <div style="text-align: right; font-size: 2em;">4</div>
Title	Anti-Fraud and Corruption Progress Report	
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Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?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 – 10 September 2013 Minute 60	
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)	N/A
Equality and Sustainability Impact Assessment Undertaken	N/A

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive		Chris Elliott
Head of Service		Mike Snow
CMT		
Section 151 Officer		Mike Snow
Monitoring Officer		Andrew Jones
Finance		
Portfolio Holder(s)		Councillor John Barrott
Consultation & Community Engagement		
Not applicable.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 The council has in place an Anti Fraud and Corruption Strategy that is reviewed annually. At the same time an action plan is prepared to help deliver its objectives. A copy of the strategy is attached as Appendix C.
- 1.2 Keeping the strategy under review, together with the preparation and completion of an action plan, plays a part in improving the control environment, raising awareness on fraud and corruption matters and the prevention and detection of fraud and corruption.
- 1.3 This report informs members of the progress made in delivering the 2013/2014 action plan and presents the 2014/2015 action plan for approval.

2. RECOMMENDATIONS

- 2.1 That members note the report and the progress made in implementing the 2013/2014 action plan. (Appendix A)
- 2.2 That members approve the action plan for 2014/2015. (Appendix B)

3. REASONS FOR THE RECOMMENDATION

- 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 that it bears comparison with strategies in place at other authorities. No changes are considered necessary.
- 3.2 The action plan for 2014/2015 needs to be approved. The action plan is based on the continuous improvement of the council's anti fraud and corruption measures. Progress against the 2013/2014 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 2014/2015 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 The only alternative to approving a new action plan is to dispense with the action plan approach. It could be replaced by reporting to members annually,

as part of this report, of actions undertaken during the year. This approach was recommended to members in July 2013 but not approved.

8. **BACKGROUND**

- 8.1 Increasing concerns about the level of fraud and corruption in the public sector in the mid 1990s prompted the Audit Commission to produce a series of reports entitled "Protecting the Public Purse". One of the recommendations in the first report concerned the creation of an anti fraud culture with the formal adoption of a policy stating an authority's zero tolerance attitude to fraud and corruption.
- 8.2 The council was amongst the first local authorities to adopt a policy and strategy in September 1995. The policy and strategy was revised and replaced by the current version in September 2005. A minor amendment was approved in July 2011.
- 8.3 As part of the Government's Welfare Reforms a Single Fraud Investigation Service (SFIS) is to be set up and operated by the Department for Work and Pensions (DWP). It will investigate state benefit fraud, HMRC fraud and Housing Benefit fraud currently investigated by local authorities. Accordingly the council's Benefit Fraud staff are likely to transfer to the DWP in February 2015.
- 8.4 This raises some questions over resourcing the investigation of any remaining fraud i.e. council tax reduction, single person discount and tenancy fraud. The options at this stage include buying in some time, joining with another authority or providing a service in house. More detail will be included in a report due to be presented to this committee in September.