

READING BOROUGH COUNCIL
REPORT BY DIRECTOR OF RESOURCES

TO:	COUNCIL		
DATE:	31 MARCH 2009	AGENDA ITEM:	10
TITLE:	ANTI-FRAUD AND CORRUPTION POLICY		
LEAD COUNCILLOR:	COUNCILLOR LOVELOCK	PORTFOLIO:	CORPORATE
SERVICE:	AUDIT SERVICES	WARDS:	BOROUGHWIDE
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1. EXECUTIVE SUMMARY

1.1 Further to Minute 169 of Cabinet on 16 March 2009, Cabinet has recommended the following documents to Council for adoption as part of the Council's policy framework:

- Anti-fraud and Corruption Policy (Appendix A)
- Fraud Response Plan (Appendix B)
- Housing Benefit Prosecution Policy (Appendix C)

1.2 There has been increasing emphasis from central government on fraud prevention and detection as a means of achieving more efficient service delivery and on linking this to the strategic objectives of the organisation. Changes in the legislation surrounding fraud, specifically the Fraud Act 2006 which created a criminal offence of fraud, require a change in the Council's existing Fraud Policy (current version dates to 2002) and the Housing Benefit Fraud Prosecution Policy.

1.3 The Anti Fraud and Corruption Policy (**Appendix A**) sets out the policy of the authority to combat fraud and corruption wherever it is found. It also sets out the duties and responsibilities of staff to be aware of and report fraud and how fraud can be reported, anonymously if necessary.

1.4 The Fraud Response Plan identifies the actions to be taken and who will take them (**Appendix B**).

- 1.5 The Housing Benefit Prosecution Policy outlines minor changes that are required as a result of undertaking work on behalf of the DWP (Department of Work and Pensions) (**Appendix C**).

2. RECOMMENDED ACTION

- 2.1 That the new Anti-fraud and Corruption policy statement, the Fraud Response Plan, and the amended Housing Benefit prosecution policy, be adopted.

3. POLICY CONTEXT

- 3.1 There is a current policy statement on fraud and corruption approved in 2002 that needs amendment to reflect legislative changes since that time

4. THE PROPOSAL

- (a) Current Position: Existing policy statement dated 2002
- (b) Options Proposed: Amended policy statement and response plan

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 The revised documents contribute to Council's strategic aims by improving the way we work in respect of the following strategic objectives:

- Deliver services efficiently within a medium term planning framework - help to reduce losses and inefficiencies due to fraud and corruption to an absolute minimum
- Embed risk management across the organisation - highlight the risk of fraud and corruption in council systems and business processes and seeking to minimise where possible
- To Increase fraud awareness across the Council and partners - greater awareness acts as a deterrent against fraud and corruption as there is more likelihood that abuses will be reported
- Strengthen corporate governance- ensure internal control framework actively discourages acts of fraud and corruption and enables action to be taken to deter and detect such acts

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 Publicity campaigns national and local against fraud, particularly housing benefit fraud.

7. LEGAL IMPLICATIONS

- 7.1 There are minor changes that reflect a recent change in legislation that allows Reading Borough Council Housing Benefit Anti-Fraud Team to prosecute in cases solely involving Department of Work and Pensions payments.

8. FINANCIAL IMPLICATIONS

- 8.1 None.

9. BACKGROUND PAPERS

- 9.1 Fraud Act 2006
- 9.2 CIPFA Better Governance Forum Managing the Risk of Fraud
- 9.3 DWP legislation enabling prosecution