



CHELTENHAM

BOROUGH COUNCIL

Notice of a meeting of Cabinet

**Tuesday, 19 April 2016
6.00 pm
Pittville Room - Municipal Offices**

Membership	
Councillors:	Steve Jordan, John Rawson, Rowena Hay, Peter Jeffries, Andrew McKinlay, Jon Walklett and Chris Coleman

Agenda

	SECTION 1 : PROCEDURAL MATTERS	
1.	APOLOGIES	
2.	DECLARATIONS OF INTEREST	
3.	MINUTES OF THE LAST MEETING Minutes of the Special meeting held on 29 March 2016	(Pages 3 - 6)
4.	PUBLIC AND MEMBER QUESTIONS AND PETITIONS These must be received no later than 12 noon on the fourth working day before the date of the meeting	
	SECTION 2 :THE COUNCIL <i>There are no matters referred to the Cabinet by the Council on this occasion</i>	
	SECTION 3 : OVERVIEW AND SCRUTINY COMMITTEE <i>There are no matters referred to the Cabinet by the Overview and Scrutiny Committee on this occasion</i>	
	SECTION 4 : OTHER COMMITTEES <i>There are no matters referred to the Cabinet by other Committees on this occasion</i>	
	SECTION 5 : REPORTS FROM CABINET MEMBERS AND/OR OFFICERS	
5.	COUNTER FRAUD AND ANTI-CORRUPTION POLICY Report of the Cabinet Member Corporate Services	(Pages 7 - 26)

6.		COUNTER FRAUD PROJECT UPDATE Report of the Cabinet Member Corporate Services	(Pages 27 - 34)
		SECTION 6 : BRIEFING SESSION • Leader and Cabinet Members	
7.		BRIEFING FROM CABINET MEMBERS	
		SECTION 7 : DECISIONS OF CABINET MEMBERS Member decisions taken since the last Cabinet meeting	
		SECTION 8 : ANY OTHER ITEM(S) THAT THE LEADER DETERMINES TO BE URGENT AND REQUIRES A DECISION	

Contact Officer: Rosalind Reeves, Democratic Services Manager, 01242 774937
Email: democratic.services@cheltenham.gov.uk

Cabinet

Tuesday, 29th March, 2016

5.00 - 5.15 pm

Attendees	
Councillors:	Steve Jordan (Leader of the Council), John Rawson (Cabinet Member Finance), Rowena Hay (Cabinet Member Healthy Lifestyles), Peter Jeffries (Cabinet Member Housing), Andrew McKinlay (Cabinet Member Development and Safety) and Chris Coleman (Cabinet Member Clean and Green Environment)

Minutes

1. APOLOGIES

Councillor Jon Walklett, the Cabinet Member Corporate Services, had given his apologies.

2. DECLARATIONS OF INTEREST

No interests were declared.

3. MINUTES OF THE LAST MEETING

The minutes of the last meeting had been circulated with the agenda.

Upon a vote it was unanimously

RESOLVED that the minutes of the meeting held on the 8 March be agreed and signed as an accurate record.

4. PUBLIC AND MEMBER QUESTIONS AND PETITIONS

No public or member questions had been received.

5. ASSET MANAGEMENT PLAN 2016/17 - 2020/21

The Cabinet Member Finance introduced the Asset Management Plan 2016/17-2020/21, as circulated with the agenda. The Council's current Asset Management Plan had been due to expire in 2015 and the production and approval of the replacement Asset Management Plan had been deferred. This was to allow time for consideration to be given to the advice and suggestions made by the Chartered Institute of Public Finance and Accountancy (CIPFA) following their review of the councils approach to asset management. The Asset Management Working Group (AMWG) had considered the revised plan at their meeting last week.

A key recommendation of the CIPFA review was that the AMP should be a more dynamic, 'living' document which set out broad policies and principles and was supplemented by an Asset Management Strategy or Work Plan; setting the overall strategic direction for the property portfolio, rather than a 'traditional' AMP. The AMP therefore, would be at the centre of all work, helping the

council to achieve its core objectives in a range of ways. To this end, an AMP along with a number of policies, strategies and methodologies had been devised, which, if adopted, would result in transparent decision making. He noted that CIPFA had acknowledged the 'great strides' the council had made in terms of getting under control the physical condition of its property assets, which compared favourably with other local authorities and Appendix I (Planned Maintenance Policy) set out an approach which had been adopted some time ago. CIPFA were positive about the Cabinet's role and that of the AMWG, however, they felt that the terms of reference for this group should be widened to allow for a more strategic role, providing more challenge to the portfolio and its performance. Appendix G (Investment Property Portfolio and Decision-making Process) clearly outlined the policy and process for the acquisition of assets and set out to make the process more straightforward, which was important if this was going to be used as a means to do more than simply bridge the gap.

The Cabinet Member Finance took this opportunity to thank his Property Services colleagues. The team had been heavily involved in various things including the Midwinter development, the sale of North Place, the lease negotiations for Regents Arcade and the acquisition of Delta House and on a day to day basis managed £287m worth of assets. Appendix C (AMP – Work Plan) was a comprehensive, yet challenging proposition efforts were being made to build resources within Property Services to enable them to continue to provide major support and even more so in the future.

Whilst approval of the AMP would enable the council to move forward, it was important to note that many of the suggestions made by CIPFA had been put into practice some time ago.

The Leader reminded members that this special Cabinet meeting had been convened so that the AMP Plan and policies could be tabled for approval at Council on the 4 April 2016.

Upon a vote it was unanimously

RESOLVED THAT

- 1. The Asset Management Plan and supporting Appendices A to K be approved.**
- 2. Council be recommended to approve the policies set out in the Asset Management Plan.**

6. BRIEFING FROM CABINET MEMBERS

The Cabinet Member Finance was pleased to confirm that work had today (29 March 2016) commenced to renovate the Royal Well Bus Station. The dilapidated ticket office and waiting room would be demolished in their entirety and replaced with two modern bus shelters.

The Leader advised members that balloting of all businesses on the Business Improvement District would start this week, with the result being announced at 5pm on the 28 April 2016.

He had also, in consultation with the Strategy and Engagement Manager, agreed use £5k of unspent grant monies from the previous year to fund the bath Square Project. This was an exciting opportunity for the community to upgrade the Bath Terrace/Commercial Street car park.

7. CABINET MEMBER DECISIONS SINCE THE LAST MEETING

The following decisions were reported to Cabinet:

Cabinet Member Healthy Lifestyles (Allocation of Health Inequalities Grants)

To allocate two health inequality grants as follows:

- a) £1,000 to Gardners Lane and Oakwood Federation to deliver the Cheltenham Children's Festival in 2016
- b) £1,000 to Cheltenham Borough Homes to deliver the Summer's End Youth Festival

Chairman

This page is intentionally left blank

Cheltenham Borough Council Cabinet – 19 April 2016 Counter Fraud and Anti-Corruption Policy

Accountable member	Cabinet Member Corporate Services, Councillor John Walklett
Accountable officer	Mark Sheldon, Director of Corporate Resources and Projects
Ward(s) affected	All
Key/Significant Decision	No
Executive summary	<p>This policy needs to be updated to reflect the changes to the counter fraud arrangements at the Council, since the 1st April 2015, with the development of a new counter fraud unit within Internal Audit.</p> <p>The draft Counter Fraud and Anti-Corruption Policy has been developed to conform to latest legislation and to reflect the changes brought about by the creation of the Single Fraud Investigation Services (operated by the Department for Work and Pensions) which subsumed the Council's responsibilities for investigating Housing Benefit Fraud.</p> <p>The draft Policy has been developed in consultation with other Gloucestershire authorities and West Oxfordshire District Council to provide a platform for the operation of the counter fraud unit.</p> <p>The draft policy was considered by Cheltenham Borough Councils Audit Committee on the 13 January.</p>
Recommendations	<p>That Cabinet:</p> <ol style="list-style-type: none"> 1. Approve the Counter Fraud and Anti-Corruption Policy (appendix 2). 2. Authorise Internal Audit, in consultation with the Section 151 Officer, to update the Policy with any additional comments resulting from the on-going counter fraud project.
Financial implications	<p>There are no direct financial implications as a result of this report. However, the adoption of this Counter Fraud and Anti-Corruption Policy will help support the prevention and detection of fraud and reduce potential financial loss to the council.</p> <p>Contact officer: Paul Jones, S151 Officer, Cheltenham BC</p> <p>Paul.Jones@cheltenham.gov.uk</p>

<p>Legal implications</p>	<p>As detailed within the Policy.</p> <p>Contact officer: Iona Moseley, Chartered Legal Executive, One Legal</p> <p>Iona.Moseley@teWKesbury.gov.uk 01684 272067</p>
<p>HR implications (including learning and organisational development)</p>	<p>As detailed within the Policy.</p> <p>All Council employees and casual workers will need to be made aware of the changes to the updated policy.</p> <p>It will be essential that the Counter Fraud Team and the HR Team work closely together on any issues relating to staff investigations as the Council's Disciplinary Process will need to followed and the process managed carefully to ensure any criminal investigation is not compromised and that HR Policies are not breached.</p> <p>Contact officer: Julie McCarthy, HR Manager (West)</p> <p>Julie.McCarthy@cheltenham.gov.uk</p>
<p>Key risks</p>	<p>If the Council does not have effective counter fraud and corruption controls it risks both assets and reputation.</p> <p>The Council is required to adopt a Counter Fraud and Anti-Corruption Policy to enable Officers to proactively tackle fraudulent activity against the Council or other public sector bodies.</p>
<p>Corporate and community plan Implications</p>	<p>In administering its responsibilities; this Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or Councillor. The Council is committed to an effective counter fraud and corruption culture, by promoting high ethical standards and encouraging the prevention and detection of fraudulent activities, thus supporting corporate and community plans.</p>
<p>Environmental and climate change implications</p>	<p>None directly arising from the report.</p>
<p>Property/Asset Implications</p>	<p>None directly arising from the report.</p> <p>Contact officer: David Roberts, Head of Property Services</p> <p>david.roberts@cheltenham.gov.uk</p>

1. Background

1.1 This policy needs to be updated to reflect the development of a new counter fraud service within Internal Audit.

2. Reasons for recommendations

2.1 The draft Counter Fraud and Anti-Corruption Policy (appendix 2) has been developed to reflect latest legislation and to reflect the changes from the creation of the Single Fraud Investigation Services (operated by the Department for Work and Pensions) which subsumed the Council's responsibilities for investigating Housing Benefit Fraud.

- 2.2 The draft Policy has been developed in consultation with all of the Gloucestershire authorities and West Oxfordshire District Council to provide a platform for the operation of the counter-fraud unit
- 2.3 It should also be recognised that the service is a partnership, so co-ordinating policy across multiple organisations is critical to the success of the partnership.
- 2.4 This policy highlights the key legislation and the roles and responsibilities of Members, Officers and other parties.

3. Consultation

- 3.1 The policy has been prepared and drafted by the Audit Cotswolds Counter Fraud Team, who are the lead for the Gloucestershire Counter Fraud project. The policy has been initially compiled from a review of all policies across the region and current legislation.
- 3.2 Following the initial drafting of the policy, the document was then circulated to Section 151 Officers at all partner sites (Gloucestershire Districts and the County Council, plus West Oxfordshire District Council) for review.
- 3.3 This draft was then presented to the Cheltenham Corporate Governance Group for initial comment.
- 3.4. The Audit Committee considered the draft Policy on 13 January 2016 before being presented to Cabinet for approval. The Audit Committee made no changes to the document and unanimously endorsed it.

Report author	Emma Cathcart, Audit Cotswolds Emma.Cathcart@cotswold.gov.uk 01285 623356
Appendices	1. Risk assessment 2. Counter Fraud and Anti-Corruption Policy

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
1	Without appropriate policy in place the counter fraud unit and other Council resources are unable to take effective and efficient measures to counter fraud, potentially resulting in authority suffering material losses due to fraud	Director of Corporate Resources and Projects	11/12/14	3	3	9	Reduce	Introduce a suitable Counter Fraud policy that enables effective and efficient mitigation of fraud risk.	31 st March 2016	Head of Internal Audit	
Explanatory notes											
<p>Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)</p> <p>Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)</p> <p>Control - Either: Reduce / Accept / Transfer to 3rd party / Close</p>											

CONTENTS

1.0	Introduction and Purpose of the Policy.....	2
2.0	Definitions.....	3
2.1	Fraud.....	3
2.5	Theft.....	4
2.6	Money Laundering.....	4
2.10	Bribery.....	4
3.0	Scope.....	5
4.0	Aims and Objectives.....	5
5.0	Principles.....	6
6.0	Responsibilities.....	7
7.0	Approach to Countering Fraud.....	11
7.2	Deterrence.....	11
7.5	Prevention.....	11
7.8	Detection.....	12
7.12	Investigation.....	12
7.18	Sanctions.....	13
7.19	Redress.....	13
7.20	Control Failure Resolution.....	13
8.0	Reporting, Advice and Support.....	13
9.0	Further Information.....	15
10.0	Strategy and Policy Review.....	16

Counter Fraud and Anti-Corruption Policy

1. INTRODUCTION AND PURPOSE OF THE POLICY

- 1.1. In administering its responsibilities; this Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or Councillor. The Council is committed to an effective Counter Fraud and Anti-Corruption culture, by promoting high ethical standards and encouraging the prevention, detection and investigation of fraudulent activities.
- 1.2. The Section 151 Officer has a statutory responsibility under Section 151 of the Local Government Act 1972 to ensure the proper arrangements for the Council's financial affairs to include the development of financial codes of practice and accounting instructions. Through delegation of duties, the Officer ensures appropriate controls are in place.
- 1.3. The Monitoring Officer has a statutory responsibility to advise the Council on the legality of its decisions and to ensure that the Council's actions do not give rise to illegality or maladministration. It is therefore essential for employees to follow the Council's policies and procedures to demonstrate that the Council is acting in an open and transparent manner.
- 1.4. The Council has a statutory duty to undertake an adequate and effective internal audit of its accounting records and its system of internal controls. The Council's Financial Rules confirm that the Head of Internal Audit is responsible for the investigation and reporting of all suspected irregularities, upon instruction and at the request of the Section 151 Officer, Monitoring Officer or a Director.
- 1.5. The Council has a zero tolerance approach to fraud committed or attempted by any person against the organisation or any of its partner agencies. The Council will thoroughly investigate all suggestions of fraud, corruption or theft, from within the Council and from external sources which it recognises can:
 - Undermine the standards of public service that the Council is attempting to achieve by diverting resources from legitimate activities.
 - Reduce the level of resources and services available for the residents of the borough, district or county as a whole.
 - Result in consequences which damage public confidence in the Council and / or adversely affect staff morale.
- 1.6. Any proven fraud will be dealt with in a consistent and proportionate manner. Appropriate sanctions and redress for losses will be pursued, to include criminal proceedings against anyone perpetrating, or seeking to perpetrate, fraud, corruption or theft against the Council.
- 1.7. The Council is committed to the highest possible standards of openness, probity, honesty, integrity and accountability. The Council expects all staff, Councillors and partner organisations to observe these standards and values, which are defined within the Code of Conduct for Employees and the Members Code of Conduct, to help achieve the Council's over-arching priority for the continued delivery of outcomes and value for money for local tax-payers.

2. DEFINITIONS

- 2.1. **FRAUD:** The term “fraud” is usually used to describe depriving someone of something by deceit, which might either be misuse of funds or other resources, or more complicated crimes like false accounting or the supply of false information. In legal terms, all of these activities are the same crime, theft, examples of which include deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.
- 2.2. Fraud was introduced as a general offence and is defined within The Fraud Act 2006. The Act details that a person is guilty of fraud if he commits any of the following:
- Fraud by false representation; that is if a person:
 - (a) dishonestly makes a false representation, and
 - (b) intends, by making the representation:
 - (i) to make a gain for himself or another, or
 - (ii) to cause loss to another or to expose another to a risk of loss.
 - Fraud by failing to disclose information; that is if a person:
 - (a) dishonestly fails to disclose to another person information which he is under a legal duty to disclose, and
 - (b) intends, by failing to disclose the information:
 - (i) to make a gain for himself or another, or
 - (ii) to cause loss to another or to expose another to a risk of loss.
 - Fraud by abuse of position; that is if a person:
 - (a) occupies a position in which he is expected to safeguard, or not to act against, the financial interests of another person,
 - (b) dishonestly abuses that position, and
 - (c) intends, by means of the abuse of that position:
 - (i) to make a gain for himself or another, or
 - (ii) to cause loss to another or to expose another to a risk of loss.
- 2.3. In addition the Act introduced new offences in relation to obtaining services dishonestly, possessing, making, and supplying articles for the use in frauds and fraudulent trading applicable to non-corporate traders.
- 2.4. **CORRUPTION:** Is the deliberate use of one’s position for direct or indirect personal gain. “Corruption” covers the offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person to act inappropriately and against the interests of the organisation.
- 2.5. **THEFT:** Is the physical misappropriation of cash or other tangible assets. A person is guilty of “theft” if he or she dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it.

Counter Fraud and Anti-Corruption Policy

- 2.6. **MONEY LAUNDERING:** Money laundering is the process by which criminals attempt to 'recycle' the proceeds of their criminal activities in order to conceal its origins and ownership whilst retaining use of the funds.
- 2.7. The burden of identifying and reporting acts of money laundering rests within the organisation. Any service that receives money from an external person or body is potentially vulnerable to a money laundering operation. The need for vigilance is vital and any suspicion concerning the appropriateness of a transaction should be reported and advice sought from the Head of Internal Audit. A failure to report a suspicion could compromise an individual and they could be caught by the money laundering provisions. All employees are therefore instructed to be aware of the increasing possibility of receiving requests that are not genuine and are in fact for the purpose of money laundering.
- 2.8. The Council recognises its responsibilities under the Money Laundering Regulations 2007 and the Proceeds of Crime Act 2002. These responsibilities are set out in detail within the Council's Anti-Money Laundering and Proceeds of Crime Policy. The Council's full reporting process is also detailed therein and the designated money laundering reporting officer is identified.
- 2.9. The Council's Legal Team also have their own professional guidance in relation to money laundering which places a duty on Solicitors to report any suspicions. These suspicions may override their legal professional privilege and confidentiality.
- 2.10. **BRIBERY:** The Bribery Act 2010 introduced four main offences, simplified below. Please note, a 'financial' or 'other advantage' may include money, assets, gifts or services within the following:
- **Bribing another person:** a person is guilty of an offence if he offers, promises or gives a financial or other advantage to another person. Further if he intends the advantage to induce a person to perform improperly a function or activity or if he knows or believes the acceptance of the advantage offered constitutes improper activity.
 - **Offences relating to being bribed:** a person is guilty of an offence if he requests, agrees to receive, or accepts a financial or other advantage intending that as a consequence an improper activity or function will be performed improperly or if he knows or believes the acceptance of the advantage offered constitutes improper activity. Where a person agrees to receive or accepts an advantage as a reward for improper activity or function that has been performed. It does not matter whether the recipient of the bribe receives it directly or through a third party, or whether it is for the recipient's ultimate advantage or not.
 - **Bribery of a foreign public official:** a person who bribes a foreign public official is guilty of an offence if the person's intention is to influence the foreign public official in their capacity, duty or role as a foreign public official. A person must also intend to obtain or retain business or an advantage in the conduct of business and must offer, promise or give any financial or other advantage.

Counter Fraud and Anti-Corruption Policy

- Failure of commercial organisations to prevent bribery: organisations, which include the Council, must have adequate procedures in place to prevent bribery in relation to the obtaining or retaining of business associated with the business itself.

2.11. The Council is committed to ensuring the prevention of corruption and bribery and sets out its policy in relation to the acceptance of gifts and hospitality within the Code of Conduct for Employees and the Members Code of Conduct. Receipt of any gifts or hospitality should be recorded by Officers and Members in the appropriate register. Officers and Members are also required to declare any outside interests that they have which may result in a conflict of interest in respect of transactions and dealings with the Council. Again, any such interests will be recorded in an appropriate register.

2.12. Prior to entering into any business arrangements, all Council Officers and/or business units should ensure that they have taken all reasonable steps to identify any potential areas of risk relating to bribery or corruption. If an Officer has any concerns they must raise them with The Head of Internal Audit.

3. SCOPE

3.1. In relation to any of the above mentioned offences, this policy applies to:

- All employees, including casual workers and agency staff.
- Councillors.
- Committee Members of Council funded voluntary organisations.
- Partner organisations, where the Council has a financial or statutory responsibility.
- Council Suppliers, Contractors and Consultants.
- The general public.

4. AIMS AND OBJECTIVES

4.1. The aims and objectives of the Counter Fraud and Anti-Corruption Policy are to:

- Ensure that the Council has measures in place to guard against fraud and loss and that the Council maximises revenue recovery.
- Safeguard the Council's valuable resources by ensuring they are not lost through fraud but are used for providing services to the community as a whole.
- Create a 'counter fraud' culture which highlights the Council's zero tolerance to fraud, corruption, bribery and theft, which defines roles and responsibilities and actively engages everyone (the public, Councillors, staff, managers and policy makers).
-

4.2. The Council aims to:

- Proactively deter, prevent and detect fraud, corruption, bribery and theft.

Counter Fraud and Anti-Corruption Policy

- Investigate any suspicions of, or detected instances of fraud, corruption, bribery and theft.
- Enable the Council to apply appropriate sanctions, to include prosecution, and recovery of losses.
- Provide recommendations to inform policy, system and control improvements, thereby reducing the Council's exposure to fraudulent activity.

5. PRINCIPLES

- 5.1. The Council will not tolerate abuse of its services or resources and has high expectations of propriety, integrity and accountability from all parties identified within this policy. Maintaining this policy supports this vision.
- 5.2. The Council has a documented Constitution, Scheme of Delegated Powers and Financial Regulations to give Councillors and Officers clear instructions or guidance for carrying out the Council's functions and responsibilities. Responsibility for ensuring compliance with these documents rests with management with adherence being periodically monitored by Internal Audit Services; where breaches are identified these will be investigated in accordance with this policy and the Council's Financial Rules.
- 5.3. The Council expects that Councillors and Officers will lead by example in ensuring adherence to rules, procedures and recommended practices. A culture will be maintained that is conducive to ensuring probity. Councillors and Officers should adopt the standards in public life as set out by the Nolan Committee, known as the Nolan Principles:
 - Selflessness – to take decisions solely in terms of the public interest and not in order to gain for themselves.
 - Integrity – not to place themselves under any obligation to outside individuals or organisations that may influence the undertaking of their official duties.
 - Objectivity – when carrying out any aspect of their public duties, to make decisions and choices on merit.
 - Accountability – to be accountable, to the public, for their decisions and actions and must submit themselves to the appropriate scrutiny.
 - Openness – to be as open as possible about the decisions and actions they take and the reasons for those decisions and actions. The dissemination of information should only be restricted when the wider public interest clearly demands it.
 - Honesty – to declare any private interests which relate to their public duties and take steps to resolve any conflicts arising in a manner which protects the public interest.
 - Leadership – to promote and support these principles by leadership and example.
- 5.4. The Council will ensure that the resources dedicated to counter fraud activity are appropriate and any officers involved in delivering these services are trained to deliver a professional counter fraud service to the correct standards ensuring consistency, fairness and objectivity.

Counter Fraud and Anti-Corruption Policy

- 5.5. All fraudulent activity is unacceptable, and may result in consideration of legal action being taken against the individual(s) concerned. In addition, the Council has in place disciplinary procedures which must be followed whenever staff members are suspected of committing a fraudulent or corrupt act. These procedures are monitored and managed by the Human Resources Team and may be utilised where the outcome of an investigation indicates fraudulent or corrupt acts have occurred.
- 5.6. The Council may pursue the repayment of any financial gain from individuals involved in fraud, malpractice and wrongdoing. The Council may also pursue compensation for any costs it has incurred when investigating fraudulent or corrupt acts.
- 5.7. This policy encourages those detailed within this document to report any genuine suspicions of fraudulent activity. However, malicious allegations or those motivated by personal gain will not be tolerated and, if proven, disciplinary or legal action may be taken. Reporting arrangements in relation to incidents of fraud or irregularity are detailed below.
- 5.8. The Council will work both internally across different departments and with external organisations such as the Police, HM Revenue and Customs and other Councils to strengthen and continuously improve its arrangements to prevent fraud and corruption.
- 5.9. The Council collects and stores data within multiple departments to enable data cleansing, data sharing and data matching. This process can be utilised for the prevention and detection of fraud and the Council will pursue this where appropriate. The Council applies fair processing practices and these are reflected within data collection documents, stationery and other data collection processes such as those required for the National Fraud Initiative

6. RESPONSIBILITIES

OFFICER / DEPARTMENT	SPECIFIC RESPONSIBILITIES
Head of Paid Service	Ultimately accountable for the effectiveness of the Council's arrangements for countering fraud and corruption.
Section 151 Officer	To ensure the Council has adopted an appropriate Counter Fraud and Anti-Corruption Policy. That there is an effective internal control environment in place and resources to investigate allegations of fraud and corruption.

Counter Fraud and Anti-Corruption Policy

<p>Monitoring Officer</p>	<p>To advise Councillors and Officers on ethical issues, conduct and powers to ensure that the Council operates within the law and statutory Codes of Practice.</p>
<p>Audit Committee</p>	<p>To receive formal assurance from Internal Audit at meetings and an annual opinion report in relation to the Council's control measures and counter fraud activity.</p> <p>The Audit Committee also receives assurance from external audit on the Council's Annual Accounts and Annual Governance Statement.</p>
<p>Councillors</p>	<p>To comply with the Members Code of Conduct and related Council policies and procedures.</p> <p>To be aware of the possibility of fraud, corruption, bribery and theft and to report any genuine concerns to the Head of Internal Audit.</p>
<p>External Audit</p>	<p>Has a duty to ensure that the Council has adequate arrangements in place for the prevention and detection of fraud, corruption, bribery and theft.</p> <p>Has powers to investigate fraud and the Council may invoke this service.</p>
<p>Head of Internal Audit</p>	<p>Responsible for assisting the development and implementation of the Counter Fraud and Anti-Corruption Policy. The Internal Audit Department have a duty to monitor the investigation of any reported issues of irregularity.</p> <p>To ensure that all suspected or reported irregularities are dealt with promptly and in accordance with this policy.</p> <p>That action is identified to improve controls and reduce means, opportunity and the risk of recurrence.</p>

Counter Fraud and Anti-Corruption Policy

	<p>Reporting to the appropriate Senior Officer(s) (Director or equivalent) with regard to the progress and results of investigations.</p> <p>Reporting annually to the Audit Committee on proven frauds.</p>
<p>Counter Fraud Services</p>	<p>To proactively deter, prevent and detect fraud, corruption, bribery and theft within or against the Council.</p> <p>To investigate all suspicions of fraud, corruption, bribery or theft, within or against the Council, in accordance with the Criminal Procedures and Investigations Act 1996 (CPIA).</p> <p>To consider reputational damage and the public interest test when investigating any instances of fraud, corruption, bribery or theft.</p> <p>To conduct interviews under caution when appropriate in accordance with the Police and Criminal Evidence Act 1984 (PACE).</p> <p>To undertake any surveillance operation or obtaining any communications data, adhering to the Regulation of Investigatory Powers Act 2000 (RIPA) – this is applicable when undertaking criminal investigations only.</p> <p>To comply with the Data Protection Act 1998 when obtaining or processing personal data.</p> <p>To report to the appropriate Senior Officer(s) (Director or equivalent) for decisions in relation to further action.</p> <p>To enable the Council to apply appropriate sanctions, to include criminal proceedings, and to assist in the recovery of losses in accordance with the Council's Prosecution Policy.</p> <p>To prepare Witness Statements and prosecution paperwork for the Council's Legal Department.</p> <p>To attend and present evidence in the Magistrates Court, the Crown Court and</p>

Counter Fraud and Anti-Corruption Policy

	<p>Employment Tribunals.</p> <p>To provide recommendations to inform policy, system and control improvements.</p> <p>To provide fraud awareness training and updates for Councillors and staff.</p> <p>To publicise successes where appropriate.</p>
<p>Human Resources</p>	<p>To report any suspicions of fraud, corruption, bribery or theft to the Head of Internal Audit if identified during any disciplinary procedure.</p> <p>To ensure recruitment procedures provide for the obtainment and verification of significant information supplied by applicants.</p>
<p>Strategic Directors, Heads of Service, and Service Managers</p>	<p>The primary responsibility for maintaining sound arrangements to prevent and detect fraud and corruption rests with management.</p> <p>To promote staff awareness and ensure that all suspected or reported irregularities are immediately referred to the Head of Internal Audit.</p> <p>To ensure that there are mechanisms in place within their service areas to assess the risk of fraud, corruption, bribery and theft. To reduce these risks by implementing internal controls, monitoring of these controls by spot checks and to rectify weaknesses if they occur.</p>
<p>Staff</p>	<p>To comply with Council policies and procedures when conducting their public duties.</p> <p>To be aware of the possibility of fraud, corruption, bribery and theft and to report any genuine concerns. Staff may report suspicions as detailed below.</p> <p>Referrals can also be made in confidence in accordance with the Council's Whistleblowing Policy.</p>

Counter Fraud and Anti-Corruption Policy

Public, Partners, Suppliers, Contractors and Consultants	To be aware of the possibility of fraud and corruption within or against the Council and to report any genuine concerns or suspicions as detailed below.
---	--

7. APPROACH TO COUNTERING FRAUD

- 7.1. The Council has a responsibility to reduce fraud and protect its resources by enabling counter fraud services to complete work in each of the following key areas:
- 7.2. **DETERRENCE:** The best deterrent is the existence of clear procedures and responsibilities making fraud and corruption difficult to perpetrate and easy to detect. As detailed already within this policy, the Council has a number of measures in place to minimise risk:
- Clear codes of conduct for Officers and Members.
 - Register for declarations of interest / gifts and hospitality for Members and Officers.
 - Clear roles and responsibilities for the prevention and detection of fraud, corruption, bribery and theft including an Audit Committee, an appointed Monitoring Officer, Section 151 Officer and trained counter fraud staff.
 - Effective ICT security standards and usage policies.
- 7.3. The existence of an effective Internal Audit Team is a prime deterrent for fraud and corruption. The Internal Audit Team analyse and identify potential areas at risk of fraudulent abuse with the assistance of the Council's Corporate team, efficient and effective audits of principal risk areas can then be conducted.
- 7.4. The Council will promote and develop a strong counter fraud culture, raise awareness and provide information on all aspects of its counter fraud work. This may include advice on the intranet, fraud e-learning tools, publicising the results of proactive work, investigating fraud referrals and seeking the recovery of any losses.
- 7.5. **PREVENTION:** The Council will strengthen measures to prevent fraud. Internal Audit will work with management and policy makers to ensure new and existing systems, procedures and policy initiatives consider any possible fraud risks. Any audit conducted will also consider fraud risks as part of each review and ensure that internal controls are in place and maintained to combat this.
- 7.6. Important preventative measures include effective recruitment to establish the propriety and integrity of all potential employees. Recruitment is carried out in accordance with the Council's Recruitment and Selection Policy and provides for the obtainment and verification of significant information supplied by applicants.
- 7.7. The Council will undertake any internal remedial measures identified by any investigation to prevent future recurrence at the first opportunity.

Counter Fraud and Anti-Corruption Policy

- 7.8. **DETECTION:** A record of fraud referrals received will be maintained by Internal Audit (and other departments as applicable). This record helps to establish those areas within the Council most vulnerable to the risk of fraud. In addition, a consistent treatment of information and independent investigation is ensured. A Council wide fraud profile is created which then informs any detailed proactive work.
- 7.9. Internal Audit leads in the National Fraud Initiative (NFI) for the Council. The Council is legislatively required to participate in a national data matching exercise. Particular sets of data are provided and matched against other records held by the Council or external organisations. Where a 'match' is found it may indicate an irregularity which requires further investigation to establish whether fraud has been committed or an error made. An officer in the Internal Audit team is designated as the 'Key Contact' for this process. The initiative also assists in highlighting areas which require more proactive investigation. The Council may engage in other data matching/sharing for the purposes of fraud prevention and detection, and for the recovery of monies owed.
- 7.10. Safeguarding and deterrent internal controls and monitoring procedures are established for financial and other systems within the Council, for example those set out within the Council's Financial Rules / Contract Rules.
- 7.11. The Council relies on employees, Councillors and the public to be alert and to report any suspicions of fraud and corruption which may have been committed or that are allegedly in progress. Managers should be vigilant and refer any matters which may require additional monitoring to the Head of Internal Audit.
- 7.12. **INVESTIGATION:** The Council will investigate all reported incidents of fraud or irregularity using its counter fraud resources. The Council will ensure the correct gathering and presentation of evidence in accordance with the Criminal Procedures and Investigations Act 1996.
- 7.13. Investigations will make due reference to Employment Law as necessary and be conducted within a reasonable time in accordance with the Human Rights Act 1998. Investigations will also adhere to and comply with other applicable legislation such as the Police and Criminal Evidence Act 1984, Data Protection Act 1998 and the Freedom of Information Act 2000 as appropriate.
- 7.14. Officers may utilise investigative tools and gain intelligence utilising a number of legal gateways and data sharing agreements. This may include membership to third party organisations such as the National Anti Fraud Network (NAFN).
- 7.15. When investigating allegations of fraud and corruption, the Council may be required to conduct surveillance. The Council must comply with the Regulation of Investigatory Powers Act 2000 which ensures that investigatory powers are used in accordance with human rights. To ensure compliance the Council has a written procedure detailing who may authorise covert surveillance and the use of covert human intelligence sources. Standard documentation has been adopted which must be used by an Officer when seeking such authorisation.

Counter Fraud and Anti-Corruption Policy

- 7.16. Officers may also need to acquire intrusive and sensitive communications data when conducting an investigation. This is permissible however; the Council must adhere to the Regulation of Investigatory Powers Act 2000 when applying for this information and the correct nominated single point of contact must be used. As above, specific details are set out within the RIPA written procedure.
- 7.17. Further information in relation to the use of the above and protocol for Officers when investigating irregularities is set out within the Council's Counter Fraud and Anti-Corruption Investigation Procedures and Guidelines. These include the need to:
- Deal promptly with the matter.
 - Record all evidence received.
 - Ensure that evidence is sound and adequately supported.
 - Conduct interviews under caution when necessary.
 - Ensure security of all evidence collected.
 - Contact other agencies if necessary e.g. Police, Trading Standards, HM Revenue and Customs.
 - Notify the Council's insurers.
 - Implement Council disciplinary procedures where appropriate.
 - Attend court and present evidence.
- 7.18. **SANCTIONS:** The Council will apply considered sanctions to individuals or organisations where an investigation reveals fraudulent activity. This may include:
- Appropriate disciplinary action in line with the Disciplinary Policy.
 - Fines and penalties.
 - Criminal proceedings.
 - Civil proceedings to recover loss.
- 7.19. **REDRESS:** A crucial element of the Council's response to tackling fraud is seeking financial redress. The recovery of defrauded monies is an important part of the Council's strategy and will be pursued in line with internal debt recovery processes and legal redress i.e. Confiscation Orders and the application of the Proceeds of Crime Act 2002.
- 7.20. **CONTROL FAILURE RESOLUTION:** In addition to the above, Internal Audit also prepares a risk based annual Audit Plan that details the key objectives and areas of work for the year. Within these work areas indicators for fraud are considered. Internal Audit will also respond to requests from management where there may be concerns over the effectiveness of internal controls. The work plan is agreed and monitored by the Audit Committee and Section 151 Officer.

8. REPORTING, ADVICE AND SUPPORT

- 8.1. The Council's expectation is that Councillors and managers will lead by example and that employees at all levels will comply with the Constitution, Council Policies, Financial Regulations, Procurement Regulations, Financial and Contract Procedure Rules, codes of conduct and directorate procedures.

Counter Fraud and Anti-Corruption Policy

- 8.2. The Council recognises that the primary responsibility for the prevention and detection of fraud rests with management. It is essential that employees of the Council report any irregularities, or suspected irregularities to their Line Manager and if this is not appropriate then to the Head of Internal Audit.
- 8.3. The Council must create the right environment so that anyone can raise concerns in respect of irregularities with the knowledge that they will be treated seriously and confidentially. The Council will provide all reasonable protection for those who raise genuine concerns in good faith, as confirmed in the Council's Whistleblowing Policy.
- 8.4. If the informant is a member of the public or external contractor, they can contact the Internal Audit Team at the Council to report the suspicion. This can be done anonymously. A hotline number for reporting suspicions may also be established and if so, can be found on the Council's website. The Council's complaint procedure may also be utilised but may not be the most appropriate channel.
- 8.5. The above process does not relate to reporting Housing Benefit Fraud allegations (which are now dealt with by the Department for Work and Pensions) or to Council Tax Reduction Scheme offences. The informant should contact the Officer nominated to deal with this; details can be found on the Council's website within the Revenues and Benefit Section information.
- 8.6. The Officer who receives the allegation (whether from a Councillor or a Council employee) must refer the matter to the Head of Internal Audit and/or the Counter Fraud Officer within Internal Audit, to determine how the potential irregularity will be investigated and to whom the allegation should be discussed within the Council. This is to ensure correct investigative procedures are adhered to and that any potential fraud enquiry is not compromised.
- 8.7. As appropriate, reports will be issued to Senior Officers (Director or equivalent), the Monitoring Officer, Head of Paid Service, Section 151 Officer, Cabinet Member etc. where the irregularity is material and/or could affect the reputation of the Council. Decisions will then be made with regard to the most appropriate course of action. Communications and publicity will also be managed if the matter is likely to be communicated externally.
- 8.8. If the investigation relates to an employee then Human Resources will be engaged and the Council's Disciplinary Procedure will also be considered however this will be managed carefully to ensure any criminal investigation is not compromised.
- 8.9. The Council's Counter Fraud and Anti-Corruption Investigation Procedures and Guidelines provide further detail about reporting.
- 8.10. The Council will also work in co-operation with the following bodies (and others as appropriate) that will assist in scrutinising our systems and defences against fraud, bribery and corruption:

- Local Government Ombudsman.
- External Audit.
- The National Fraud Initiative.
- Central Government Departments.
- HM Revenue and Customs.
- The Police.
- Trading Standards.
- The Department for Work and Pensions.
- Immigration Services.
- The Chartered Institute of Public Finance and Accountancy (CIPFA).
- The Institute of Revenues Rating and Valuation (IRRV).

8.11. As detailed within this document and the Council's Whistleblowing Policy, any concerns or suspicions reported will be treated with discretion and in confidence. Key contacts include:

Section 151 Officer – <i>name and direct dial</i>	Write to: Counter Fraud Services Council Offices
Monitoring Officer - <i>name and direct dial</i>	
Head of Internal Audit - <i>name and direct dial</i>	
Internal Audit Counter Fraud Officer – <i>name and direct dial</i>	

9. FURTHER INFORMATION

9.1. Further information on Council policy can be found in the following documents (or equivalent documentation / codes) :

- The Constitution.
- Code of Conduct for Employees and the Members Code of Conduct which include information in relation to gifts and hospitality and declaring and registering interests.
- Whistleblowing Policy.
- Prosecution Policy.
- Anti-Money Laundering and Proceeds of Crime Policy.
- Recruitment and Selection Policy.
- RIPA Procedure and Guidance.
- Counter Fraud and Anti-Corruption Investigation Procedures and Guidelines.
- Financial Rules.
- Contract Rules or equivalent.
- Fair Processing Statement.
- Disciplinary Procedure.

10. STRATEGY AND POLICY REVIEW

- 10.1. The Internal Audit Department will review and amend this strategy as necessary to ensure that it continues to remain compliant and meets legislative requirements and the vision of the Council.
- 10.2. Responsible Officer: Head of Internal Audit.
Date: October 2015.
Review frequency as required by legislative changes / every three years.

DRAFT

Cheltenham Borough Council Cabinet – 19 April 2016 Counter Fraud Project Update

Accountable member	Cabinet Member Corporate Services, Councillor John Walklett
Accountable officer	Mark Sheldon, Director of Corporate Resources and Projects
Ward(s) affected	All
Key/Significant Decision	No
Executive summary	<p>In February 2015, Cabinet approved an evolutionary approach for the establishment of a Counter Fraud Team, to be managed by Audit Cotswolds. This included the creation of a Counter Fraud Officer post within phase 1 of the project.</p> <p>The 1 FTE post was to be funded by contributions from Cheltenham Borough Homes Ltd and some of the residual benefits administration grant for 2015/2016 with review to be undertaken during the financial year.</p> <p>In addition, the Director of Resources was authorised to enter in to such documentation as is necessary to enable the establishment of the Counter Fraud Team. This included agreements with Cotswold District Council as the host authority for Audit Cotswolds and the successful DCLG Counter Fraud Bid.</p> <p>The project is progressing and work to date is attached at Appendix 2.</p> <p>A review of the Counter Fraud Officer post and the funding of the counter fraud project have been undertaken.</p>
Recommendations	<p>That Cabinet:</p> <ol style="list-style-type: none"> 1. Approves the financial arrangements for the Counter Fraud Project funding of £55,600 to cover the period from April 2015 to March 2020.
Financial implications	<p>The financial contribution from Cheltenham Borough Council equates to £55,600 (£11,120 per annum for a maximum period of 5 years) and is funded via housing benefit subsidy administration grant which was specifically earmarked for fraud preventative work.</p> <p>Contact officer: Paul Jones, S151 Officer, Cheltenham BC</p> <p>Paul.Jones@cheltenham.gov.uk</p>

<p>Legal implications</p>	<p>None arising directly from this report other than to note that from 1st April 2016 the Counter Fraud Unit functions transferred to the 2020 Partnership Joint Committee in accordance with the Inter- Authority Agreement dated 11th February 2016.</p> <p>Contact officer: Shirin Wotherspoon, Head of Law (Commercial) One Legal</p> <p>shirin.wotherspoon@tewkesbury.gov.uk 01684 272017</p>
<p>HR implications (including learning and organisational development)</p>	<p>Contact officer: Julie McCarthy, HR Manager (West)</p> <p>Julie.McCarthy@cheltenham.gov.uk</p>
<p>Key risks</p>	<p>Without appropriate strategy and resources in place the Council is at risk of losses as a result of fraudulent activity.</p>
<p>Corporate and community plan Implications</p>	<p>In administering its responsibilities; this Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee or Councillor. The Council is committed to an effective counter fraud and corruption culture, by promoting high ethical standards and encouraging the prevention and detection of fraudulent activities, thus supporting corporate and community plans.</p>
<p>Environmental and climate change implications</p>	<p>None directly arising from the report.</p>
<p>Property/Asset Implications</p>	<p>None directly arising from the report.</p> <p>Contact officer: David Roberts, Head of Property Services</p> <p>david.roberts@cheltenham.gov.uk</p>

1. Background

- 1.1. In February 2015 Audit Cotswolds was successful in the Bid for £403k funding from Department of Communities and Local Government (DCLG) on behalf of the Local Authorities in Gloucestershire and West Oxfordshire District Council. The funding is a one off payment to enable the introduction of a Gloucestershire-wide Counter Fraud Unit that is able to use data matching to gather intelligence and skilled investigators to help counter all forms of fraud against the Councils and Social Housing Providers in the region.
- 1.2. Cotswold DC and Cheltenham BC retained investigator resources under the direction of the Head of Audit Cotswolds. This team (Audit Cotswolds Investigations) has been building the operational, legal and data matching requirements to deliver the project along with actual operational investigation of fraud. This has also included building the partnership network in the region and understanding what resources each authority had to contribute to the hub.
- 1.3. In July 2015 a Project Manager was recruited (2 days per week) to help manage the project across the multiple partners and the 2 year life span of the project.

- 1.4. Cheltenham BC (and Cheltenham Borough Homes) has been the pilot authority for testing some of the legal and operational requirements.
- 1.5. Legal teams at Cotswold DC and Cheltenham BC have been engaged to cover the data sharing and usage requirement, along with the access, accountability and authority provisions required at each organisation involved.
- 1.6. Audit Cotswolds Investigations is in the process of creating a range of new policies and procedures to enable data matching and criminal investigations to be legally undertaken and in support of each service area. It is anticipated that the service will be a value adding unit that supports all enforcement sections including Revenues, Planning and Licencing, etc. In addition, the team may tackle fraud as it is discovered with new intelligence/data matching software and reacting to normal referrals of fraud and whistleblowing. It is also in the process of developing an agreement with the Police and other enforcement agencies to aid in the early prevention/detection of fraud.

2. Reasons for recommendations

- 2.1. The DCLG funding did not materialise for this project until 5 months after the expected due date and after the Cabinet decision in February 2015. The project has evolved significantly since that previous decision.
- 2.2. Two members of staff were retained by Cheltenham Borough Council and are funded by the DCLG bid (held at Cotswold District Council).
- 2.3. Cheltenham Borough Homes provided £16,500.00 towards the project for 2015/2016, the same has been agreed for 2016/2017. This funding will support the work being undertaken whilst the project is being set-up. There are ongoing negotiations in relation to charges and work plan for 2017/2018 to be carried out following the success of the business case to retain the service.
- 2.4. An additional £11,120.00 per annum is to be contributed from the residual benefits administration grant for a maximum period of 5 years.

3. Consultation

- 3.1 The Gloucestershire Chief Finance Officer Group is the Governance Group for the project and receives quarterly updates on progress.

<p>Report author</p>	<p>Emma Cathcart, Audit Cotswolds Emma.Cathcart@cotswold.gov.uk 01285 623356</p>
<p>Appendices</p>	<ul style="list-style-type: none"> 1. Risk Template 2. Counter Fraud Project Update

The risk				Original risk score (impact x likelihood)			Managing risk					
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register	
1	The authority suffers material loss and reputational damage due to fraud	Director of Corporate resources and projects	11/12/14	3	3	9	Reduce	Introduce a Counter Fraud Team to reduce the likelihood of the risk materialising and also to help recover losses, thus reducing the impact.	31 st March 2017	Head of Internal Audit		

Explanatory notes

Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical)

Likelihood – how likely is it that the risk will occur on a scale of 1-6

(1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability)

Control - Either: Reduce / Accept / Transfer to 3rd party / Close

Project Update for March / April Audit Committees

1. Cotswold District Council and West Oxfordshire District Council

S113 Secondment Agreements have now approved by appropriate legal teams and signed by all parties to enable both Counter Fraud Investigators to conduct work as needed for both authorities.

Two Cotswold cases of alleged theft and corruption against the Council are being investigated.

2. Cheltenham Borough Council

The Counter Fraud Officers currently undertake the single point of contact role and act as the Department of Work and Pensions liaison following the transfer of Benefit Fraud investigation to the Single Fraud Investigation Service, Department for Work and Pensions. The team also investigate any allegations related to Council Tax Reduction Scheme offences on behalf of the Revenues and Benefits Department. Agreed financial contribution made annually by the Council for this work – secured to 2020.

- 141 fraud referrals received
- 83 referred on to the single fraud investigation service for investigation
- 34 cases opened within the team
- 4 cases referred to a Housing Provider for further action
- Remaining 20 cases closed

Investigation cases involving Council Tax Reduction Scheme dealt with by the team

- Overpayments identified (open cases after 01/04/15) = £16,737.95
- 3 prosecutions – all sentenced
- 2 prosecutions – listed for trial
- 2 Administrative Penalties (Fines generated for the Council £796.04)
- 2 Formal Cautions
- 5 on-going investigations

The Housing List review is almost complete and has resulted in 25 cancelled applications and 6 band reductions. Currently 150 queries are outstanding with Housing Options. Each cancelled application represents a property which can be reallocated to another eligible family. For each reallocation, a figure of £18,000.00 per annum can be identified as a loss avoidance figure because there is no need for temporary accommodation to be utilised.

A sample single person discount review has also been undertaken for the Revenues (Council Tax) Department. 50 cases were subjected to more robust verification; discounts were removed retrospectively and for the financial year 2016/2017 which generated £37,000.00 for the Council. Council Tax Penalties were not administered but could have been where appropriate generating £70.00 per account – approximately £3,000.00 in total.

Service of Court documents on behalf of Housing Benefit debt recovery:

- Customer debt of £634.28 paid in full
- Customer debt of £870 paid, arrangement agreed for outstanding £300
- Customer debt of £905.58, arrangement agreed & £211.30 paid to date

- Customer debt of £1858.46, arrangement of £40 per month agreed.

3. GO Shared Services

Sample of debts checked via the National Anti-Fraud Network to assist in debt recovery on behalf of the Accounts Receivable Team to reduce the number of debts passed for write off. This was a small sample of 24 cases to test the merits of Accounts having direct access to the system on behalf of each client Authority within GOSS.

Utilising only the free consent data check on the system, further information was found in 18 cases out of 24 – including email addresses, phone numbers and confirmation in many cases that the debtor was still resident at the address held, and also indications that some customers may have used a false name when registering.

4. Internal Investigation Referrals

Internal Audit undertakes work for Cotswold, West Oxfordshire and Cheltenham – any internal cases referred to Internal Audit are referred to the team where criminal offences are identified. Reports and recommendations are being referred to the appropriate Director at suitable intervals.

5. Cheltenham Borough Homes

Tenancy Fraud work has been on-going for approximately 18 months. This has been successful and Cheltenham Borough Homes have contributed financially towards the fraud unit for 2015/2016.

- 2 Right to Buy Applications prevented
- 8 properties recovered
- 5 on-going investigations
- 5 prosecutions – all sentenced
- 2 prosecutions – listed for trial

A corporate strategy is being developed with regard to referral mechanisms, investigating and reporting.

6. Tewkesbury Borough Council

S113 Secondment Agreements have been approved by the appropriate legal teams and have been signed by all parties.

Work to commence with the Head of Revenues and Benefits and a retained Fraud Investigator with regard to the Housing List review and single person discount fraud drive in March 2016.

7. Gloucestershire County Council

Meetings held with the Head of Audit Risk Assurance and Insurance Services and key team members. The Head of Audit Risk Assurance and Insurance Services is a member of the Project Board.

S113 Secondment Agreements are with the legal department to enable the team to attend County and investigate reactive fraud cases as appropriate with a view to County pursuing prosecutions themselves. The County currently undertake a number of internal

investigations but the cases are handed to the Police and the Crown Prosecution Service. The hope is that we can assist with this process being considered internally when appropriate.

8. Stroud District Council and Gloucester City Council

I have met with the Head of Internal Audit however he is leaving on 1 April 2016 and the service is joining with County. Therefore discussions to be held with the Chief Finance Officers following the commencement of the shared service to ensure both Councils are fully updated.

9. Forest of Dean District Council

A meeting with the Head of Internal Audit Team is to be arranged to discuss the project and appropriate engagement.

10. Housing Associations / Registered Social Landlord's

Severn Vale and Two Rivers have approached the team with regard to work. There is currently a work stream with the legal department to develop the best legal framework for this; either a Partnership Agreement or Goods and Services Contracts.

A meeting is to be planned in the new financial year to discuss tenancy fraud work with the team and liaison with Revenues and Benefits / Housing Teams within the authority.

11. Training

22 March 2016 - HR, Audit and Investigation staff across the County in relation to undertaking Employment / Internal Investigations,

Criminal Procedure and Investigations Act; refresher and updates being planned and rolled out across the County for all Enforcement, Legal and Audit members of staff (April / May 2016).

Regulation of Investigatory Powers Act; refresher and updates being planned and rolled out across the County for all Enforcement, Legal and Audit members of staff.

Proceeds of Crime Seminar planned provisionally for 3 May 2016 with Barristers from Albion Chambers for all Enforcement, Legal and Audit members of staff across the County.

12. Data Warehouse / Case Management System

We are working with Procurement on the tender documentation – we are also discussing the project with the Head of ICT due to the size of IT involvement.

One Legal are being consulted with a view to drafting the legal documentation for data sharing / storing across the county.

This also involves a large work stream with regard to Fair Processing notices on the internet and paperwork across all partnership Councils.

13. Policies

Counter Fraud and Anti-Corruption Policy agreed by Audit Committee at Cotswold District Council and Cheltenham Borough Council; scheduled for 31 March 2016 at West Oxfordshire District Council.

Cabinet approval at Cotswold District Council received, on the agenda at Cheltenham and West Oxfordshire in April 2016.

A new Regulation of Investigatory Powers Act policy has been drafted to cover staff obtaining Communications data; approval across the partnership to be commenced

The team have been given responsibility for the Whistle Blowing Policy which needs to be redrafted for use across all partners. We are also looking at the Money Laundering and Proceeds of Crime Policies (if they exist).

14. Procedures

The investigation referral procedure needs to be worked on and adopted accordingly across the county and the partners.

We are working on a Lone Working Procedure for the team. We have researched and found appropriate lone working devices and pending legal agreement these will be obtained.

15. Other work streams

Work has also been planned in relation to a generic document pack for Gloucestershire for criminal investigation to include all the relevant investigation, interview under caution and prosecution processes.

A new referral inbox for county use; this will be advertised as we update the relevant intranet / internet pages to be used by staff, members or the general public. We are also trying to find an appropriate fix re telephone referrals.

Paperwork received in relation to signing the memorandum of understanding with HM Revenue and Customs – liaison with all enforcement teams.

A work stream to engage the Police and enter into an appropriate joint working mechanism is to be commenced.

Work on transparency reporting for fraud work – again this involves capturing information from around the organisations across the different sites.

Staff and Member Awareness Training Plan to be commenced.

16. Budget

This is now up to date for 2015/2016. Agreements for 2016/2017 to be finalised.