Cheltenham Borough Council

Audit, Compliance and Governance Committee

15 July 2026

Counter Fraud and Anti-Corruption Policy

Accountable member:

Councillor Peter Jeffries, Deputy Leader of the Council and Cabinet Member Finance and Assets

Accountable officer:

Adele Taylor, Interim Director of Finance and Operations (s.151 Officer)

Ward(s) affected:

All indirectly

Key Decision: No

Executive summary:

To present Audit, Compliance and Governance Committee with a revised Counter Fraud and Anti-Corruption Policy for approval and adoption.

The Policy has been reviewed to ensure the content reflects current legislation and the Council's Policies and Procedures.

Recommendations: That Audit, Compliance and Governance Committee:

1. **approves and adopts the Counter Fraud and Anti-Corruption Policy attached to this report.**

2. **delegates to the Interim Director of Finance and Operations (s151 Officer) to approve future minor amendments to the Policy in consultation with the Chair of Audit, Compliance and Governance Committee, Assistant Director Counter Fraud and Enforcement Unit, and One Legal.**

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1. Implications

1.1. Financial, Property and Asset implications

There are no direct financial implications arising from this report.

The adoption and approval of this policy will help to support the prevention and detection of misuse of public funds and will support the Council's objectives in reducing crime and financial loss to the Council.

Signed off by: Adele Taylor, Interim Director of Finance and Operations (s.151 Officer), Adele.Taylor@cheltenham.gov.uk

1.2. Legal implications

There are no significant legal implications associated with this report.

In general terms, the existence and application of an effective fraud risk management regime will assist the Council in effective financial governance which is less susceptible to legal challenge.

The legislation utilised by the Counter Fraud and Enforcement Unit and other service areas within the Council is identified within the Policy and the Council must comply with all legislative requirements. The additions to the Policy are essential to protect the Council from criminal liability and other sanctions.

The Council must also ensure that authorisations obtained under the Regulation of Investigatory Powers Act 2000 or the Investigatory Powers Act 2016 are appropriately logged, maintained and updated on the central register.

Signed off by: One Legal, legalservices@onelegal.org

1.3. Environmental and climate change implications

None.

1.4. Corporate Plan Priorities

This report contributes to the following Corporate Plan Priorities:

- Looking after your money.

1.5. Equality, Diversity and Inclusion Implications

The application of the Policy and the promotion of effective counter fraud controls and a zero-tolerance approach to internal misconduct promotes a positive work environment.

Prosecutions will only be considered where the evidential and public interest tests are met with due consideration to the welfare of individuals. Where any safeguarding concerns are identified during the course of any investigation, appropriate referrals will be made.

The Council will only take enforcement action where appropriate to do so with due consideration to older offenders, offenders with disabilities and where the offender lacks mental capacity. Where any safeguarding concerns are identified during the course of any investigation, appropriate referrals will be made.

The Council seeks to ensure that public authorities' actions are consistent with the Human Rights Act 1998 (HRA). It balances safeguarding the rights of the individual against the needs of society as a whole to be protected from crime and other public safety risks.

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2. Background

2.1. The Counter Fraud and Enforcement Unit is tasked with reviewing the Council's Counter Fraud and Anti-Corruption Policy.

2.2. It is recommended good practice that the Policy is updated and reviewed at least every few years in line with any legislative changes.

2.3. 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.

3. Reasons for recommendations

3.1. The Council's existing Counter Fraud and Anti-Corruption Policy was developed to reflect (i) latest legislation, (ii) the creation of the Counter Fraud and Enforcement Unit and (iii) 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.

3.2. The Policy highlights the key legislation and roles and responsibilities of Members, Officers and other parties.

3.3. The Policy was last reviewed following the changes brought about by data protection legislation/regulations. A section was inserted relating to Money Laundering and Proceeds of Crime, and relating to Modern Slavery, detailing the Council's responsibilities.

3.4. Attached at Appendix ii is the updated Counter Fraud and Anti-Corruption

Policy.

3.5. A section has been added in relation to the Economic Crime and Corporate Transparency Act 2023 to confirm the introduction of a ‘failing to prevent fraud’ offence which the Council could be found guilty of should it not be able to demonstrate effective fraud prevention procedures.

3.6. In addition, a section detailing ICT responsibilities relating to cyber-crime, and reference to compliance activities relating to tax evasion have been added.

3.7. The majority of the other amendments are minor and reflect any service-related documents that the Counter Fraud and Enforcement Unit has introduced.

3.8. For ease of reference, new text is shown in red and text to be removed is shown as struck through.

3.9. Audit, Compliance and Governance Committee last considered the policy in September 2022.

3.10. Awareness will be raised with all staff following the approval of the policy through internal communication channels and through all staff briefings and management meetings.

4. Alternative options considered

4.1. None.

5. Consultation and feedback

5.1. Any policies drafted or revised by the Counter Fraud and Enforcement Unit have been reviewed by One Legal and issued to the relevant Senior Officers, Management and Governance Officers for comment.

6. Key risks

6.1. The Council is required to proactively tackle fraudulent activity in relation to the abuse of public funds.

6.2. Failure to undertake such activity would accordingly not be compliant and expose the authority to greater risk of fraud and/or corruption. If the Council does not have effective counter fraud and corruption controls it risks both assets and reputation.

6.3. The Council is required to have an effective Enforcement Policy to enable officers to investigate and take action to ensure individuals and businesses comply with the law.

6.4. The Policy sets out the legislative framework and principles the Council will abide by in investigations undertaken and to mitigate the risk of legal challenge in Court.

Report author:

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Appendices:

1. Risk Assessment
2. Counter Fraud and Anti-Corruption Policy

Background information:

N/A.

Appendix 1: Risk Assessment

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
1	The authority suffers material loss and reputational damage due to fraud	Director Finance and Operations	3	3	9	Reduce	Maintain a Counter Fraud Team to reduce the likelihood of the risk materialising and also to help recover losses, thus reducing the impact.	Head of Service, Counter Fraud and Enforcement Unit	Ongoing
2	Without dedicated specialist staff in place, the Council may be unable to take effective and efficient measures to counter fraud, potentially resulting in authority suffering material losses due to fraud and error	Director Finance and Operations	3	4	12	Reduce	Retain a specialist Counter Fraud Unit to tackle the misuse of public funds on behalf of the Council.	Head of Service, Counter Fraud and Enforcement Unit	Ongoing