

REPORT FOR DECISION



MEETING: **AUDIT COMMITTEE
OVERVIEW & SCRUTINY COMMITTEE
CORPORATE JCC
STANDARDS COMMITTEE
CABINET
COUNCIL**

DATE: **15 DECEMBER, 2014
13 JANUARY, 2015
26 JANUARY, 2015
3 FEBRUARY, 2015
11 FEBRUARY, 2015
1 APRIL, 2015**

SUBJECT: **CHANGES TO THE ANTI-FRAUD AND CORRUPTION
STRATEGY INCLUDING THE WHISTLEBLOWING
POLICY**

REPORT FROM: **HEAD OF FINANCIAL MANAGEMENT**

CONTACT OFFICER: **ANDREW BALDWIN**

TYPE OF DECISION: Non key.

FREEDOM OF INFORMATION/STATUS: This paper is within the public domain.

SUMMARY: To refresh the anti-fraud and corruption strategy in order to take account of changes in department and post titles and the impact of the 2013 Whistleblowing Code of Practice.

OPTIONS & RECOMMENDED OPTION Members may accept or reject the report. It is recommended that Members accept the report to ensure that the Council complies with all relevant legislation and regulations and provides up to date information to elected members and employees.

Members are also requested to delegate the authority to make any future minor changes to the Strategy to be made in consultation with the Leader of the Council and Cabinet Member for Finance and the Executive Director of Resources and Regulation.

IMPLICATIONS:**Corporate Aims/Policy Framework:**

Yes

Financial Implications and Risk Considerations:

There are no financial implications arising from this report.

Statement by the Assistant Director of Resources & Regulation (Finance & Efficiency):

The key to prevention of fraud and corruption is the creation of a sound control environment with well-established and accepted systems and effective controls. This is the approach adopted at Bury, where appropriate systems and controls are established and maintained by management. Members and officers alike support the anti-fraud and corruption culture throughout the Council.

Equality/Diversity implications:

None

Considered by Monitoring Officer:

Yes

Are there any legal implications?

These are set out in detail in the Strategy attached to this report.

Staffing/ICT/Property:

There are no direct resource implications arising from the report.

Wards Affected:

The Anti Fraud and Corruption Strategy impacts on all of the Council's wards and Township Forums.

Scrutiny Interest:

None.

TRACKING/PROCESS**DIRECTOR: Resources & Regulation**

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
	Chair		
Scrutiny	Cabinet	Committee	Council
13/01/2015	11/02/2015	Audit: 15/12/14; Standards: 03/02/2015	01/04/2015

1.0 BACKGROUND

- 1.1 The Anti-Fraud and Corruption Strategy sets out the various measures that have been put in place across the Council in order to combat fraud and corruption and brings these together in one document.
- 1.2 The revised document is attached to this report.
- 1.3 The specific sections and measures within the document include:
 - Part One - General Policy and Strategy
 - Part Two - Whistleblowing Policy
 - Part Three - Housing benefit / Council Tax Benefit Fraud Prosecution Policy
 - Part Four - Standards of Conduct
 - Part Five - Guidance for Members and Officers on how to report suspected fraud and corruption within outside bodies
 - Part Six - Local Code of Corporate Governance
 - Part Seven - Anti-Money Laundering Guidance
 - Part Eight - Anti-Bribery Policy
- 1.4 The Anti Fraud and Corruption Strategy was last presented to Audit Committee in December 2013 to take account of the requirement of the Enterprise and Regulatory Reform Act 2013 which introduced important changes to the Whistleblowing law which came into force on 25th June 2013.
- 1.5 Since then a number of further changes have occurred that require the Strategy to be further updated.

2.0 THE CHANGES

- 2.1 The changes that have since occurred, and have been factored into the revised strategy, include:

Throughout:

Change of word 'Authority' to 'Council' for consistency when referring to Bury Council;
'Head of Internal Audit' changed to 'Head of Financial Management'.

Introduction:

1st paragraph expanded and second page of Introduction includes a link to the Council Constitution on our website.

Part 1 - Policy & Strategy:

Page 3 - Accounts and Audit Regulations 2006 replaced by 2011 Regs and expanded paragraph;

Page 4 - Codified Guidance - reference made to 2011 Localism Act;

Page 5 - Benefits Investigation - Revenues Division changed to Resources & Regulation Department;

Page 5 – Suspicion of Fraud – updated post title to Executive Director of Resources and Regulation;

Page 7 - Benefit Fraud Investigation - Resources Division changed to Resources & Regulation Department.

Part 2 - Whistleblowing Policy:

Page 1 - Introduction – par. 1.2 and 1.3 - references made to Enterprise and Regulatory Reform Act 2013 and Whistleblowing Code of Practice;

Page 2 - Aims and Scope – par. 2.3 - ref made to Employment Rights Act 1996; par. 2.4 and 2.5 - expanded section re protected disclosure per the Whistleblowing Code of Practice;

Page 5 – par. 4.5 – Update from Children’s’ Services re Bury Safeguarding Children’s Board Confidential Reporting (Whistleblowing) Policy;

Page 6 – par. 5.2 - Extra examples included per the Whistleblowing Code of Practice;

Page 7 – par. 6.1 - KPMG included instead of Audit Commission;

Page 7 – par. 6.2 – Contact details for Public Concern At Work.

Part 3 - Housing Benefit / Council tax benefit fraud investigation policy:

Page 1 – par. 1.3 - Updated post title to Executive Director of Resources and Regulation.

Page 4 – par. 4.0 – Reference to future arrangements re fraud investigation.

Part 4 - Standards of Conduct:

Page 1 - Codes of Conduct –Reference made to Localism Act 2011; expanded section re members and employees; reference made to July 2012 update; link provided to Council Constitution where both sets of codes can be found; expanded section re the general principles.

Part 5 - Outside Bodies: no changes.

Part 6 - Local Code of Corporate Governance:

Page 1 – par. 2.1 – Reference made to 2007 Governance Framework;

Page 2 – par. 2.2 – New additional paragraph;

Page 2 – par. 3.3 - Reference made to 2010 Addendum re the Annual Governance Statement contents;

Page 3 – par. 4.3 - Expanded to include range of activities;

Page 4 – par. 5.2 and 5.3 – Updated post titles.

Part 7 - Anti-Money Laundering:

Page 8 – par. 7.2 and 7.3 - Changed nominated Money Laundering Officer to Head of Financial Management and changed name of dept to Resources and Regulation

Part 8 - Anti-Bribery Policy:

Page 1 – par. 1 - Policy Statement - Reference to the 2010 Bribery Act;

Page 5 – par. 11 - Public contracts – Additional information regarding improved safeguards from the 2014 EU Procurement Directives;

Page 6 – par. 12 - Staff Responsibilities - Expanded section re “must” and “must not” do’s.

3.0 CONCLUSION

- 3.1 The Anti-Fraud and Corruption Strategy has been updated to take account of the changes highlighted and approval is sought for the revised Strategy to be published and publicised throughout the Council.
- 3.2 Members are also requested to delegate the authority to make any future minor changes to the Strategy to be made in consultation with the Leader of the Council and Cabinet Member for Finance and the Executive Director of Resources and Regulation.

List of Background Papers:-

Whistleblowing Code of Practice, Public Concern at Work, 2013

Contact Details:-

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