

Taunton Deane Borough Council

Corporate Governance Committee - 10 March 2014

Corporate Anti-Fraud Policy

Report of Head of Revenues and Benefits

(This matter is the responsibility of the Executive Councillor Vivienne Stock-Williams)

Executive Summary

On 9 December 2010 the Corporate Governance Committee approved the formation of a Corporate Anti-Fraud function to lead or advise on any investigations into fraudulent activity within Taunton Deane Borough Council.

The Committee agreed the function should produce and update a Corporate Anti-Fraud Policy and Strategy and to own and lead on the corporate approach to anti-fraud. It was also agreed the new Corporate Anti-Fraud function should be designed into the restructure plans for the Council over the coming months.

While the function and formation of a Corporate Anti-Fraud Team is yet to be designed into the joint structure for Taunton Deane Borough Council and West Somerset Council, it was felt prudent to undertake preliminary work to develop a Corporate Anti-Fraud Policy

The Corporate Governance Committee is invited to comment upon the policy ([Appendix B](#)) and recommend its adoption to Executive.

1. Background

- 1.1. The Revenues and Benefits Service has its own Anti-Fraud and Error Policy and we have corporate policies for Whistleblowing and Anti-Bribery. However, we recognise we need to do more to secure the gateways of fraud, corruption and bribery within the authority and to extend our focus across the entire organisation.
- 1.2. The proposed Corporate Anti-Fraud Policy ([Appendix B](#)) sets out the high level priorities we need to meet to achieve the Council's vision of zero tolerance for fraud, corruption and bribery throughout the authority by creating a strong and effective anti-fraud, anti-corruption and anti-bribery culture.
- 1.3. The policy brings together existing policies on Whistleblowing and Anti-Bribery as well as updating the Revenues and Benefits Service's anti-fraud measures. It also sets out the context and anti-fraud activities in other Council services such as Housing and Procurement as well as plans and protocols to effectively mitigate against fraud within the Council.

2. Corporate Anti-Fraud Policy

- 2.1. In developing the Corporate Fraud Policy attached at [Appendix B](#), we have drawn on good practice provided by the Chartered Institute of Public Finance and Accountancy (CIPFA - the Red Book 2), the Audit Commission (Protecting the Public Purse) as well as the National Fraud Strategy published by the Attorney General's Office.
- 2.2. The Audit Commission's Use of Resources fraud checklist has formed the foundation for the [Corporate Anti-Fraud Action Plan](#). The Action Plan is a "living" document that we will update as and when new guidance, legislation or good practice is available.
- 2.3. The policy will require further development by the new Corporate Anti-Fraud function as the team is recruited and settles into the joint structure for Taunton Deane Borough Council and West Somerset Council.

3. Finance Comments

- 3.1. Taunton Deane Borough Council is facing severe financial pressures and needs to make the most efficient and effective use of its resources. The Anti-Fraud Policy provides a consistent framework for managers and Members to enable effective deterrence, detection and investigation of fraud and corruption and consequently will assist the Council in achieving financial sustainability.

4. Legal Comments

- 4.1. The legislation concerning matters within the Anti-Fraud Policy is mainly contained in:
 - The Fraud Act 2006
 - Theft Act 1968
 - Bribery Act 2010
 - Local Government Finance Act 1992
 - Regulation of Investigatory Powers Act 2000
 - Social Security Administration Act 1992
 - Police and Criminal Evidence (PACE) Act 1984 and the Criminal Procedure and Investigations Act 1996
 - Prevention of Social Housing Fraud Act 2013
 - The Detection of Fraud and Enforcement (England) Regulations 2013.

5. Links to Corporate Aims

- 5.1. Achieve financial sustainability by protecting the Council's overall financial exposure and risk.
- 5.2. Transform the way we work by creating effective risk management processes that are developed and applied throughout the organisation to ensure good governance and internal control.

6. Environmental and Community Safety Implications

6.1. Environmental and community safety implications have been considered, and there are not expected to be any specific implications relating to this report.

7. Equalities

7.1. An Equality Impact Assessment (EIA) is attached at [Appendix A](#).

8. Risk Management

8.1. There is always a risk that fraud (and error) will occur, but this risk is and will be managed through the controls and policies that TDBC puts into place. Currently fraud referrals are risk-assessed and intelligence-graded in relation to the level of risk involved before being accepted for investigation/rejection. The risk to TDBC in not introducing and implementing an effective anti-fraud strategy would be both reputational and financial.

9. Partnership Implications

9.1. Partnership implications have been considered, and there are not expected to be any specific implications relating to this report.

10. Recommendation

10.1. The Corporate Governance Committee is invited to comment upon the policy and recommend its adoption to Executive.

Heather Tiso
Head of Revenues & Benefits
DDI: 01823 356541 (Internal Ext: 2245)
h.tiso@tauntondeane.gov.uk

Helen Vile
Overpayments, Investigations & Support Services Team Leader
DDI: 01823 356437 (Internal Ext: 2598)
h.vile@tauntondeane.gov.uk

Equalities Impact Assessment form

What are you completing this impact assessment for? E.g. policy, service area	Corporate Anti-Fraud Policy
Section One – Aims and objectives of the policy /service	
<p>Taunton Deane Borough Council aims to promote a clear, fair and consistent approach to anti-fraud measures. In addition, the aim of the policy is to reinforce the Council’s vision of zero tolerance for fraud, corruption and bribery throughout the authority by creating a strong and effective anti-fraud, anti-corruption and anti-bribery culture.</p> <p>The Council has produced an anti-fraud policy to support the achievement of these aims. The Council’s objective is to produce a definitive anti-fraud policy informed by published best practice. The Policy details our approach to reduce the opportunity for fraud and error to occur and sets out our commitment to use all legal sanctions available, including prosecution.</p> <p>In summary the policy will</p> <ul style="list-style-type: none"> • provide a consistent framework for managers and Members - this enables effective deterrence, detection and investigation of fraud and corruption. • detail the responsibilities of employees, management and internal audit with regard to fraud and dishonesty 	
Section two – Groups that the policy or service is targeted at	
<ul style="list-style-type: none"> • Members, Officers, Partners, Contractors and Residents to raise awareness that fraud and corruption are serious issues and to make them aware of their responsibilities • We have a statutory duty to provide services, benefits, discounts and grants regardless of the gender, sexual orientation, religion or belief or ethnicity of the customer. People of all ages will be our customers. However some statutory provisions apply, for example the access to some services or benefits by some foreign nationals or the help available within Housing Benefit or Council Tax legislation to those with a specific impairment or disability. 	
Section three – Groups that the policy or service is delivered by	
Taunton Deane Borough Council’s Corporate Anti-Fraud Team.	
Section four – Evidence and Data used for assessment	
Currently we have no data to evidence any dissatisfaction as a direct or indirect result of how we deliver the anti-fraud activities in meeting our duties under the Equality Act 2010.	

Section Five - Conclusions drawn about the impact of service/policy/function on different groups highlighting negative impact or unequal outcomes

The Anti-Fraud Policy aims to prevent, detect and deter Fraud in Taunton Deane Borough. It provides:

Assurance to residents of Taunton Deane Borough Council that those who attempt to defraud will be sanctioned;

- Consistency of approach in dealing with cases of proven fraud
- Guidance for Officers
- Ensures good stewardship and that we are proactive in addressing fraud

Investigations are carried out on the circumstances of allegations without regard to the group into which those involved fall. As the policy will be applied consistently regardless of the gender, sexual orientation, religion or belief or ethnicity of the customer, there should be no negative or unequal outcome on different groups.

Section six – Examples of best practise

Our policy has been developed taking into consideration advice given by the Chartered Institute of Public Finance and Accountancy, the Audit Commission and the Attorney General's Office

Signed: Manager
completed by

Signed: Group Manager/Director



Corporate Anti-Fraud Policy

Corporate Anti-Fraud Policy

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The Deane House • Belvedere Road • Taunton • Somerset TA1 1HE
Telephone (01823) 356356 • Fax (01823) 356386

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V1.3.	24/1/2014	Additions following Legal Team input	Heather Tiso
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Approvals

This document has been approved by the following people.

Name	Role
Shirlene Adam	Strategic Director (151 Officer)
Councillor David Reed	Chair: Corporate Governance Committee

Table of Contents

Policy	1
Introduction	1
Aims and Objectives	2
Corporate Anti-Fraud Team	2
National Regional and Local Policy Context	3
Resources	4
Key priorities	4
Culture	4
Awareness and Training	6
Publicity	6
Working in Partnership	6
Prevention	7
Redirected Benefit Mail	7
Deterrence	8
Verification	8
Interventions	8
Data-Matching	9
Detection and Investigation	9
Targeting Specific Groups	10
Intelligence Gathering	10
Appointment of Authorised Officers	10
Use of surveillance	11
Retention of Documents	11
Appendix 1 – Corporate Governance Framework	13
Legislative Requirements and external guidance	13
Corporate Provisions	13
Policies, Protocols, Plans and Procedures	14
Document Review	14

Appendix 2 – Definition of Fraud, Corruption and Bribery	17
Fraud by false representation	17
Fraud by failing to disclose information	17
Fraud by abuse of position	17
What is corruption?	17
Examples of Fraud and Corruption	18
Definition of Bribery	18
Appendix 3 - Corporate Anti-Fraud Action Plan 2014-15	19
Appendix 4 - Corporate Anti-Fraud: Responsibilities	27
Elected Members	27
Corporate Management Team and Lead Officers	27
Managers, Team Leaders and those with supervisory responsibility	28
Individual members of Staff	28
South West Audit Partnership (SWAP)	29
External Audit	29
Contractors, Partners and Other Associated Bodies Responsibilities	29
Collective Responsibilities	30
Document Review	30
Appendix 5 - Code of Conduct for Investigators	31
Introduction	31
Code of Conduct	31
Appendix 6 - Corporate Anti-Fraud Response Protocol	33
Introduction	33
Aims	33
Reporting a Suspected Fraud or Incident of Bribery or Corruption	33
What to do if you suspect fraud, corruption or bribery or may be occurring	34
Preliminary Actions	34
Investigation	34
Prevention of Further Loss	35
Dealing with Employees under suspicion	35
Dealing with Members under suspicion	35
Reporting outcomes	35
Individual Feedback	35
Prosecutions and sanctions	35
Savings/Recovery Action	35
Disciplinary Action	36
Financial Recovery	36
Future Actions	36
Confidentiality	36
Linkage between Criminal and Disciplinary proceedings	36
Links to Prosecution Sanction and Redress Policy	36
Media and Communications	36

Appendix 7 - Prosecution, Sanctions and Redress Protocol	37
Introduction	37
Levels of Authorisation	37
Sanctions	37
Housing Benefit Fraud	39
Local Authority Caution	39
Administrative Penalty	39
Employer Administrative Penalty	41
Prosecution	42
Loss of benefit provisions	43
Council Tax Support Fraud	44
Review and Discontinuance	45
Accepting Guilty Pleas	45
Internal Fraud	45
Redress	46
Civil Penalties	46
Proceeds of Crime	46
Publicity	47
Document Review	47
Appendix 8 - Corporate Anti-Fraud Prevention Protocol	48
Internal Control	48
Staff Recruitment and Propriety and CRB checks	48
Collaboration with Outside Agencies	49
National Fraud Initiative	49
Audit Corporate Fraud, Corruption and Bribery Compliance Checks	49
Document Review	49
Appendix 9 - Corporate Anti-Fraud Communications and Publicity Plan	50
Introduction	50
Aims	50
Communicating with the Media	51
Decision process for the publications of prosecutions	51
External Investigations	51
Internal investigations	51
Consultation	51
Anonymity	51
Communicating with Partners and Stakeholders	51
Communicating with Internal staff	52
Communicating with Elected Members	52
Communicating with the public.	52
Document Review	52

Appendix 10 - Whistleblowing Policy	53
Who can use this policy?	53
What is included in the policy?	53
Safeguards	54
Harassment or Victimisation	54
Confidentiality	54
Anonymity	54
False and Malicious Allegations	54
How to raise a concern	55
If you are a member of the Public	55
If you are an employee of the Council	55
Members of the Public and Employees	55
What you need to include	56
How the Council will respond	56
How the Concern can be taken further	57
The Role of the Monitoring Officer	57
Review of policy	57
Appendix 11 - Anti-Bribery Policy	60
Scope of this policy	60
TDBC's Commitment to Action	60
TDBC's Proportionate Procedures	61
Top level commitment	61
Risk Assessment	61
Due Diligence	61
Communication (including training)	61
Monitoring and review	61
Penalties	61
Bribery is not tolerated	62
Facilitation payments	62
Gifts and hospitality	62
Public contracts and failure to prevent bribery	62
Your responsibility as a member or officer	62
Raising a concern	63
Appendix 12 - Audit Commission Use of Resources fraud checklist	64

Appendix 13 - Tenancy Fraud Policy	66
Introduction	66
What is tenancy fraud?	67
Legislative context	68
Prevention of Social Housing Fraud Act 2013	68
Making false statements to obtain Council housing	68
Eviction	68
Policy Objectives	69
Application for Housing Stage	69
Property Viewings	70
Tenancy Sign up	70
New Tenant Follow Up Visit	71
Reports from the Public	71
Publicity	72
Investigative and proactive measures	72
Supporting Victims of Unlawful Subletting	73
Evidence for circumstances and identity	73
Monitoring and Review	75
Appendix 14 – Right to Buy Policy	76
Introduction	76
Appendix 15 Home Improvement Grants	77
Appendix 16 Procurement (Invoice & Mandate Fraud)	78
Insider Invoice Fraud	78
Supplier Invoicing Fraud:	79
Mandate Fraud:	79
Rogue Publisher Fraud:	80
Control Measures:	80

Policy

Introduction

This Corporate Anti-Fraud Policy sets out the high level priorities that must be met to achieve the Council's vision of zero tolerance for fraud, corruption and bribery throughout the authority by creating a strong and effective anti-fraud, anti-corruption and anti-bribery culture.

The borough of Taunton Deane is mainly rural with a Population of 110,000. The borough covers 462 sq. km extending from the Somerset Levels along the River Tone, with the Quantock hills to the north and the Blackdown hills to the South. The main centres of population are Taunton (66,000) and Wellington (13,000). The borough also has major rural centres at Wiveliscombe and Bishops Lydeard and a number of minor rural centres and smaller villages. We have one neighbourhood in the most deprived 5% in the country and a further three in the most deprived 10% in the country. Although issues of deprivation are experienced across the Deane, these are concentrated in North Taunton, Taunton East and parts of Wellington.

With the responsibility for delivering services and benefits, Taunton Deane Borough Council takes its stewardship of public money very seriously. The Council is therefore committed to the prevention, detection and investigation of all forms of fraud, corruption and bribery whether these are attempted internally or externally against the Council as an organisation or by individuals. This commitment is realised through this Corporate Anti-Fraud Policy. The Policy establishes the Council's aims and objectives and sets out a cohesive framework for effectively managing the risks associated with employees, Members and third parties.

Taunton Deane Borough Council operates a culture of transparency and fairness and expects members and employees to adopt the highest standards of propriety and accountability. The Council will operate a zero tolerance of fraud, corruption and bribery. This environment will support and reinforce the Council's vision for fraud, corruption and bribery to be minimised throughout the authority, and linked third parties, by creating a strong and effective anti-fraud, anti-corruption and anti-bribery culture.

Consequently, this Policy must be read in conjunction with the Corporate Governance Framework that details policies, protocols and procedures to protect the Council against fraud, corruption and bribery to demonstrate the importance of Taunton Deane Borough Council's commitment to good overall governance. These are set out in [Appendix 1](#).

Fraud, Corruption and Bribery are defined for the purposes of this Policy by the Fraud Act 2006 and the Bribery Act 2010 definitions are included in [Appendix 2](#). This will be updated by any future statute or guidance.

Aims and Objectives

The Council aims to address, and where appropriate investigate, all incidents of fraud, corruption and bribery in a structured and prioritised way as set out in this Policy in all areas of the organisation and the services it provides or manages to support the corporate objective of :-

Zero tolerance for fraud, corruption and bribery whilst delivering high quality, high performing, value for money services in accordance with the principles set out in the Council's Medium Term Financial Strategy.

To deliver these aims the Council will, through this Policy and related policies, protocols, procedures seek to:

- a) Reduce and minimise fraud, corruption and bribery and contingent losses in all areas of the Council
- b) Promote good Governance in all areas of the Council
- c) Apply designated resources to meet genuine service needs by filtering out fraud, corruption and bribery and applying risk proportionate resource allocation.
- d) Help maintain the principles of the Council's Medium Term Financial Strategy by deterring fraud, corruption and bribery and minimising irrecoverable losses
- e) Promote fraud awareness
- f) Promote public confidence, engage with stakeholders, members and employees to report crime and to minimise the reputational risk to the Council from adverse publicity
- g) Pursue zero tolerance of fraud, corruption and bribery and apply appropriate sanctions, ranging from criminal prosecutions and civil hearings to disciplinary action, to all who commit acts of fraud, corruption or bribery against the Council.

Corporate Anti-Fraud Team

The Council has agreed to set up a dedicated Corporate Anti-Fraud Team.

Officers in this team will be accredited Counter Fraud Officers through the national Professionalism in Security qualifications (Foundation and Advanced) or equivalent.

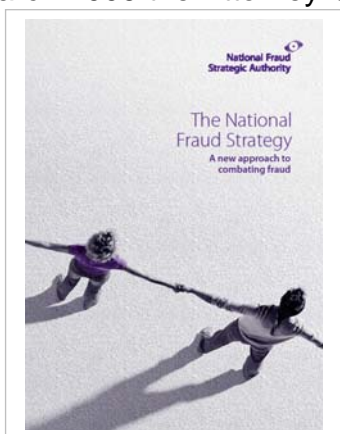
As Authorised Officers they will use investigative powers under the Social Security Administration Act (SSAA) 1992 and the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013

The Team will undertake pro-active initiatives designed to make use of data already held to ensure good quality evidence, and expedient investigations, for example:

- Council house purchases under the right to buy scheme
- Landlord/tenant collusion
- Matching claim data to data already held by the authority

National Regional and Local Policy Context

In March 2009 the Attorney General's Office published the UK's first National Fraud Strategy.



https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/118480/national-fraud-strategy.pdf

This is a key element in the Government's response to National fraud levels; it highlights the importance of opportunities for action and co-operation across the public and voluntary sectors in order to effectively combat fraud. It demonstrates the commitment given by the government to tackle fraud in various organisations.

The 2009 good practice guidance produced by the Chartered Institute of Public Finance and Accountancy (the Red Book 2) and the Audit Commission (Protecting the Public Purse) draw attention to the importance of partnership working and show up areas of potential fraud.



<http://www.cipfa.org/services/networks/better-governance-forum/counter-fraud/fighting-fraud-locally>



<http://www.audit-commission.gov.uk/wp-content/uploads/2012/11/20121107-ppp2012.pdf>

Working together and improving effective relationships with other organisations and using the publications above, as well as the Audit Commission's Use of Resources fraud checklist ([Appendix 12](#)) will form the foundation for the Corporate Anti-Fraud Action Plan ([Appendix 3](#)). The Action Plan will be a "living" document that we will update as and when new guidance, legislation or good practice is available.

The Council recognises it needs to do more to secure the gateways of fraud, corruption and bribery within the authority and to extend its focus across the entire organisation. These areas for improvement are set out and prioritised in the Corporate Anti-Fraud Action Plan ([Appendix 3](#)).

This Corporate Anti-Fraud Policy links to Taunton Deane Borough Council's Corporate plan in the aims of ensuring the Council is well managed and provides value for money, uses data more intelligently, and continually appraises what it does and how it does it and delivers services to the highest affordable standards.

Resources

During 2013/14 the Council plans to spend £83m in the delivery of its services. In addition the Council is seeking to secure income through grants, fees and charges of £69m (exclusive of Council Tax) to help fund expenditure. The total value of transactions that may therefore be subject to some form of fraudulent activity is £152m.

In addition the Council is responsible for the collection of local taxation through the administration of both Council Tax and National Non Domestic Rates that in total equates to a further £94m passing through the Council's financial processes. The Council is also responsible for the administration and payment of Housing Benefit of £32m

To meet the challenge of a "Zero" tolerance to fraud and corruption on the above value of £278m of financial transactions, the Council has agreed to set up a dedicated Corporate Anti-Fraud Team. The work of the Corporate Anti-Fraud Team will be supplemented by the Internal Audit function through SWAP to review the effectiveness of the Council's corporate governance framework and internal controls. This is further supplemented by CMT and Lead Officers ensuring sufficient staffing resources are efficiently deployed to comply with the governance and internal control frameworks.

The Chief Executive will appoint fraud officers as inspectors who have powers of entry and inspection under relevant legislation. Inspectors will exercise these powers with due diligence. Any abuse of inspectors' powers will result in revocation and may lead to disciplinary action.

Key priorities

The Council's priority for Corporate Anti-Fraud is to link the Action Plan with the key elements of this Policy and related anti-fraud, anti-corruption and anti-bribery procedures, codes and guidance to deliver the [aims and objectives](#) detailed earlier. Key elements to achieve priorities are summarised below and detailed in Appendices.

Culture

The Council's Governance Framework ([Appendix 1](#)) sets the culture and tone of the organisation in supporting openness, honesty and intolerance of fraud, corruption and bribery. The elements in the Governance Framework exist to protect the Council against fraud and loss. It is a priority to ensure these support and enhance the Council's anti-fraud, anti-corruption and anti-bribery culture.

The Council's elected Members play an important role in creating and maintaining this culture and have their own Members Code of Conduct (contained within the [Council's Constitution](#)).

CMT and Lead Officers must ensure the risks of fraud, corruption and bribery are effectively managed at strategic and operational levels with competent and trained staff working with systems that incorporate effective anti-fraud, anti-corruption and anti-bribery controls with appropriate risk management and review for all risk areas. Individual members of staff also have responsibilities, both personal and corporate, in the prevention and detection of fraud. Responsibilities are outlined in [Appendix 4](#).

The risks of fraud, corruption and bribery must be considered as part of the Council's risk management arrangements, and should be embedded in the culture at all levels from the

corporate strategic level to individual performance agreements. These should be monitored regularly within service units and audited during compliance audits. These requirements are detailed in the Corporate Anti-Fraud Prevention Protocol ([Appendix 8](#))

Arrangements will be put into place to measure the extent to which a corporate anti-fraud, anti-corruption and anti-bribery culture exists and is developing throughout the organisation, e.g. through a staff survey. The Corporate Anti-Fraud Team will measure not only anti-fraud, anti-corruption and anti-bribery activity e.g. attempts, referrals, investigations, sanctions, but will also measure outcomes. All staff will be advised on the actions to take if they suspect fraud, or corruption or bribery. These are detailed in the Corporate Anti-Fraud Response Protocol ([Appendix 6](#)). Appropriate sanctions must be taken if fraud, corruption or bribery is detected and where possible losses must be minimised. These are set out in the Prosecutions, Sanctions and Redress Policy ([Appendix 7](#)).

Awareness and Training

The success of this policy and its general credibility will depend on the effectiveness of programmed training in making elected members and employees of the Council and its partners aware of the risk of fraud. All staff will receive Fraud Awareness training as part of the corporate induction programme and staff in risk areas will receive annual Fraud Awareness training. Proactive exercises will be undertaken in high risk areas. This training will include awareness of bribery and corruption.

All those working in the Corporate Anti-Fraud Team will be professionally trained and accredited in their role or working towards accreditation. Skills and continuous professional development will be reviewed and updated at least annually through personal development plans. Activities will be governed by a Code of Conduct ([Appendix 5](#)).

Publicity

The Corporate Anti-Fraud Team's Communication and Publicity Plan ([Appendix 9](#)) will include measures to highlight both internally and externally the effectiveness of the Council's anti-fraud, anti-corruption and anti-bribery arrangements by reporting on items such as potential and actual financial savings, sanctions achieved, and case outcomes.

Working in Partnership

Taunton Deane Borough Council works with other agencies to support their anti-fraud activities. These agencies include:

- Local Authorities Investigation Officers Group (LAIOG)
- National Anti-Fraud Network (NAFN)
- The Department for Works and Pensions (DWP)
- Other Local Authorities and County Councils
- HM Revenues and Customs
- The Home Office
- The Police

Whenever possible we work in partnership with these agencies in targeted fraud drives and in sharing information and conducting joint investigations. We have agreed a Partnership Agreement with the DWP. This agreement sets out the principles for effective partnership working between the DWP Fraud Investigation Team and Investigation Officers for Taunton Deane Borough Council. The agreement covers the main aspects of how each organisation will work together on matters of Administration, Security and Fraud on Benefit claims that have a joint Jobcentre Plus and TDBC

interest. It sets out the reasons we should work together and what we are jointly trying to achieve in doing so.

Prevention

Within the Council's [Constitutional](#) arrangements and Corporate Governance Framework there are a number of key roles and measures to assist with the prevention of fraud, corruption and bribery. The responsibilities of employees, management and members are detailed in [Appendix 4](#), but other measures are set out in the Corporate Anti-Fraud Action Plan ([Appendix 3](#)) and include, for example, the Corporate Anti-Fraud Team working with the South West Audit Partnership (SWAP) to conduct routine or ad hoc compliance audits or checks to ensure adequate measures have been built in to systems and processes, highlighting potential risks and recommending preventative or mitigation guidance or solutions.

Counter fraud resources will be allocated on a risk basis and directed to areas with the greatest potential benefit to the Council. Other methods of prevention such as propriety checking are detailed in the Corporate Anti-Fraud Prevention Protocol ([Appendix 8](#)). The following details specific activities undertaken in preventing fraud:

- Compliance with the good practice set down in the Department for Work & Pensions Verification Framework - this provides a robust validation of documents and evidence provided by customers in support of their claims;
- Risk-based intervention of existing Housing Benefit and Council Tax Support claims through intelligence gathered locally as well as prioritising cases identified through the Housing Benefit Matching Service (HBMS) and National Fraud Initiative (NFI).
- Positively encouraging our customers to tell us quickly of changes in their circumstances, e.g. all our benefit claim forms and letters, as well as various leaflets, remind customers of their responsibilities. We also promote swift notification of changes through our website, Newsletters, articles in the Deane Dispatch and the annual booklet accompanying Council Tax and NNDR bills;
- Suitable consideration on the design and format of claim forms to ensure we achieve a balance between simplicity and the need to get accurate information and prevent customers putting in fraudulent claims;
- Suitable training in Fraud Awareness for all relevant staff
- Our ability and willingness to respond to recommendations on good practice by the Audit Commission, the South West Audit Partnership (SWAP) and our own evaluation to improve performance;
- Using integrated Document Management in the Revenues and Benefits Service to electronically store all documents we receive and enable instant viewing access. This reduces risk of loss and helps us to investigate any fraudulent activity.
- Comprehensive application forms for all applications for Benefits, Grants and accommodation and rigorous verification of all applications including proof of identity, income and capital where appropriate

Redirected Benefit Mail

The Revenues and Benefits Service takes part in the Royal Mail 'Do Not Redirect' scheme, whereby benefits correspondence is sent out using distinctive envelopes. Any benefit recipient who has moved away from the address where he or she was claiming will not have any mail sent on to their forwarding address and the correspondence will be returned to the Benefits Service for further investigation. In using the mail "Do Not

Redirect Scheme", the Post Office also tells us the address the mail would have been sent to.

Deterrence

There are a number of ways to deter fraud, corruption and bribery. The Council will use the Corporate Anti-Fraud Communications and Publicity Plan ([Appendix 9](#)) to encourage a zero tolerance culture in the Council. We will publicise positive outcomes of taking action against fraud, corruption or bribery through the Prosecution, Sanctions and Redress Policy ([Appendix 7](#)) to send a the clear message the Council is committed to reducing fraud and error and corruption and bribery (see [Publicity](#)). Proactive work to contribute towards deterrence is outlined in the Corporate Anti-Fraud Action Plan ([Appendix 3](#)).

The following are some of the anti-fraud measures taken to prevent, detect and deter fraud in Taunton Deane Borough Council:

Verification

We will carry out robust verification on all claims for Housing Benefit, Council Tax Support, Social Housing and Grants

We believe it is important to discourage and prevent fraud and error from entering the system. To achieve this, we will impose rigorous procedures for verifying claims under the guidelines given in the Department for Work and Pension's Verification Framework.

We will obtain original documentation when assessing claims for benefits, discounts and grants.

We require photographic proof of identity when someone first applies for a benefit, a discount, a grant or Housing.

All staff responsible for receiving and verifying documents are trained on the latest evidence requirements including identifying false documents. We use UV scanners to verify the validity of documents.

The scrutiny and verification of each claim and application will not interfere with our commitment to provide a modern, efficient and cost-effective service focused on meeting our customers' needs in a friendly, timely and accurate manner. We will ensure our services remain readily accessible to everyone in the community to maximise social inclusion, minimize barriers to work and help people to live in decent housing and suitable accommodation.

We have systems in place allowing the customer to seek help to complete claim forms and report changes of their circumstance to us.

Housing staff will retain a photograph of all tenants on file. These will be updated at intervals so they remain current.

All application forms will be written in plain English and will contain warnings and information so the customer is aware of the risks involved in misinforming us of their circumstances. Our forms contain all the information the customer needs to understand their rights and responsibilities.

Interventions

Inevitably there will be some changes not reported by customers and not identified through data matching. The Revenues and Benefits Service will use risk based data on claims as provided monthly by the DWP and local risk based criteria to review existing benefit claims. We will undertake specific checks on claims and request ad hoc data scans.

Data-Matching

Taunton Deane Borough Council's benefits data is matched against other data sources (internal and external) to identify inconsistencies that may suggest the existence of incorrectness on a Housing Benefit award or Council Tax reduction.

We take part in Data Matching exercises including:

- Housing Benefit Matching Service (HBMS);
- National Fraud Initiative (NFI);
- Local matches with large local employers or agencies;
- The Council's own databases including those holding information on Members and staff (we will consult with recognised trade unions before data matching on Members and employees);
- Access to the DWP database through the Customer Information System (CIS);

We adhere to the principles set out in the Data Protection Act

Detection and Investigation

The Council takes ultimate responsibility for the protection of its public purse but in turn it is the responsibility of CMT and Lead Officers to protect their service area from losses and prevent and detect fraud, corruption and bribery. The South West Audit Partnership (SWAP) and External Audit will liaise closely and implement a cyclical programme of audits which will include tests for fraud and corruption. Clear and regularly reviewed operating procedures are to be put in place to ensure that loss is minimal and there is a definitive process to refer discrepancies for investigation and monitoring. Such referral processes will be well publicised, user friendly and accessible. The referral process is detailed in the Whistle-blowing Policy ([Appendix 10](#)).

There are many activities and procedural arrangements we have to maximise detection of fraud and error. For example:

- The existence of a dedicated Corporate Anti-Fraud Team
- Adherence to the good practice detailed in the DWP's Verification Framework;
- Participation in the National Benefits Fraud Hotline Service;
- Operating the mail "Do Not Redirect Scheme" - the Post Office also tells us the address the mail would have been redirected to;
- Closer working initiatives with Department for Work and Pensions (DWP) colleagues;
- A robust fraud referral and risk assessment;
- Participation in Data Matching;
- Providing relevant training and feedback to promote awareness and understanding of fraud and error issues and to keep all appropriate officers abreast of legislative changes;
- Membership and participation in the Local Authority Investigation Officers Group and the National Anti-Fraud Network (NAFN);
- Using all relevant and legal opportunities available to us to gather evidence and information;
- Our wish to improve performance by responding to good practice recommendations by the Audit Commission, SWAP and our own evaluation.

Targeting Specific Groups

Under Human Rights legislation, it is not considered to be good practice to target or pursue unjustified reviews on specific groups of people. However, if a high-level of fraud is established within a particular area or among a particular group, it may be suitable to carry out a detailed review to ensure there are no further cases.

Intelligence Gathering

Taunton Deane Borough Council subscribes to the National Anti-Fraud Network (NAFN) that supplies several intelligence gathering services, including:

- Credit searches
- Company director information
- DVLA information
- Financial information

The National Anti-Fraud Network also acts as our PINS 9A authorised body for getting information under the Social Security (Fraud) Act 1997. NAFN ensures all information is legally obtained and approved by the proper officers.

The Revenues and Benefits Service subscribes to the Local Authority Investigation Officers Group (LAIOG). LAIOG hold regular meetings updating officers on legislation and other relevant information. Officers are allowed to get and add information to the LAIOG website.

We also subscribe to the Experian product "Investigator On-Line" and will use this product to gather information in the support of our investigations.

Appointment of Authorised Officers

Legislation allows the Council to appoint existing employees as "Authorised Officers". An Authorised Officer is able to enter premises (such as the claimant's place of work) to enquire and examine records about any person believed to be a Housing Benefit claimant or after a test of reasonableness, a person who could supply information about the investigation, for example partners of claimants or employers. The Council can prosecute the company or any third-party who has relevant information but refuses to co-operate with such an investigation. The Council has appointed Authorised Officers who have the same power to enter business premises as the DWP.

The power to enter premises in respect of a Council Tax Reduction scheme offence does not exist. However, if this information is obtained for a Housing Benefit Investigation then the information can be used in an investigation into a Council Tax Support claim.

Use of surveillance

Any surveillance we carry out will comply with legislation contained in the Regulation of Investigatory Powers (RIPA) Act 2000. We will ensure we conduct all surveillance activities, including all authorisations, continuation and cancellations under Taunton Deane Borough Council's RIPA Policy & procedures. We will keep all forms under that policy for inspection by approved bodies, i.e. the Surveillance Commissioner.

Surveillance will be undertaken by trained officers where it is justified and under the statutory code of practice. Corporate Surveillance Procedures will always be adhered to.

All surveillance requests, agreements, cancellations and amendments must be recorded, signed and kept by the authorising officer where appropriate. All surveillance requests will be time-limited, and all amendments and renewals to authorised surveillance requests must be re-authorised by an authorising officer.

All records must be kept accurately and conveniently so they are readily available for inspection by the Office for the Commissioner for Surveillance or by the Audit Commission.

A central record will be kept by the Monitoring Officer to the Council of all authorised surveillance.

Retention of Documents

Taunton Deane Borough Council will retain evidence and documentation for investigations in accordance with legislation, policy, best practice and internal procedures.

Document Review

This Policy and the Governance Framework will require regular review to ensure that elements are kept up to date. Review will take place at least on annual basis. Minor technical, procedural or legislative amendments will be agreed between the Manager for the Corporate Anti-Fraud Team, the relevant Assistant Director and the relevant Portfolio Holder.

Appendices

Appendix 1	Corporate Governance Framework
Appendix 2	Definition of Fraud, Corruption and Bribery
Appendix 3	Corporate Anti-Fraud and Corruption Action Plan
Appendix 4	Corporate Anti-Fraud and Corruption Responsibilities
Appendix 5	Investigators Code of Conduct
Appendix 6	Corporate Anti-Fraud and Corruption Response Protocol
Appendix 7	Prosecutions Sanctions and Redress Protocol
Appendix 8	Corporate Anti-Fraud Corruption Prevention Protocol
Appendix 9	Corporate Anti-Fraud and Corruption Communications and Publicity Plan
Appendix 10	Whistle-blowing Policy
Appendix 11	Anti-Bribery Policy

[Appendix 12](#) [Audit Commission Checklist](#)
[Appendix 13](#) [Tenancy Fraud Policy](#)

Appendix 1 – Corporate Governance Framework

The Council has a statutory responsibility under section 151 of the Local Government Act 1972 to ensure the proper administration of its financial affairs and under sections 4 and 5 of the Local Government and Housing Act 1989 has a duty to ensure the Council has appropriate support to deliver its services and to deliver them lawfully and ethically.

As part of that responsibility the Corporate Anti-Fraud Policy demonstrates Taunton Deane Borough Council's commitment to implement a robust anti-fraud approach to protect public funds. This document lists the other documents or mechanisms adopted by the Council to deliver that commitment.

Legislative Requirements and external guidance

- [Prevention of Social Housing Fraud Act 2013](#)
- [Bribery Act 2010](#)
- CRB Codes of Practice
- Data Protection and Data Quality Policy and Procedures
- [Equality Act 2010](#)
- Human Rights Act & European Convention on Human Rights
- Independent External Inspection and Audit
- [Investigator's Code of Conduct](#)
- National Fraud Initiative and other Data Matching
- Police and Criminal Evidence Act/Codes of Practice
- Governance and Scrutiny Committees
- [Criminal Procedures and Investigation Act 1996](#)
- CIPFA Red Book 2 "Managing the risk of Fraud"

Corporate Provisions

The Council's [Constitution](#) - containing rules and procedures to address how decisions will be taken, the limitations in place on doing so for different parts of the organisation as well as Codes of Conduct and Procedure Rules including (but not exclusively limited to) –

- The delegation of functions to Members and Officers
- Rules of Procedure for Full Council, the Executive, Scrutiny Committees, Corporate Governance Committee and other Committees and Sub-Committees
- Financial Procedure Rules
- Contract Procedure Rules
- Employee Standard and Code of Conduct
- Appointment of staff

Policies, Protocols, Plans and Procedures including-

- Anti-Money Laundering Policy
- Complaints Procedures
- Corporate Anti-Fraud Policy
- Corporate Debt Recovery Policy
- [Tenancy Fraud Policy](#)
- Disciplinary Procedures
- Recruitment and Selection Procedures
- IT Security Policy
- Partnership working and Contract Procedures
- [Prosecution and Sanction Policy](#)
- Register of Interests gifts and hospitality for both Members and Officers
- Regulation of Investigatory Powers Policy
- Internal Control Frameworks
- [Whistle-blowing Policy](#)

Structures to facilitate the application of the above include-

- Anti-Fraud Hotline
- Corporate Anti-Fraud Team
- Corporate Induction
- Royal Mail Do Not Redirect Service
- Single Person Discount Review
- Service Induction
- Training programmes for Members and Officers

Document Review

This document will be reviewed at least annually and amendments will be agreed between the Manager for the Corporate Anti-Fraud Team, the relevant Assistant Director and the relevant Portfolio Holder.

Appendix 2 – Definition of Fraud, Corruption and Bribery

The Fraud Act 2006 came into force on the 15 January 2007. This introduced a defined offence of fraud which is broken into three sections

- Fraud by false representation
- Fraud by failing to disclose information
- Fraud by abuse of position

Fraud by false representation

Fraud by false representation is defined by Section 2 of the Act. Representation must be made dishonestly, and is made with the intention of making a gain or causing a loss or risk of loss to another. A representation is defined as false if it is untrue or misleading and the person making it knows that it is, or might be, untrue or misleading. Representation can be stated by words or communicated by conduct i.e. written, spoken or by electronic means.

Fraud by failing to disclose information

Fraud by failing to disclose information is defined by Section 3 of the Act, and details that a fraud will have been committed if a person fails to declare information which he/she has a legal duty to disclose. There is a requirement that the person acts dishonestly and intends to make a gain for himself/herself, cause a loss to another or expose another to a risk of loss.

Fraud by abuse of position

Fraud by abuse of position is defined by Section 4 of the Act, and requires a person who is in a privileged position to act dishonestly by abusing the position held; and by doing so, fails to disclose to another person, information which he/she is legally required to disclose. The dishonest act must be with the intention of making a gain for him/her or another. Alternatively it may be with the intention of causing a loss or risk of loss to another. The offence may be committed by omitting to make a declaration as well as by an act.

The Fraud Act 2006 largely replaces the laws relating to obtaining property by deception, obtaining a pecuniary advantage and other offences that were created under the Theft Act 1978. Whilst the introduction of the Fraud Act 2006 has repealed much of the Theft Act 1978, it does not prevent the prosecution of other offences under the various other Acts, e.g. theft, counterfeiting and falsification of documents.

What is corruption?

Corruption is the offering, giving or accepting of an inducement or reward which would influence the actions taken by the Council, its members or officers.

Corruption may also be deemed to include criminal acts and situations where any Member or officer intentionally makes a decision which gives any person an advantage or disadvantage where the decision is contrary to the policy/procedures governing the decision making process and is based on no sound reasoning. The latter part of this definition is intended to encompass all types of discrimination, both positive (where any person gains an unfair advantage) and negative (where any person is unfairly disadvantaged).

Examples of Fraud and Corruption

- Theft of council property or services
- Evading liability for payment
- False accountancy, including the destruction, concealment or falsification of any account or record, or giving misleading, false or deceptive information
- Obtaining property by false pretences
- Misuse of office or office equipment
- Bribery
- Working while on sick leave
- Falsifying time or mileage sheets
- Selling Council equipment
- Failure to declare an interest
- Fraudulent tendering process
- Fraudulent property letting
- Accepting any gift or consideration as an inducement for doing or refraining from doing anything in relation to Council business.

Other legislation can be used in the prosecution of offences against the Council such as the Social Security Administration Act. These offences are not listed here, but it should be noted that there are a number criminal offences other than those of the Fraud Act 2006 and civil proceedings may also be considered in some circumstances. These offences may stand alone or work in conjunction with other offences considered for fraudulent matters.

Definition of Bribery

Bribery is the offer or acceptance of reward to persuade someone to act dishonestly and/or in breach of the law. The Bribery Act 2010 came into force on 1 July 2011. British anti-bribery law was based previously on the Public Bodies Corrupt Practices Act 1889, the Prevention of Corruption Act 1906 and the Prevention of Corruption Act 1916. The introduction of the Bribery Act 2010, simplifies this dated legislation with provisions for 4 new offences:

- bribery of another person (section 1)
- accepting a bribe (section 2)
- bribing a foreign official (section 6)
- failing to prevent bribery (section 7)

The Bribery Act 2010 (http://www.opsi.gov.uk/acts/acts/2010/ukpga_20100023_en_1) makes it an offence to offer, promise or give a bribe (section 1). It also makes it an offence to request, agree to receive, or accept a bribe (section 2). Section 6 of the Act creates a separate offence of bribing a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business. There is also a corporate offence under Section 7 of failure by a commercial organisation* to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business, for the organisation. An organisation will have a defence to this corporate offence if it can show that it had in place adequate procedures designed to prevent bribery by or of persons associated with the organisation.

*For the purposes of the Act, Taunton Deane Borough Council is a considered to be a commercial organisation

Appendix 3 - Corporate Anti-Fraud Action Plan 2014-15

References: A = TDBC Anti-Fraud action

B = Audit Commission - Use of Resources fraud checklist action

Ref	Action	Status	Comments	Officer	Target date
General					
B1	Do we have a zero-tolerance policy towards fraud?	Complete	The policy makes it clear the Council has a zero tolerance to fraud & corruption.	n/a	Complete
B2	Do we have the right approach, and effective counter-fraud strategies, policies and plans? Have we aligned our strategy with Fighting Fraud Locally?	Complete	This is clearly stated in the Corporate Anti-Fraud & Corruption Policy documents. The Government's "Fighting Fraud Locally" strategy document has been updated for 2012. Relevant policies and strategies reflect this latest publication, but will be updated to consider new versions.	Corporate Anti-Fraud Team Manager	Complete
B3 B4	Do we have dedicated counter-fraud staff? Do counter-fraud staff review all the work of our organisation?	Complete	The Council has approved the creation of a Corporate Anti-Fraud Team that consists of 6 dedicated counter-fraud staff who will review all the work of TDBC. The SWAP audit plan is risk -based covering all Council activities and includes emerging risks. Fraud risk areas are subject to a rolling review programme.	Strategic Director (151 Officer)	Complete

Ref	Action	Status	Comments	Officer	Target date
General					
A1	Clear, Practical and Accessible Policies and Procedures to be in place.	In progress	Work will be undertaken to review and update relevant policies to take account of anti-fraud legislation	Corporate Anti-Fraud Team Manager	Throughout 2014-15
B5	Do we receive regular reports on how well we are tackling fraud risks, carrying out plans and delivering outcomes?	Complete	SWAP produces reports regularly to the Corporate Governance Committee. The SWAP Plan shows planned work. Annual Reports from Audit as well as the Corporate Anti-Fraud Team Report show outcomes.	Group Auditor for SWAP Corporate Anti-Fraud Team Manager	Complete
B6	Have we assessed our management of counter-fraud work against good practice?	Complete	Two checklists have been used to show compliance with best practice: <ul style="list-style-type: none"> • CIPFA Better Governance Forum; "Protecting the Public Purse" • Audit Commission checklist 	Corporate Anti-Fraud Team Manager	Complete
A2	Continue to promote the Anti-Fraud and Corruption Strategy, the revised Anti-Fraud and Corruption Policy, and other work to staff / public / Partners	On-going	The following actions are or will be taken to maximise awareness and encourage commitment: <ul style="list-style-type: none"> • Training for elected Members • Reports produced / presented to Members • Managers' briefings issued • Publicity on specific cases as appropriate. 	Corporate Anti-Fraud Team Manager	Throughout 2014-15
B7	Do we raise awareness of fraud risks with: <ul style="list-style-type: none"> • New staff (including agency staff); • Existing staff • Elected members; and • Our contractors? 				

Ref	Action	Status	Comments	Officer	Target date
General					
B8	Do we work well with national, regional and local networks and partnerships to ensure we know about current fraud risks and issues?	Complete	<p>Corporate Anti-Fraud Team Manager attends South West regional fraud groups where issues are discussed.</p> <p>Corporate Anti-Fraud Manager and SWAP receive electronic bulletins from various sources e.g. National Anti-Fraud Network (NAFN), and the Audit Commission's National Fraud Initiative (NFI).</p> <p>Regular pro-active fraud intelligence gathering from various sources exist e.g. CIPFA.</p> <p>Corporate Anti-Fraud staff regularly attend specialist fraud seminars.</p>	Group Auditor for SWAP Corporate Anti-Fraud Team Manager	Complete
B9	Do we work well with other organisations to ensure we effectively share knowledge and data about fraud and fraudsters	Complete	<p>Corporate Anti-Fraud Team share knowledge and data (where allowed) through the South West regional fraud group and the DWP.</p> <p>The Council participates in the NFI.</p>	Group Auditor for SWAP Corporate Anti-Fraud Team Manager	Complete
B11	Do we maximise the benefit of our participation in the Audit Commission National Fraud Initiative and receive reports on our outcomes?	On-going	SWAP regularly monitor the on-line progress reports to ensure all relevant matches are investigated.	Group Auditor for SWAP Corporate Anti-Fraud Team	On-going

				Manager	
Ref	Action	Status	Comments	Officer	Target date
General					
B10	Do we identify areas where our internal controls may not be performing as well as intended? How quickly do we then take action?	Complete	Any weaknesses are shown in the audit reports and all areas where significant inadequate controls exist are summarised in the Audit Annual Report. Reports are issued promptly containing agreed Action Plans with timescales	Strategic Director (151 Officer) Group Auditor for SWAP	Complete
B12	Do we have arrangements in place that encourage staff to raise their concerns about money laundering?	Complete	Staff received briefing on Money Laundering	Strategic Director (151 Officer)	Complete
B13 A3	Do we have effective arrangements for: <ul style="list-style-type: none"> • Reporting fraud; • Recording fraud; and • Whistle-blowing? • Do we have effective whistle blowing arrangements? 	In progress	The Whistle-blowing policy requires review by the Monitoring Officer and is shown on the Council's Intranet	Monitoring Officer	30 June 2014
B14	Do we have effective fidelity insurance arrangements?	Complete	All staff are covered to a value in line with other comparable Local Authorities.	Strategic Director (151 Officer)	Complete
B15	Have we reassessed our fraud risks since the change in the financial climate?	Complete	Risks have been reassessed to provide an updated action plan.	Group Auditor for SWAP	Complete
B16	Have we amended our counter-fraud plan as a result?		The counter-fraud action plan is kept under constant review and reported to the Corporate Governance Committee.	Corporate Anti-Fraud Team Manager	
B17	Have we reallocated staff as a result?		Recruitment required to bring newly		

Ref	Action	Status	Comments	Officer	Target date
			created Corporate Anti-Fraud Team up to full staffing complement		
General					
A4	<p>Ensure the Corporate Governance Committee and Strategic Director (151 Officer) endorse the revised Anti-Fraud & Corruption Policy.</p> <p>Top level commitment - establishing a culture across the organisation in which fraud, corruption and bribery are unacceptable. Making the message clear and regularly referring to it with staff and partners.</p> <p>A senior officer within the organisation should take the overall responsibility for developing and implementing the programme</p>	Complete	Report presented to the Corporate Governance Committee in March 2014 on revised policy	Corporate Anti-Fraud Team Manager	31 March 2014
A5	Produce an annual staff newsletter highlighting the outcome of fraud work.	In progress	A Newsletter will be produced for distribution to all TDBC staff and Members	Corporate Anti-Fraud Team Manager	30 September 2014
A6	SWAP to produce managers' briefings following fraud investigations to highlight risks and control measures	On-going	Briefings will be issued to highlight risks and control measures	Group Auditor for SWAP	On-going
A7	Refresh the anti-fraud training for Members and Officers	In progress	Corporate Anti-Fraud Team will provide training during 2014-15	Corporate Anti-Fraud Team Manager	Throughout 2014-15

Ref	Action	Status	Comments	Officer	Target date
Housing Tenancy					
B18	Do we take effective action to ensure that social housing is allocated only to those who are eligible?	On-going	The Council reviews the relevant NFI matches in this area. Cases are investigated by Corporate Anti-Fraud Team.	Group Auditor for SWAP Corporate Anti-Fraud Team Manager	On-going
B19	Do we ensure that social housing is occupied by those who are allocated properties?				
Procurement					
B20	Are we satisfied our procurement controls are working as intended?				
B21	Have we reviewed our contract letting procedures since the investigations by the Office of Fair Trading into cartels and compared them with the best practice?				
Recruitment					
B22	Are we satisfied our recruitment procedures achieve the following: <ul style="list-style-type: none"> Do they prevent the employment of people working under false identities; Do they confirm employment references effectively; Do they ensure applicants are eligible to work in the UK; and Do they ensure agencies supplying us with staff undertake the checks that we require? 	Complete	Robust procedures are now in place and have recently been audited. The NFI matches concerning eligibility to work in the UK are always reviewed.	Human Resources Manager	Complete

Ref	Action	Status	Comments	Officer	Target date
Council Tax					
B25	Are we effectively controlling the discounts and allowances we give to council tax payers?	Complete	The Revenues and Benefits Service carries out an annual review of all discounts and allowance in the following areas: <ul style="list-style-type: none"> • Single Person Discount • Disabled Banding In addition, regular checks are undertaken to ensure continued entitlement to exemptions	Head of Revenues and Benefits	Continuous
Housing and Council Tax Benefit					
B26	When we tackle housing and council tax benefit fraud do we make full use of: <ul style="list-style-type: none"> • The National Fraud Initiative [NFI]; • Department for Work and Pensions; • Housing Benefit Matching Service; • Internal data matching; and • Private sector data matching? 	Complete	We fully utilise the NFI and make full use of the Housing Benefit Matching Service. <p>Data matching is also carried out in the following areas:</p> <ul style="list-style-type: none"> • Council Tax Discounts • Council Tax Support Claims • Housing tenancies. 	Head of Revenues and Benefits	Continuous
Emerging Fraud Risks					
B27	Do we have appropriate and proportionate defences against emerging fraud risks: <ul style="list-style-type: none"> • Business rates; • Local Council Tax Support; • Right to Buy; and • Grants? 	Complete	The Revenues and Benefits Service carries out an annual review of all Business Rate discounts. <p>In addition, regular checks are undertaken to ensure continued</p>	Head of Revenues and Benefits Housing Service	Continuous

			entitlement	Manager	
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Appendix 4 - Corporate Anti-Fraud: Responsibilities

Fraud, corruption and bribery are an ever present threat to Taunton Deane Borough Council's resources and therefore must be a concern to all staff and members. Whilst the Corporate Anti-Fraud team undertake the prevention, detection and investigation of fraud, corruption and bribery, everyone in the Council has a responsibility and role to help prevent fraud, corruption and bribery. This document identifies how these responsibilities are implemented and monitored.

Elected Members

Members must comply with the Members Code of Conduct and any ancillary codes. Corporate Anti-fraud Awareness Training will be available to Members to give them a greater awareness of fraud bribery and corruption. This training will incorporate training related to corruption and bribery. Each member of the council is responsible for the following:

- His/her own conduct
- Compliance with the Members Code of Conduct
- If claiming any benefits either administered by the Council, the Department for Work and Pensions or other Government Department, they must ensure the benefit paid is based on their true circumstances and any relevant changes in their circumstances are reported promptly.
- Reporting any suspicions or allegations of fraud, corruption or bribery against the Council as detailed in the [Whistle-blowing Policy](#)
- Contributing towards the safeguarding of Corporate Standards, as detailed in the Members Code of Conduct
- Operating within the Councils [Constitution](#)

Corporate Management Team and Lead Officers

Officers in the Corporate Management Team and those who are Lead Officers are responsible for:

- Providing firm leadership
- Setting standards by their own behaviour
- Operating within the Councils [Constitution](#)
- Ensure compliance with corporate policy, procedures and internal control frameworks.
- Promoting awareness of the Corporate Anti-Fraud Policy and associated documents and mechanisms
- Managing the risks of fraud, bribery and corruption at strategic and operational levels with effective anti-fraud and corruption controls with appropriate risk management and review of risk areas.
- Ensuring conformance by the staff for whom they are responsible.
- Ensuring sufficient resources are available to take appropriate legal action where necessary.

- Embedding and supporting an anti-fraud, anti-bribery and anti-corruption Culture
- If claiming any benefits either administered by the Council, the Department for Work and Pensions or other Government Department, they must ensure the benefit paid is based on their true circumstances and any relevant changes in their circumstances are reported promptly.
- Reporting any suspicions or allegations of fraud, corruption or bribery against the Council as detailed in the [Whistle-blowing Policy](#)

Managers, Team Leaders and those with supervisory responsibility

All Managers, Team Leaders and those with supervisory responsibility are responsible for:

- Maintaining effective internal control systems and ensuring that the Council's resources are properly applied in the manner intended.
- Ensuring compliance with corporate policy and procedures.
- Identifying the risks to which system and procedures are exposed and reviewing risk areas
- Developing and maintaining effective controls to prevent and detect fraud, corruption and bribery
- Ensuring that internal controls and risk management provisions are followed to minimise fraud, corruption and bribery.
- Reporting any suspicions or allegations of fraud, corruption or bribery against the Council as detailed in the [Whistle-blowing Policy](#).
- Fully co-operating with any investigation undertaken by or under the direction of the Chief Executive, Deputy Chief Executive, a Head of Service, Internal or External Audit, and the Police.
- If claiming any benefits either administered by the Council, the Department for Work and Pensions or other Government Department, they must ensure the benefit paid is based on their true circumstances and any relevant changes in their circumstances are reported promptly.

Individual members of Staff

Each member of staff is responsible for the following

- His or her own conduct and for contributing towards the safeguarding of corporate standards, including declaration of interest, private working, whistle-blowing etc.
- Acting with propriety in the use of official resources and in the handling and use of corporate funds, whether they are involved with cash or payments systems, receipts or dealing with contractors or suppliers.
- Reporting any suspicions or allegations of fraud, corruption or bribery against the Council as detailed in the [Whistle-blowing Policy](#).
- If claiming any benefits either administered by the Council, the Department for Work and Pensions or other Government Department, they must ensure the benefit paid is based on their true circumstances and any relevant changes in their circumstances are reported promptly.

Audit Responsibilities

It is not the responsibility of Internal and External Auditors to prevent fraud and error or to detect fraud, corruption and bribery.

South West Audit Partnership (SWAP)

The role of SWAP is to provide an independent appraisal and assurance of internal controls across and within the Council's financial and management systems. In conducting this role SWAP should consider the risk of fraud, corruption and bribery when examining and evaluating the effectiveness of controls that may assist in deterring and preventing fraud, corruption and bribery as well as identifying financial irregularity.

Other responsibilities of SWAP on the anti-fraud, anti-corruption and anti-bribery culture of the organisation are listed below:

- Act as an independent resource to whom staff can report suspected frauds, corruption or bribery;
- Maintain expertise on counter-fraud, counter bribery and corruption measures for the Council;
- Give independent assurance on the effectiveness of the processes put in to manage the risk of fraud, corruption and bribery;
- Provide or procure any specialist knowledge and skills to assist in fraud investigations, or leading investigations where appropriate and requested by the Section 151 Officer;

The Section 151 Officer should ensure the work of Internal Audit, External Audit and the Corporate Anti-Fraud Team are complementary.

External Audit

The role of External Audit is not to detect fraud, corruption and bribery. External Audits are carried out in accordance with the provisions of the Audit Commission Act 1998, the Accounts and Audit Regulations and the Code of Audit Practice.

Independent External Audit is an essential safeguard in the stewardship of public money. The role is delivered through the carrying out of planned, specific reviews that are designed to test (amongst other things) the adequacy of the Council's financial systems and its arrangements for preventing fraud, corruption, bribery and irregularity and as such it has a duty to report any potential incidents of fraud that it comes across in the normal course of its work.

Contractors, Partners and Other Associated Bodies Responsibilities

Contractors, partners and others working with the Council are expected to maintain strong anti-fraud, anti-corruption and anti-bribery principles and to have in place adequate anti-fraud, anti-corruption and anti-bribery procedures and controls when they are working on behalf of or with the Council. This expectation is to be included in all contract terms and agreements.

Collective Responsibilities

The Council supports the 7 principles of Public Life set by the Committee on Standards in Public Life .The Council expects staff to develop their working behaviour around these principles.

The Seven Principles of Public Life are:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

Document Review

This document will be reviewed at least annually and amendments will be agreed between the Manager for the Corporate Anti-Fraud Team, the relevant Assistant Director and the relevant Portfolio Holder.

Appendix 5 - Code of Conduct for Investigators

Introduction

This code is a guide to investigating staff on their conduct, responsibilities and duties. The Code does not restrict the Investigator's discretion, but aims to define the conduct on which their discretion should be exercised. It also applies to Investigators when not at work (where their actions may reflect on their professionalism regarding their employment).

Code of Conduct

The Officer will act in accordance with Taunton Deane Borough Council's Corporate Code of Conduct as set out in the Staff Handbook.

1. The Officer must be aware he or she is an employee of the Council and act as a direct representative of the Council.
2. The Officer will perform the duties and undertake the responsibilities as specified in the Person Specification and Job Description of the relevant post in a professional and responsible manner. Duties must be performed with no prejudices and in a manner showing courtesy to all concerned.
3. When carrying out duties the Officer must act lawfully at all times. The Officer must show regard and compliance to relevant legislation governing investigative work such as:
 - Human Rights Act 1998
 - Police and Criminal Evidence Act 1984
 - Criminal Procedures and Investigations Act 1996
 - Regulation of Investigatory Powers Act 2000
 - RIPA [Communications Data] Order 2003
 - Data Protection Act 1998
 - Social Security Administration Act 1992
 - Social Security Fraud Act 2001
 - Race Relations Act 1976 and the Race Relations (Amendment) Act 2000
 - Fraud Act 2006
 - Criminal Justice Act 1967 (and subsequent amendments)
 - Identity Card Act 2006
 - Theft Act 1968
4. The Officer must show regard and compliance to the associated Codes of Practice, procedures and regulatory guidance. Particular regard will be shown to the provisions of the code of conduct set out in the Criminal Procedures & Investigation Act (CPIA) 1996.
5. The Officer will maintain separate fraud files for all investigations. They will keep any records that are needed for the purposes of disclosure under any of the legislation detailed at point 3.
6. The Officer must demonstrate complete impartiality in their dealings with colleagues and the general public and never condone nor engage in, directly or indirectly, any form of harassment, victimisation or discrimination.

7. The Officer must use any designated powers in accordance with their intended use and must not abuse those powers or use them for anything but their prescribed use.
8. The Officer must perform duties in line with the Corporate Anti-Fraud and Corruption Policy and all associated Corporate Anti-Fraud and Corruption related protocols, policies and plans.
9. The Officer must declare any membership of any club or society to the line manager.
10. The Officer must also report any interest that may cause conflict with the procedures or decision making. An "interest" is defined as a legal interest in any property involved in the alleged fraud, or a personal relationship with any persons involved in an alleged fraud.
11. The Officer must inform the Manager for the Corporate Anti-Fraud Team immediately of any summons, charge, criminal convictions or anything else which may compromise their ability to carry out investigations.
12. The Officer will carry out the duties within the standard working hours unless otherwise arranged.
13. The Officer must have due regard for their own health and safety and that of others in the course of business. The Officer will not be expected to take any action which may cause harm of a physical or mental condition to themselves or others.
14. The Officer will take all necessary precautions and follow the Council's Lone Worker Procedure and the Health and Safety Policy to ensure safety when working alone and out of hours.
15. The Officer will exercise particular care when making visits on their own in the following circumstances and seek appropriate advice from a senior officer if necessary:
 - Visits to persons living alone
 - Visits after dark
 - Visits to hostels or accommodation providing 'Care in the Community'
 - Visits to young persons
16. The Officer must be aware of the potential for violence from persons under investigation and should not place themselves in a situation where there is a risk of attack. The Officer must always check Taunton Deane's Customer Liaison list before an interview. The Officer must not carry out unaccompanied visits or interviews with known potentially violent persons.
17. The Officer must dress in a manner suitable to the nature of the duties.
18. The Officer will be expected to maintain a high level of knowledge of relevant legislation and procedures to enable the duties to be performed at the required standard.
19. The Officer must maintain accurate records of all visits, interviews and telephone calls in an approved format. QB50 notebooks must be kept securely.
20. The Officer must show their ID card before entering a person's home. If asked to leave, they must do so immediately.
21. An Officer in breach of any of the above rules may be subject to Taunton Deane Borough Council's disciplinary procedures.

Appendix 6 - Corporate Anti-Fraud Response Protocol

Introduction

This Protocol defines responsibilities for action and reporting lines in the event of a suspected fraud, corruption, bribery or related irregularity. Using the Protocol will assist the Council in preventing loss of public money; recovering losses and establishing evidence necessary for criminal, civil or disciplinary action.

The Protocol:

- details the processes for responding to any incidents of suspected fraud, corruption or bribery
- sets out how suspicions should be raised
- explains how investigations will be conducted and concluded
- explains how reviews will be undertaken to prevent a recurrence

Aims

The Response Protocol supports the aims, objectives and key priorities of the Corporate Anti-Fraud Policy. The Response Protocol aims to ensure appropriate and effective action can be taken to:

- Ensure awareness of correct processes for reporting fraud, bribery and corruption
- Ensure there is a clear understanding of who will authorise and lead an investigation and to ensure the Corporate Anti-Fraud Team, relevant Lead Officers and officers in Taunton Deane Borough Council are appropriately involved.
- Ensure security of evidence and containment of information or knowledge of any investigation into the matter reported.
- Ensure there is substance and evidence to support allegations before disciplinary and/or criminal action is taken.
- Ensure prevention of further losses and maximise recovery of losses
- Minimise adverse publicity or reputational damage to the Council but utilise publicity as a deterrent against future frauds

Reporting a Suspected Fraud or Incident of Bribery/Corruption.

Staff should first view the definition of fraud, corruption and bribery ([Appendix 2](#)) and the [Whistle-blowing Policy](#) that are clearly linked with this Response Protocol.

If a person has any suspicions that fraud, corruption or bribery is taking or has taken place, the first step is to formally raise this as a concern. The [Whistle-blowing Policy](#) explains the process. Allegations of fraud, corruption or bribery can be reported to the Corporate Anti-Fraud Team. A referral can be made using the online reporting function, which is located both on the internal intranet and the Council's website. Referrals can also be made via internal mail, email, in person or over the phone, all directly to the Corporate Anti-Fraud Team. Other issues may require investigation by Audit or the Police. If it is considered to be inappropriate to refer a concern to Corporate Anti-Fraud Team then a referral can be made to either the Manager for the Corporate Anti-Fraud Team or the Council's Monitoring Officer.

What to do if you suspect fraud, corruption or bribery or may be occurring

Do

- Make an immediate note of your concerns.
- Convey your concerns to someone with the appropriate authority and experience.
- Report your concerns as soon as possible.

Don't

- Approach the concerned individual.
- Be afraid to raise your concerns.
- Try to investigate yourself.

All referrals passed to the Corporate Anti-Fraud Team are looked at within 5 days of receiving the allegation. On receipt of the referral, the team will sift the referral to determine the value and priority level of the information received.

Preliminary Actions

Following the sift process some cases may be rejected due to lack of information or lack of a clear allegation on which to base an investigation. Preliminary checks are done on all cases after they have been sifted. These checks ascertain facts and sometimes further information will be required that will be obtained through appropriate legal methods. Preliminary checks may determine there is no case to answer. Any allegations determined as malicious may be dealt with as a disciplinary matter. Where it initially appears an allegation is a sensitive case, the case is referred to the Manager for the Corporate Anti-Fraud Team or the Council's Monitoring Officer.

Investigation

1. The Corporate Anti-Fraud Investigation Officers determine which cases are to be allocated for investigation and which cases require a more discrete approach. Where a referral has been made to the Council's Monitoring Officer they will decide whether to refer the case back to the Corporate Anti-Fraud Team or to follow point 3.
2. The Corporate Anti-Fraud Team will discuss cases and allocate them for investigation on a weekly basis. The allocation is made by collective decision to avoid conflicts of interest and/or prejudice.
3. Where a case is inappropriate for team allocation, cases will be investigated by a nominated Investigation Officer or the SWAP Auditors who will feed back their findings to the Council's Monitoring Officer.
4. Other cases may need to be forwarded on to other enforcement bodies such as Police, Department for Work and Pensions or Immigration. This decision will usually be made by the individual investigator and a referral will be made to the relevant authority. In the case of a direct referral to the Police, the decision will be made by the Section 151 Officer who may wish to consult with the Council's Monitoring Officer.
5. The investigation will utilise various investigation techniques and intelligence sources available to the Corporate Anti-Fraud Team. This could include intelligence gathering, surveillance, interviewing witnesses and interviews under caution. The investigation will follow the various legislative requirements, codes of practice and authorisations available to accredited Investigation officers.
6. Any complaints about the Investigation should be dealt with via the Council's grievance procedure

Prevention of Further Loss

During or following an investigation, prevention of further loss may require a staff member to be suspended or dismissed. Suspension or dismissal may also be required to avoid loss of evidence or the prevention of collaboration to cover up fraud, corruption or bribery.

Suspension during an investigation is not a form of disciplinary action and does not indicate that the Council has prejudged the case. It may be necessary to plan the timing of a suspension to prevent the subject(s) from destroying or removing evidence.

The appropriate investigating officer will provide a report for the Human Resources Manager and the Section 151 Officer. This will provide the basis of the decision which will be made by the Section 151 Officer. The Council's Monitoring Officer may be consulted but will not make the decision. The decision will be kept under review throughout the investigation.

Dealing with Employees under suspicion

Where an employee is under suspicion but has not been suspended, the decision not to suspend will be kept under review. The investigating officer will suggest a course of action but the decision will rest with the Section 151 Officer in consultation with the Human Resources Manager.

The Human Resources Service will support all staff affected by a fraud, corruption or bribery investigation, whether directly or indirectly, directing individuals to sources of counselling and advice and applying relevant policies.

In cases of suspension and/or potential dismissal close liaison will be maintained between the Human Resources Manager and the Corporate Anti-Fraud Team to ensure continued investigation of offences, as criminal proceedings will in most circumstances take precedence over disciplinary issues.

All legal requirements will be followed in any criminal investigation, and any disciplinary codes of practice will be followed for any disciplinary procedure as set out in the Council's Disciplinary Policy. Strict confidentiality must be maintained.

Dealing with Members under suspicion

The Council's Monitoring Officer must be advised of any suspicion of fraud, corruption or bribery regarding a Member and the details of the process following an allegation can be found in The Councils Constitution.

Reporting outcomes

Outcomes of cases will be reported in the following ways:

Individual Feedback - Subject to the constraints of Data Protection legislation and the Council's duty of confidentiality to employees and Members, an individual making an allegation will be given as much information as possible about the outcome of any investigation.

Prosecutions and sanctions - will be reported weekly to the relevant Assistant Director (for Corporate Anti-Fraud), monthly to the Section 151 Officer and Portfolio Holder and Quarterly to the Department for Work and Pensions. All staff and members will receive information on prosecutions and sanctions through a quarterly newsletter.

Savings/Recovery Action - will be measured and reported on quarterly to the Head of Finance, the Section 151 Officer and the relevant Portfolio Holder

Disciplinary Action - will be monitored and reported on by the Head of Personnel and Support Services.

Financial Recovery - the recovery of loss against the Council could be a direct financial loss or could be the Council recovering earnings to which the person was not entitled or a claim for equipment stolen. These types of cases would be dealt with through civil hearings and may be undertaken in conjunction with disciplinary procedures or criminal investigations. Reporting outcomes will necessarily be ad-hoc but will be reported annually to the Section 151 Officer. The formal recovery of any money due to the Council will be undertaken through the Council's corporate debt recovery procedures.

Future Actions - the Corporate Anti-Fraud Team will, where appropriate, produce a report for the relevant Lead Officer for a Service to identify areas of weakness that allowed the fraud to take place and what future actions may prevent a recurrence.

Confidentiality

See the [Whistle-blowing Policy](#). Wherever possible, anonymity will be maintained for the person who made the allegation. It should be noted that if the case goes to court a Judge can order the Council to reveal the source of the allegation. The Council can explain any mitigating reasons why the source should not be revealed but ultimately an order of the court has to be complied with.

Linkage between Criminal and Disciplinary proceedings

Criminal and Disciplinary processes can run side by side in an investigation and some information can be exchanged if appropriate legal processes are followed. In certain actions the criminal process may impact on the disciplinary process and vice versa. Therefore it is important cases are not dealt with as separate matters and that the criminal investigation takes precedence over the Disciplinary Process. This avoids compromising the criminal investigation that could lead to negative publicity for the Council.

Links to Prosecution Sanction and Redress Policy

All cases will be measured against the criteria laid out in the [Prosecution, Sanction and Redress Policy \(Appendix 7\)](#). The decision on the appropriate sanction following an investigation will be made in line with that Policy.

Media and Communications

Details of how cases may be publicised are detailed in the [Corporate Anti-Fraud Communication and Publicity Plan](#).

Document Review

This document will be reviewed at least annually and amendments will be agreed between the Manager for the Corporate Anti-Fraud Team, the relevant Assistant Director and the relevant Portfolio Holder.

Appendix 7 - Prosecution, Sanctions and Redress Protocol

Introduction

The Council's Corporate Anti-Fraud Policy requires that if fraud, corruption or bribery is detected an appropriate sanction is taken and loss is minimised. This measure supports an anti-fraud, anti-corruption and anti-bribery culture. This protocol ensures the decision to sanction/prosecute can be justified as fair, reasonable and consistent and that redress is always considered. Prosecution or another appropriate sanction will only be sought where it is in the public interest to do so. The purpose of a prosecution is to establish the guilt, or otherwise, of the accused. If a conviction is secured it is for the court to decide on an appropriate punishment that can act as a deterrent to others.

Levels of Authorisation

1. Cases for Caution, Administrative Penalty or Prosecution must be approved by the Manager for the Corporate Anti-Fraud Team. This includes cases where a caution or administrative penalty has been refused.
2. Any decision to administer a Caution, Administrative Penalty or Prosecution related to a fraud against Housing Benefit, Council Tax Support, or fraud related to a Council Tax or Business Rate Discount or Exemption, must be approved by the Head of Revenues and Benefits.
3. The final decision to prosecute will be taken once the case papers have been examined by Legal Services. Authorisation to proceed will be confirmed by the Legal Services Manager. In the event that external legal resources are used the Legal Services Manager will issue the instructions and manage the relationship.
4. The decision to use the Council's own Legal Services or other legal representation must show consideration to expertise, capacity and cost. Consideration must also be given to the appropriateness of the prosecutor and to any joint working or partnership arrangements with other agencies linked to the investigation.
5. Larger or more complex cases or those involving staff or Councillors may be referred to the Police for investigation and prosecution but only after authorisation has been obtained from the Section 151 Officer in consultation with the Council's Monitoring Officer

General Policy

Sanctions

Staff found to be involved in fraudulent activity (or bribery or corruption) may be subject to one or all of the following sanctions:

- Disciplinary - with dismissal usually sought where the offence is considered to constitute "gross misconduct" pursuant to the provisions of the Council's Disciplinary Policy
- Criminal - where the relevant law enforcement agency considers it to be in the public interest to pursue a prosecution
- Civil - recovery of monies or assets fraudulently or corruptly acquired
- Professional - disbarring whereby the Council will make a referral to the employee's professional regulatory body or bodies where appropriate

In all cases the information shown on the following page will be considered when deciding whether to prosecute. In [Housing Benefit Fraud](#) or [Council Tax Support Fraud](#) the guidelines outlined in those sections must also be considered.

Issue	Points to consider
Quality of available evidence-the 'Evidential Test'	<ul style="list-style-type: none"> • Is there sufficient evidence to satisfy a court and provide a realistic prospect of conviction? • Is all the evidence admissible? • Has all the evidence been obtained appropriately? • Has significant administrative failure compounded or allowed the offence?
Degree of criminality	<ul style="list-style-type: none"> • How was the fraud (or bribery or corruption) perpetrated? • Was it opportunist? • How much planning went into the fraud (corruption or bribery)? • How long did it continue?
Persistent offender	<ul style="list-style-type: none"> • Have they previously committed fraud (or been involved with bribery or corruption)? • Have they received sanction previously?
Position of Trust	<ul style="list-style-type: none"> • Is the perpetrator a Council employee, representative or contractor? • Are they a Member of the Council?
Duration of the fraud	<ul style="list-style-type: none"> • How long did the fraud (or corruption or bribery) continue?
Loss to Public Funds	<ul style="list-style-type: none"> • It would be unusual for a low value fraud to be prosecuted but it should not be ruled out. • Undertaking bribery or corruption may not involve loss to public funds but this should be checked and if none what was the gain?) All of the other issues in this list need to be considered.
Voluntary disclosure	<ul style="list-style-type: none"> • Was the fraud, corruption or bribery admitted before the investigation?
Widespread offence	<ul style="list-style-type: none"> • Is the offence part of a local trend? • The offence might not be particularly serious but may be particularly prevalent in a specific area.
Social/Medical factors	<ul style="list-style-type: none"> • Are there any mitigating circumstances? • Are there any mental or physical disabilities? • Is the offender fit to stand trial? • Is the offender particularly vulnerable giving rise to the reason for the action? • Social/medical factors should not automatically preclude prosecution but they must be considered.
Public Interest	<ul style="list-style-type: none"> • What gain is there for the Council and/or general public?

	<ul style="list-style-type: none"> • Would the costs incurred in proceedings be excessive compared to the loss involved? • Will the Council suffer adverse publicity or reputational damage from the proceedings?
Administration	<ul style="list-style-type: none"> • Was there failure in administration that helped fraud to succeed or was there a delay resulting in the case being out of time?

Housing Benefit Fraud

The following factors need to be considered along with those on the previous page. Social Security legislation allows local authorities to sanction claimants by way of cautions and administrative penalties as well as by prosecution. Local Authorities can also seek redress by way of overpayment recovery.

Each case will be considered on its merits and a blanket policy will not be applied. It is only possible to administer a Local Authority Caution or Administrative Penalty with the acceptance of the offender. A Caution or Penalty cannot be imposed.

Local Authority Caution

The Authority may consider issuing a caution in the following circumstances:

- The person has never previously offended
- There was no planning involved in the fraud
- There is evidence of the offender's guilt sufficient to give a realistic prospect of conviction.
- It is not a complex fraud
- Penalty action is not appropriate
- The offence is minor
- The amount of overpayment is relatively low and/or the fraud has taken place over a relatively short period of time
- The offence was admitted during an interview under caution (IUC)
- The persons has expressed remorse or regret
- It may not be in the public interest to prosecute, i.e. there might be social or medical factors to consider
- There is a strong likelihood of the full amount being repaid.

If the person refuses the caution the case will normally be referred for prosecution.

Administrative Penalty

Section 15 of the Social Security (Fraud) Act 1997 allows the Council to apply a penalty equal to 30% of the total overpayment of benefit.

The Welfare Reform Act introduced in 2012 penalties equal to 50% of overpaid benefit or a set amount of £350 whichever is greater. These are for overpayments on or wholly after 8 May 2012. Overpayments that started before this date will still be offered the 30% penalty rate. This is offered as an alternative to prosecution.

The standard of evidence must be of the standard required for the case to proceed for prosecution. If the offer of an administrative penalty is declined then the case should be passed for prosecution.

An Administrative Penalty cannot be cited in court if there are any future proceedings taken against the claimant. The claimant must have attended the Interview under Caution if an Administrative Penalty is to be offered.

Administrative Penalties are generally offered for overpayments between £100 and £1,999. The officer responsible for the Administrative Penalty interview is not involved in the investigation process. The amount of the Administrative Penalty is not negotiable with the offender.

The Council may consider issuing an Administrative Penalty when:

- The person has never previously offended
- There was no planning involved in the fraud
- There was no other person involved in the fraud
- A caution is not appropriate
- The offence is minor
- The amount of overpayment is between £0 and £1,999 or the overpayment is £2,000 or over but the claimant has significant ill health where a Prosecution would have a severe impact on their health
- Where the fraud has taken place over a relatively short period of time
- The offence was not admitted during the IUC (interview under caution)
- It may not be in the public interest to prosecute i.e. there might be social or medical factors to consider.
- It does not cause undue financial hardship to the offender to impose the Administrative Penalty
- The person has committed an offence, which has a realistic prospect of conviction.
- The evidence is sufficient for a prosecution.
- The person is aware of the terms of the Administrative Penalty.
- The case meets the Public Interest Test.
- There has been no previous sanction applied to the person for a benefit fraud offence within five years recorded on the Department of Works & Pensions database.
- Where the case is a Joint working case with the Department of Work & Pensions where it is their intention to offer an Administrative Penalty.
- Where there has been an attempt to claim benefit fraudulently but no payment has been made.
- The Administrative Penalty is likely to be effective and have a deterrent effect.
- Where a claimant has a high level of capital or income and is therefore in a position to pay a penalty.

At the Administrative Penalty Interview, the claimant is informed of the following:

- They will be asked no further questions relating to the offence that has been alleged as these would have been asked in the Interview under Caution.
- That there is sufficient evidence for instituting criminal proceedings.
- That it has been decided to offer them the alternative of an Administrative Penalty, rather than referring the case for prosecution.
- They will be expected to make a decision within a fixed period of time on whether to agree to pay a penalty.

- Recovery of the penalty will occur in the same way as the recovery of the overpayment.
- Failure to repay the debt or default on instalments will result in civil proceedings for recovery.

If the person declines the offer of an Administrative Penalty then the case will be passed for prosecution. The court will be informed in any particular case that the defendant has been offered an Administrative Penalty but declined to accept it.

Employer Administrative Penalty

An Administrative Penalty may be offered to an employer who has committed an offence of:

- making a false statement or
- obstructing an Authorised Officer or
- failing to provide the required information or
- committing false accounting

when dealing with an enquiry concerning their employees, i.e. under section 109B (2) or 109C of the Social Security Administration Act 1992.

If it is established an offence has been committed there must be grounds for recommending proceedings and prosecution must not be a first option. In these cases the amount of the Administrative Penalty is £1,000.

If the penalty is being offered to an employer and the grounds for instigating proceedings against them is because of incitement, conspiracy or aiding and abetting (England and Wales) (i.e. conduct that facilitates the commission of a benefit offence by an employee) and the employer's conduct involved more than five employees the amount of the Administrative Penalty is £5,000.

In all other cases where the employer has less than five employees the amount of the Administrative Penalty is £1,000 multiplied by the number of employees involved in the employer's conduct.

Repeat offences only should be considered for prosecution. This is because for sanction action to be effective subsequent offences should be dealt with more severely than previous ones.

If the employer declines the offer of an Administrative Penalty then the case will be passed for prosecution. The court will be informed in any particular case that the employer has been offered a penalty but declined to accept it.

Prosecution

Officers must consider all the issues addressed earlier before recommending prosecution. In addition, the following circumstances or combinations of circumstances will be considered in making the decision to prosecute:

- The amount of the Overpayment and the duration of the alleged offence.
- An abuse of position or privilege.
- Does the claimant suffer from significant mental or physical ill health and would a prosecution have a severe adverse impact on their health.
- Did the claimant voluntarily disclose any information prior to the commencement of the Investigation?
- Any previous incidence of fraud.
- Social factors.
- Whether there is evidence that the suspect was a ring leader or an organiser of the offence.
- Whether there was any planning in the process.
- Whether the claim was false from inception.
- Whether there are grounds for believing that the alleged offence is likely to be continued or repeated, based on any history or recurring conduct.
- Whether the alleged offence, irrespective of its seriousness, is widespread in the area where it was committed
- The offender has previously been involved in benefit fraud activity
- The offence continued over a period of time in e.g. in excess of 3 months;
- Conspiracy or collusion was involved between claimant/landlord/ staff member/employer;
- The level of intent displayed in the action of the offender was premeditated or calculated;
- The offender held a position of trust;
- Numerous dishonest acts were involved in the fraud;
- Benefit was overpaid or the value of the fraud was in excess of £2,000;
- The offender refused to accept a Formal Caution;
- The offender refused the offer of an Administrative Penalty or has revoked the offer during the 28 day cooling off period.

In cases where the overpaid benefit is less than £2,000, the case will be prepared for proceedings if the following criteria is met:

- The person has failed to attend two opportunities to attend for an Interview under Caution, without reasonable excuse.
- The person has failed to attend the interview for the offer of an Administrative Penalty or Formal Caution, or at the interview declines the sanction offered.
- The person has had a previous benefit fraud sanction applied within five years or has had a similar offence recorded against them on the Police National Computer.
- In joint cases with the Department of Work & Pensions where it is their intention is to prosecute.
- Where a claim has been false from the inception.
- Where forged or fraudulent documents have been produced.

The above circumstances and factors are for guidance and some flexibility is allowed so that all relevant circumstances of each case can be taken into consideration. Any decision taken in relation to the most appropriate form of sanction will be clearly documented. This will detail the reasoning for the decision and will be countersigned by the Manager for the Corporate Anti-Fraud Team and the Head of Revenues and Benefits.

Loss of benefit provisions

The Loss of Benefit provisions are designed to be a deterrent against abuses of the benefit system. Social security (Loss of Benefit) Regulations 2001 as amended by the Social Security (loss of benefit) Amendment Regulations 2013 allow for reduction or withdrawal of Social Security benefits and allowances in payment to individuals and their partners who have accepted the offer of a caution, administrative penalty or have been prosecuted. This includes both DWP and Local Authority benefits, such as Housing Benefit.

These Regulations enable the Council to apply a sanction to the customer's Housing Benefit award where it is established a benefit fraud has been committed. In cases where a conviction, caution or administrative penalty has been administered for a first offence and the whole period of the fraud was committed on or after 1 April 2010, then the following list is the level of Loss of Benefit imposed dependant on the nature and frequency of fraud offences;

- Level 1 - Offences that result in an Administrative Penalty or caution will result in a Loss of Benefit penalty of 4 weeks
- Level 2 – For a first benefit fraud conviction the Loss of Benefit penalty duration will be 13 weeks
- Level 3 - Where there are two offences, within a set time period, with the latter resulting in a conviction the Loss of Benefit penalty will be for a period of 26 weeks
- Level 4 - A 3 year Loss of Benefit penalty will apply where there are three offences within a set time period the latter resulting in a conviction

- Level 5 - An immediate 3 year Loss of Benefit for serious organized and identity fraud cases

Council Tax Support Fraud

On 1 April 2013 Council Tax Benefit was replaced by Taunton Deane Borough Council's Localised Council Tax Support Scheme. As a result of this change Taunton Deane Borough Council cannot obtain information for, or impose sanctions on cases of Council Tax Support fraud under the current Housing and Council Tax Benefit underpinning legislation (Social Security Administration Act 1992).

The Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013 are made under Sections 14A to 14C of the Local Government Finance Act 1992. The Regulations make provision for the creation of offences and power to impose penalties in connection with Council Tax Support.

Regulation 11 of the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013 details penalties to be given as an alternative to prosecution. The key points are as follows:

- Personal information in relation to Council Tax Reduction fraud cases can now be obtained under Regulation 3 of the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013 by an Officer authorised by the Council's Section 151 Officer.
- Under Regulation 11 of the Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013, the Council can consider whether to administer an administrative penalty in lieu of prosecution in Council Tax Reduction Fraud cases, which is already in existence under the Social Security Administration Act 1992 for Housing and Council Tax Benefit Fraud cases.
- The amount of the administrative penalty is 50% of the amount of the excess reduction (rounded down to the nearest penny). This penalty can be a minimum of £100 and a maximum of £1,000.
- There is an option for a fine of £100 for individuals if there are ground for instituting proceedings; or if the act or omission could have resulted in the amount of Council Tax the person is liable to pay being reduced under the Council Tax Reduction Scheme by an amount greater than the amount of reduction to which the person was entitled to under the scheme

Under Regulation 11 of The Council Tax Reduction Schemes (detection of Fraud & Enforcement) (England) Regulations 2013, the Council can consider whether to administer an administrative penalty in lieu of prosecution in Council Tax Reduction fraud cases. The regulation applies where:

- a) Liability to pay Council Tax has been reduced under the Council Tax Reduction Scheme;
- b) the amount of Council Tax reduced is greater than the amount entitled under the scheme;
- c) the award of the reduction was attributable to an act or omission on the part of a person; and

- d) there are grounds for instituting proceedings against a person for an offence (under these Regulations or any other enactment) relating to the award of the excess reduction.

Where Regulation 11 applies Taunton Deane Borough Council may give the individual written notice to invite them to pay a penalty and inform them that if they agree, no proceedings will be instituted against them.

The amount of the penalty is 50% of the amount of the excess reduction (rounded down to the nearest penny). It can be a minimum of £100 or a maximum of £1000. To be calculated on a daily basis beginning on the first day in respect of the excess reduction was awarded and ending with the day on which the authority knew or ought reasonably to have known that an excess had been awarded.

Regulation 11 also applies where it appears to a billing authority that:

- a) there are grounds for instituting proceeding against a person for an offence (under these Regulations or any other enactment) relating to an act or omission on the part of the person in relation to a Council Tax Reduction Scheme; and
- b) the act or omission could have resulted in the amount of Council Tax the person is liable to pay being reduced under a Council Tax Reduction Scheme by an amount greater than the amount of reduction to which the person was entitled to under the scheme.

The amount of penalty in a case falling into the above category is £100.

Review and Discontinuance

We must continuously review all prosecutions from starting proceedings. Reviews are important especially when new evidence is found, or as details of the defence case emerge.

Officers must be resolute when made aware of new evidence or information and should not hesitate to recommend discontinuance proceedings in appropriate cases.

Accepting Guilty Pleas

In certain instances defendants may wish to plead guilty to some but not all the charges. Officers should only accept a guilty plea if they believe the Court is able to pass a sentence that matches the seriousness of the offence. Officers must never accept a guilty plea merely because it is convenient.

Internal Fraud

The Section 151 Officer, the Human Resources Manager and the Manager for the Corporate Anti-Fraud Team will liaise with the appropriate Lead Officer for the appropriate service if prosecution is to take place against a member of staff.

Following this liaison the Section 151 Officer will determine, in the individual circumstances of the case, whether it is appropriate to inform relevant Members of the Executive.

Occasionally, prosecution may be out of the Council's control, if an external body (e.g. Department for Work and Pensions or Police) is bringing the case.

Disciplinary proceedings may also be taken against members of staff and these are not subject to the criminal burden of proof (beyond reasonable doubt) but "the balance of probabilities".

Redress

Redress can be defined as the recovery or attempted recovery of assets lost or defrauded. This would include any type of financial recompense for the fraud.

Where possible, the Council will follow cases through to redress. Whilst the Council aims to progress to a sanction, it will also attempt to recover any loss. The recovery process is not part of the remit of the Corporate Anti-Fraud Team.

Civil Penalties

The aim of the civil penalty is to address the financial loss to the Exchequer which arises from claimant error in Housing Benefit and Council Tax Support claims and make customers more personally responsible for overpayments they incur in relation to such claims.

Civil Penalties for both Housing Benefit and Council Tax Support matters can be offered to customers where a customer:

- a) negligently makes incorrect statements and fails to take reasonable steps to correct the error or
- b) fails, without reasonable excuse, to provide information or to disclose changes in their circumstances.

A penalty administered for Council Tax Support is £70, as set out in the Council Tax Reduction schemes (Detection of Fraud and Enforcement) (England) Regulations 2013.

A penalty administered for Housing Benefit is £50 as set out in the Social Security (Civil Penalties) Regulations 2012.

Other types of redress and recovery examples are shown below:

Case Type	Method of Redress/Recovery
Benefits	<ul style="list-style-type: none">• Recovery of overpayment from Landlord or Tenant by issuing an invoice or recovering from on-going benefits; using bailiff powers and seeking court costs
Case Type	Method of Redress/Recovery
Revenues	<ul style="list-style-type: none">• Imposing fines on false SPD claims• Prosecution for false statements• Attachment of earnings• Pursuing debts through legal proceedings• Using bailiff powers

Proceeds of Crime

Corporate Anti-Fraud Officers must consider in all suitable cases the ability for a court to obtain restraint and/or confiscation orders of identified assets.

A restraint order will prevent a person from dealing with specific assets. A confiscation order will enable the Council to recover losses from assets which are found to be derived from the proceeds of crime.

Other Civil Penalties

Under the Regulatory Enforcement and Sanctions Act 2008, other civil sanctions may be imposed as appropriate. These will be imposed in accordance with the relevant service's specific procedures. Civil action may also be taken in relation to a person's criminal activity. Examples of civil action include:

- Recovery of money owed by the defendant;
- claims for damages where property has been stolen;
- damages for losses incurred through the defendant's fraudulent activity;
- claims for damage to property;
- claims for non-payment of rent lawfully due; or
- Claims for any loss incurred as a result of the defendant's criminal activity, such as clean up or repair.

Publicity

The [Corporate Anti-Fraud Communications and Publicity Plan](#) should be read before publicising any fraud cases.

Document Review

This document will be reviewed at least annually and amendments will be agreed between the Manager for the Corporate Anti-Fraud Team, the relevant Assistant Director and the relevant Portfolio Holder.

Appendix 8 - Corporate Anti-Fraud Prevention Protocol

Preventative Action is crucial to the success of implementing the Corporate Anti-Fraud Policy. Detailed preventative actions are included in the Corporate Anti-Fraud and Corruption Action Plan but the broad areas are:

Internal Control

Lead Officers have responsibility to review and identify fraud, corruption and bribery risks within new policies and systems; likewise to revise existing policies and systems to remove potential weaknesses.

Lead Officers must ensure that adequate levels of internal check are included in operational procedures. It is important that duties are organised in such a way that no one person can carry out a complete transaction without a form of checking or intervention process being built into the process.

Managers, Team Leaders and officers with supervisory responsibility are responsible for appraising internal control systems assisted by SWAP and should involve and encourage staff to identify weaknesses and areas of risk.

After any investigation that identify policy, system or operational weaknesses to allow the fraud, corruption or bribery to take place, the Corporate Anti-Fraud Officer will complete a report highlighting the area of weakness and the appropriate Lead Officer will be responsible for ensuring appropriate action and prioritising by risk.

Staff Recruitment and Propriety and CRB checks

As an organisation using the Criminal Records Bureau (CRB) Disclosure Service to assess applicants' suitability for positions of trust, Taunton Deane Borough Council complies fully with the CRB Code of Practice and undertakes to treat all applicants for positions fairly. It undertakes not to discriminate unfairly against any subject of a Disclosure on the basis of a conviction or other information revealed.

Immigration status and proof of the right to work in the UK will be requested from successful job applicants by Human Resources. Some of the checks may result in further information being required to fully ascertain the validity of the immigration status.

Initial propriety checks will be undertaken on all successful applicants for internal and external vacancies. These will include checks on identity, qualifications, references and employment history. Applicants for certain roles, such as those which handle money regularly, will have additional checks such as CRB or financial checks. All these checks will be undertaken by trained staff. Discrepancies or queries will be referred to the Corporate Anti-Fraud Team through the Fraud referral form or sent through internal post to the Corporate Anti-Fraud Team. These will be looked at within 3 days. If there is an urgent referral this must be marked as urgent and a 'phone call to the Corporate Anti-Fraud Team may be made if extra speedy resolution is required.

Temporary staff and contractors working for the Council will be subject to periodic random propriety checks conducted by trained officers. Ideally all temporary staff should have propriety checks but this may not always be possible. Temporary staff and contractors who work in high risk areas such as Revenues and Benefits will be subject to basic in service propriety checks but if the contract is longer than for 3 months such staff will be subject to the same checks as permanent staff in the same position.

Collaboration with Outside Agencies

Formalised partnerships with Southwest One, SWAP, the Police, Her Majesty's Revenue and Customs and the Department for Work and Pensions are established as these are essential for the successful pursuit of fraud, corruption and bribery. These partnerships facilitate multi agency investigations, the sharing of information and pooling of resources. Existing contacts will be built upon and formalised.

National Fraud Initiative

As part of the annual external audit process, the Audit Commission requires the Council to participate in the National Fraud initiative (NFI). The Serious Crime Act 2007 amended the Audit Commission Act 1998 and gave the Audit Commission new statutory powers to conduct data matching exercises. The Council provides data from its computer systems that is matched with that of other councils and agencies to identify possible fraud. Details of matches are returned to the authority where further investigations are undertaken to identify and pursue cases of fraud and irregularity. This tool is effective in detecting areas of national and local fraud and identifying trends and areas of risk. These trends and areas of risk can be used to identify measure and prevent future fraud.

Audit Corporate Fraud, Corruption and Bribery Compliance Checks

Internal Audit conduct compliance checks throughout the Council. Any issues identified by Internal Audit regarding potential fraud, corruption or bribery arising from discrepancies or loop holes in systems will be highlighted to the Corporate Anti-Fraud Team to decide if a proactive investigation is required and/or to identify future preventative measures to avoid occurrence and re-occurrence of fraud, corruption or bribery. The issues or outcomes will be monitored by the Audit Team and the appropriate Lead Officer.

Document Review

This document will be reviewed at least annually and amendments will be agreed between the Manager for the Corporate Anti-Fraud Team, the relevant Assistant Director and the relevant Portfolio Holder.

Appendix 9 - Corporate Anti-Fraud Communications and Publicity Plan

Introduction

The Council's Corporate Anti-Fraud Policy requires the Council to have a Communications and Publicity Plan to encourage zero tolerance of fraud. The plan will also establish and enable communication requirements to promote and raise awareness of the Council's anti-fraud and corruption activities.

The Corporate Anti-Fraud Team is committed to ensuring they have a clear programme of work to publicise the:

- Hostility of the honest majority to fraud and corruption.
- Effectiveness of preventative arrangements
- Sophistication of arrangements to detect fraud and corruption
- Professionalism of those investigating fraud and corruption, and their ability to uncover evidence.
- Likelihood of proportionate sanctions being applied and
- Likelihood of losses being recovered

Effective communication and publicity is essential to deter and prevent the organisation from falling victim to fraud. Through publicity, awareness and training the plan seeks to provide clear messages that the Council is serious about countering fraud and will demonstrate the impact of its work by highlighting successes.

Aims

To provide feedback to:

- Staff and Members, other Local Authorities, partners and stakeholders.
- Taunton Deane Borough residents (to show that appropriate action is being taken by the Council).

To raise & increase awareness about:

- The Corporate Anti-Fraud Team and the work done.
- Fraud initiatives and events, including general fraud awareness training.
- Types of fraud and prevalent and current trends of fraud.

To Publicise:

- Successful prosecutions in the media
- Fraud campaigns
- Preventative methods and encourage deterrence of staff and public.

Communicating with the Media

All communications with the media will be made through the Public Relations Officer.

The Public Relations Officer will receive advance warning from the Corporate Anti-Fraud Team if there is a possibility of external interest in any area of fraud work, particularly any which may create adverse publicity or reputational damage. The Corporate Anti-Fraud Team will promptly brief the Public Relations Officer on any contentious issues regarding any publication of cases and work with the Public Relations Officer to minimise any adverse publicity towards the Council.

Decision process for the publications of prosecutions

External Investigations - the decision to publicise will be made by the Corporate Anti-Fraud Team Manager and authorised by the relevant Assistant Director (for Corporate Anti-Fraud). Details publicised would have to be in the public domain, i.e. already read out in court.

Internal investigations - all internal cases of fraud have the potential for reputational damage, so it is vital to notify the Public Relations Officer from the outset and seek his or her advice on the considerations of any decision to publicise. The decision will be made by the appropriate Director and Lead Officer in consultation with the Corporate Anti-Fraud Team Manager and Human Resources Manager. All details publicised would have to be in the public domain.

Consultation - the decision on an internal investigation may require consultation with Legal Services, the relevant Portfolio Holder, the Leader or Chief Executive. The relevant Director will make the decision as to whom it is appropriate to consult. No decisions are to be publicised without consultation with the Public Relations Officer.

Anonymity - in all publicity, the identity of Investigation Officers will remain anonymous unless in circumstances agreed by the Public Relations Officer and Corporate Anti-Fraud Team Manager.

Communicating with Partners and Stakeholders

A quarterly information Newsletter will be sent to current partners and stakeholders. Details of cases mentioned in the Newsletter will be fully anonymous unless details are in the public domain. Partners and Stakeholders will also be kept informed by e-mail of actions undertaken, progress on actions and outcomes to encourage further joint working on investigations.

The Corporate Anti-Fraud Team will encourage partners to put up anti-fraud posters for on-going and proactive fraud campaigns. Fraud awareness training or information for staff, partners or stakeholders will also be provided to ensure staff and others are made aware of outcomes. This will facilitate increasing vigilance and encourage fraud referrals thus increasing partner involvement with the Corporate Anti-Fraud Team.

Communicating with Internal staff

Staff will be kept up to date on anti-fraud through the intranet with the use of a dedicated intranet page. This will be updated quarterly. Intranet pages will also be used for consultation e.g. a staff survey.

The Corporate Anti-Fraud Team will advise staff and managers of fraud awareness training within the Council and will provide guidance on corporate fraud and corruption issues such as:

- fraud referrals
- current prevalent frauds
- publicising internal and external action taken against fraud
- the need for vigilance about fraud against the Council
- anti-fraud workshops/training

This will in turn promote better governance and best practice to reinforce the anti-fraud culture.

Communicating with Elected Members

The Corporate Anti-Fraud Team will provide briefings and reports to the Corporate Governance Committee. Updates will also be provided to Standards Committee Members. Fraud awareness training will be provided for Members and within the Council and the Corporate Anti-Fraud Team will provide guidance on corporate fraud and corruption issues.

Communicating with the public.

Where possible and appropriate, prosecutions and other fraud related activities will be publicised. In addition to media publicity, the Corporate Anti-Fraud Team will have a dedicated Corporate Fraud Webpage that will be up dated with information on successes and outcomes and savings made by the Team.

Anti-fraud posters will be utilised to promote anti benefit fraud as well as anti-fraud campaigns. These fraud posters will be put in public places such as Council owned buildings with public access. Partner organisations will be asked to participate in anti-fraud campaigns to assist in promoting the anti-fraud message.

Document Review

This document and the attached plan will be reviewed at least annually and amendments will be agreed between the Manager for the Corporate Anti-Fraud Team, the relevant Assistant Director and the relevant Portfolio Holder.

Appendix 10 - Whistleblowing Policy

Taunton Deane Borough Council is committed to the highest possible standards of openness and accountability. In line with that commitment we expect both employees and members of the public, who have serious concerns about any aspect of the Council's work to come forward and voice their concerns.

Whether you are an employee or a member of the public, you might be the first to realise that there may be something seriously wrong within the Council.

This policy is intended to encourage and enable employees and members of the public to raise concerns within the Council rather than overlooking a problem.

This policy also explains how you can raise a concern without fear of victimisation, subsequent discrimination or disadvantage.

Who can use this policy?

- All members of the public
- All Employees (including Contractors, Agency and Temporary staff)
- External Contractors
- Suppliers
- Service providers

What is included in the policy?

There are existing procedures in place to enable staff to lodge a grievance relating to their own employment. This policy is intended to cover concerns that fall outside the scope of the grievance procedure. Thus any serious concern that a member of staff or a member of the public has about any aspect of service provision or the conduct of officers or members of the Council or others acting on behalf of the Council can and should be reported under this policy.

This concern may be about something that is:

- unlawful
- against the Council's Standing Orders, Financial Procedure Rules and policies
- against established standards of practice
- improper conduct
- amounts to malpractice
- posing a danger to the health and safety of individuals
- likely to cause damage to the environment
- other conduct that gives you cause for concern

Please note that this is not a comprehensive list but is intended to illustrate the range of issues which might be raised under this Code.

Safeguards

Harassment or Victimisation

The Council recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisals from those who may be guilty of malpractice or from the Council as a whole. The Council will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action in order to protect a person who raises a concern in good faith even if they were mistaken. In addition employees have statutory protection against reprisals under the Public Interest Disclosure Act 1998 and can refer their case to an Industrial Tribunal.

Confidentiality

As far as possible, the Council will protect the identity of any employee or member of the public who raises a concern and does not want his/her name to be disclosed but this confidentiality cannot be guaranteed. It must be appreciated that any investigation process may reveal the source of the information and a statement by the person reporting the concern may be required as part of the evidence. Where an employee or member of the public has requested that their identity not be revealed, the Council will discuss the matter with them before embarking on any course of action whereby their identity will need to be disclosed.

Anonymity

Concerns expressed anonymously will be considered at the discretion of the Council although it must be appreciated that it is inherently difficult to investigate concerns expressed this way. It is hoped that the guarantees contained in this policy will provide sufficient reassurance to staff to enable them to raise concerns in person. However in exercising the discretion, the factors to be taken into account would include:

- The likelihood of obtaining the necessary information;
- The seriousness of the issues raised;
- The specific nature of the complaint;
- The duty to the public.

False and Malicious Allegations

The Council will not tolerate the making of malicious or vexatious allegations. Acts of this nature will be treated as serious disciplinary offences. Disciplinary action, including summary dismissal for serious offences, will be taken against any employee found to have made malicious or vexatious claims.

In line with the TDBC Complaints Procedure examples of vexatious allegations are persistently complaining about a variety or number of different issues; persistently making the same complaint but not accepting the findings of any properly conducted investigation and/or seeking an unrealistic outcome.

In addition, a concern, which is genuinely believed, may prove to be unfounded on investigation – in which case no action will be taken against the person who raised the concern.

The Council will try to ensure that the negative impact of either a malicious or unfounded allegation about any person is minimised.

How to raise a concern

If you are a member of the Public

You can raise your concern(s) with any of the following officers;

- Chief Finance Officer - Shirlene Adam (s.adam@tauntondeane.gov.uk)
- Human Resources Manager - Martin Griffin (m.griffin@tauntondeane.gov.uk)
- Legal – Monitoring Officer – Bruce Land (bdlang@westsomerset.gov.uk)
- Group Auditor - Chris Gunn (Chris.Gunn@southwestaudit.gov.uk)

The Council has set up an arrangement for a confidential answer phone service with the South West Audit Partnership (01458 257462). You can also email them at; confidential@southwestaudit.gov.uk

If you are an employee of the Council

You should normally raise your concern(s) with your immediate manager or their superior. This depends, however, on the seriousness and sensitivity of the issues involved and who is thought to be involved in the malpractice. If you prefer (for whatever reason) or if you believe that management is involved, you can contact one of the following individuals;

- Chief Finance Officer - Shirlene Adam (s.adam@tauntondeane.gov.uk)
- Human Resources Manager - Martin Griffin (m.griffin@tauntondeane.gov.uk)
- Legal – Monitoring Officer – Bruce Land (bdlang@westsomerset.gov.uk)
- Group Auditor - Chris Gunn (Chris.Gunn@southwestaudit.gov.uk)

The Council has set up an arrangement for a confidential answer phone service with the South West Audit Partnership (01458 257462). You can also email them at; confidential@southwestaudit.gov.uk

Alternatively you can get confidential advice from your trade union or professional association. There is an independent charity called Public Concern at Work (020 7404 6609) www.pcaaw.co.uk who have lawyers who can give independent advice at any stage about how to raise a concern about serious malpractice at work.

You can also invite your trade union or professional association to raise a matter on your behalf.

Members of the Public and Employees

Concerns can either be raised orally or in writing. Normally it is preferable to put your concern in writing.

What you need to include

It would be helpful to us if you could provide the following information

- background
- the history
- reason for your concern
- names
- dates
- places

See [Flowchart](#) on 'How to Raise a Concern'

How the Council will respond

The action taken by the Council will depend on the nature of the concern. Where appropriate, the concern(s) raised will be;

- investigated by senior management, internal audit (SWAP) or through the disciplinary process;
- referred to the police;
- form the subject of an independent inquiry.

In order to protect the individual and the Council, an initial investigation will be carried out to decide whether a full investigation is appropriate and, if so, what form it should take. Concerns or allegations, which, fall within the scope of specific procedures (for example fraud, theft and corruption) will normally be referred for consideration under those procedures.

It should be noted that some concerns may be resolved by agreed action without the need for investigation. If urgent action is required, this would be taken before any investigation is completed.

Within ten working days of a concern being raised, the Group Auditor will write to you;

- acknowledging that the concern; has been received,
- indicating how he/she proposes to deal with the matter; and
- Giving an estimate of how long it will take to provide a final response.

If it is impossible for initial inquiries to be completed within ten working days, the situation will be explained in the letter of acknowledgement. Where a decision is made that no investigation will take place, the reasons for this will be provided.

The amount of contact between the officers considering the issues and you raising the concern will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information may be sought from the person raising the concern.

Where any meeting is arranged, you have the right, if they so wish, to be accompanied by a union or professional association representative, relative or a friend who is not involved in the area of work to which the concern relates.

The Council will take appropriate steps to minimise any difficulties, which you may experience as a result of raising a concern. For example, if as an employee you are required to give evidence in criminal or disciplinary proceedings, the Council will need to inform them and consider what steps are required to provide support.

The Council accepts that by raising a concern, you will need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, you will receive as much information as possible about the outcomes of any investigation.

How the Concern can be taken further

This policy is intended to provide you with an avenue to raise concerns within the Council. The Council hopes you will be satisfied with any action taken. If you are not satisfied with the outcome of your confidential allegation you can write to the Chief Executive and ask for the investigation and outcome to be reviewed. If you remain dissatisfied and you feel it is right to take the matter outside the Council, you may wish to take advice from your trade union, your local Citizens Advice Bureau, any of the external agencies listed in later in this policy, or your legal advisor on the options that are available to you.

Another option is that you may wish to rely on your rights under the Public Interest Disclosure Act 1998. This Act gives you protection from victimisation if you make certain disclosures of information in the public interest. The provisions are quite complex and include a list of prescribed persons outside of the Council who can be contacted in certain circumstances. You should seek advice on the effect of the Act from the Monitoring Officer.

If you do take the matter outside the Council, you need to ensure that you do not disclose information where you owe a duty of confidentiality to persons other than the Council (e.g. service users) or where you would commit an offence by making such disclosures. This is something that you would need to check with one of the officers listed in "How to Raise a Concern".

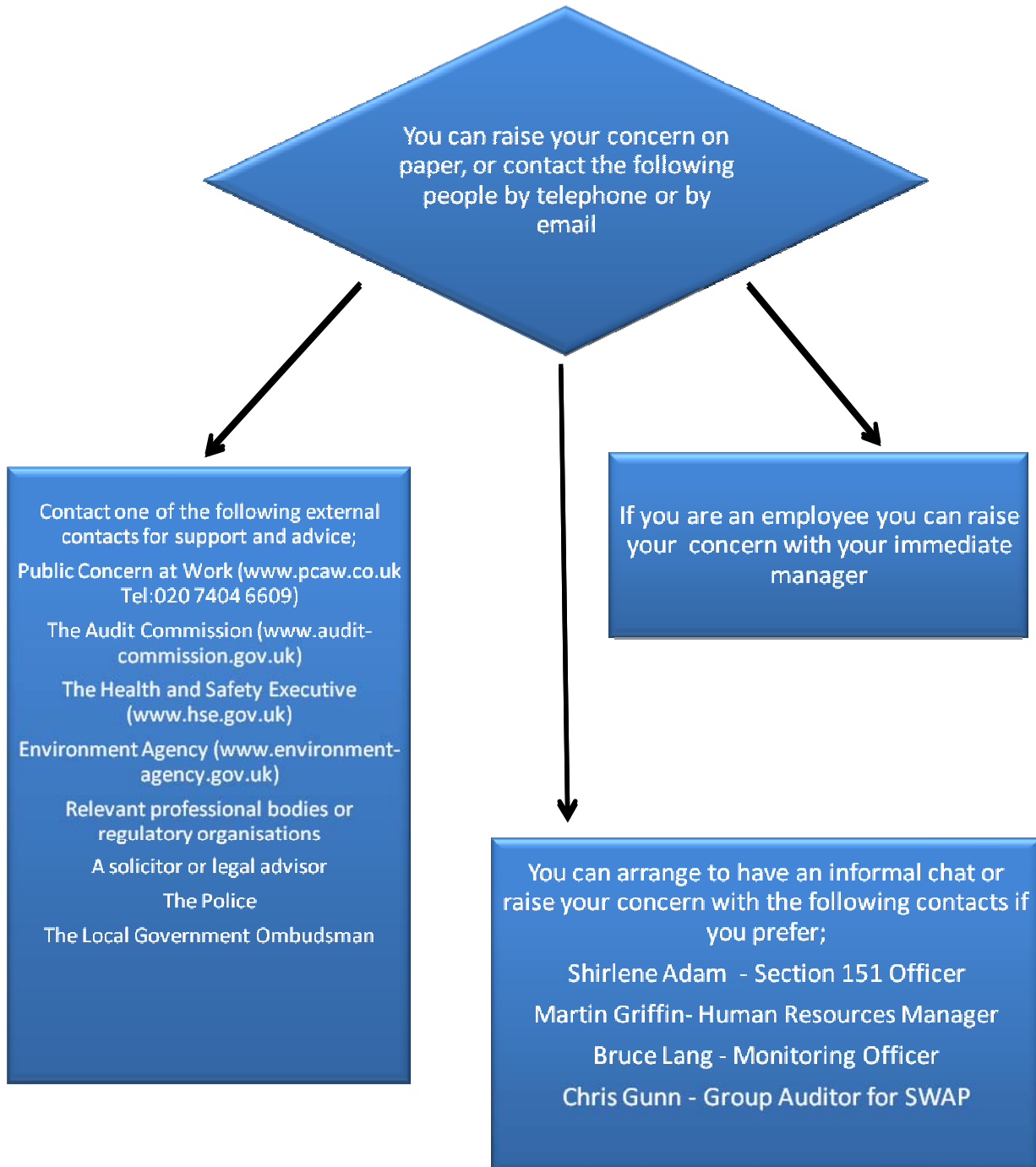
The Role of the Monitoring Officer

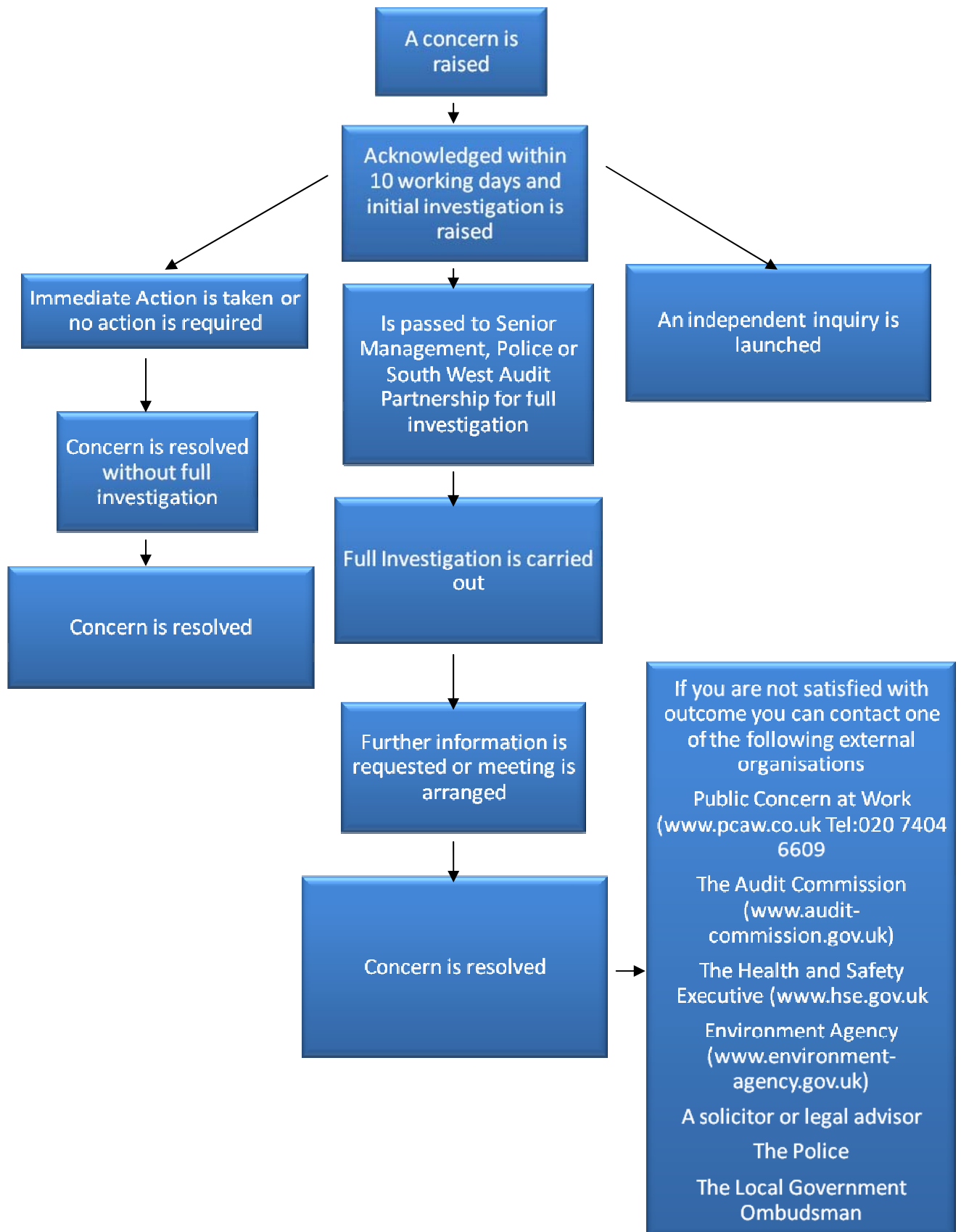
The Monitoring Officer is responsible for ensuring that the Council adheres to this Policy and the officer's contact details are documented in this policy should you have any concerns with it. The Monitoring Officer is also responsible for reporting to the Council on any findings of improper or unlawful conduct following an investigation.

Review of policy

This Policy will be regularly reviewed in line with future changes and developments and at least every two years. Next Review date planned: 1 May 2013.

How to raise your concern





Appendix 11 - Anti-Bribery Policy

This policy provides a coherent and consistent framework to enable the organisation's employees and members to understand and implement arrangements enabling compliance. In conjunction with related policies and key documents it will also enable members/employees to identify and effectively report a potential breach.

TDBC requires that all members and staff, including those permanently employed, temporary agency staff and contractors:

- Act honestly and with integrity at all times and to safeguard the Council's resources for which they are responsible and to safeguard the Council's good reputation
- Comply with the spirit, as well as the letter, of the laws and regulations of all jurisdictions in which TDBC operates, in respect of the lawful and responsible conduct of activities.

Scope of this policy

This policy applies to all of TDBC's activities. For partners, joint ventures and suppliers, we will seek to promote the adoption of policies consistent with the principles set out in this policy.

Within TDBC, the responsibility to control the risk of bribery occurring resides with all members and officers. It does not rest solely within assurance functions, but in all service areas, business units and corporate functions.

This policy covers all personnel, including all levels and grades, those permanently employed, temporary agency staff, contractors, non-executives, agents, Members (including independent members), volunteers and consultants.

TDBC's Commitment to Action

TDBC commits to:

- setting out a clear anti-bribery policy and keeping it up to date
- making all employees aware of their responsibilities to adhere strictly to this policy at all times
- training key employees so that they can recognise and avoid the use of bribery by themselves and others
- encouraging its employees to be vigilant and to report any suspicions of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately
- rigorously investigating instances of alleged bribery and assisting police and other appropriate authorities in any resultant prosecution
- taking firm and vigorous action against any individual(s), (employees, contractors, agents) involved in bribery
- provide information to all employees to report breaches and suspected breaches of this policy
- include appropriate clauses in contract documents to prevent bribery.

TDBC's Proportionate Procedures

TDBC's procedures to prevent bribery by persons associated with it are proportionate to the bribery risks it faces and to the nature, scale and complexity of its activities. They are intended to be clear, practical, accessible, effectively implemented and enforced.

Top level commitment

CMT and Executive are committed to preventing bribery by persons associated with it. They foster a culture within the organisation in which bribery is never acceptable.

Risk Assessment

TDBC assesses the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it. The assessment is periodic, informed and documented. It includes financial risks but also other risks such as reputational damage.

Due Diligence

TDBC applies due diligence procedures, taking a proportionate and risk based approach, in respect of persons who perform or will perform services for or on behalf of the organisation, in order to mitigate identified bribery risks.

Communication (including training)

TDBC seeks to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal and external communication, including training that is proportionate to the risks it faces.

Monitoring and review

TDBC monitors and reviews procedures designed to prevent bribery by persons associated with it and makes improvements where necessary.

This organisation is committed to proportional implementation of these principles.

Penalties

In accordance with the [Bribery Act 2010](#), an individual guilty of an offence under sections 1, 2 or 6 is liable:

- on conviction in a magistrates court, to imprisonment for a maximum term of 12 months or to a fine not exceeding £5,000, or to both
- on conviction in a crown court, to imprisonment for a maximum term of ten years, or to an unlimited fine, or both

TDBC is liable for these fines and, if guilty of an offence under section 7, are liable to an unlimited fine.

Bribery is not tolerated

It is unacceptable to:

- give, promise to give, or offer a payment, gift or hospitality with an expectation or hope that a business advantage will be received, or to reward a business advantage already given
- give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure
- accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them
- accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy
- engage in activity in breach of this policy

Facilitation payments

Facilitation payments are not tolerated and are illegal. Facilitation payments are unofficial payments made to public officials in order to secure or expedite actions. This, for example, includes customs officers.

Gifts and hospitality

This policy is not meant to change the requirements of our gifts and hospitality policy

This makes it clear that all offers of gifts and hospitality of a value of £25 or over should be registered whether they are accepted or not.

Public contracts and failure to prevent bribery

Under the Public Contracts Regulations 2006 (which gives effect to EU law in the UK), TDBC is automatically and perpetually debarred from competing for public contracts where it is convicted of a corruption offence. Organisations that are convicted of failing to prevent bribery are not automatically barred from participating in tenders for public contracts. TDBC has the discretion to exclude organisations convicted of this offence.

Your responsibility as a member or officer

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the organisation or under its control. All staff and members are required to avoid activity that breaches this policy.

You must:

- ensure that you read, understand and comply with this policy
- raise concerns as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future.

As well as the possibility of civil and criminal prosecution, staff and members that breach this policy will face disciplinary action, which could result in dismissal for gross misconduct.

Raising a concern

TDBC is committed to ensuring that all of us have a safe, reliable and confidential way of reporting any suspicious activity. We want each and every member of staff/member to know how they can raise concerns.

We all have a responsibility to help detect, prevent and report instances of bribery. If you have a concern regarding a suspected instance of bribery or corruption, please speak up – your information and assistance will help. The sooner you act, the sooner it can be resolved.

There are multiple channels to help you raise concerns. Please refer to the [Whistleblowing Policy](#) and determine your favoured course of action. Preferably the disclosure will be made and resolved internally (e.g. to your head of department/on line reporting/telephone hotline). Secondly, where internal disclosure proves inappropriate, concerns can be raised with the external auditor. Raising concerns in these ways may be more likely to be considered reasonable than making disclosures publicly (e.g. to the media).

Concerns can be anonymous. In the event that an incident of bribery, corruption, or wrong-doing is reported, TDBC will act as soon as possible to evaluate the situation. TDBC has clearly defined procedures for investigating fraud, misconduct and non-compliance issues and these will be followed in any investigation of this kind. This is easier and quicker if concerns raised are not anonymous.

Staff/members who refuse to accept or offer a bribe, or those who raise concerns or report wrong-doing can understandably be worried about the repercussions. TDBC aims to encourage openness and will support anyone who raises a genuine concern in good faith under this policy, even if they turn out to be mistaken.

TDBC is committed to ensuring nobody suffers detrimental treatment through refusing to take part in bribery or corruption, or because of reporting a concern in good faith.

Appendix 12 - Audit Commission Use of Resources fraud checklist

General	Yes	No
1. Do we have a zero tolerance policy towards fraud?		
2. Do we have the right approach and effective counter-fraud strategies, policies and plans? Have we aligned our strategy with <i>Fighting Fraud Locally</i> ?		
3. Do we have dedicated counter-fraud staff?		
4. Do counter-fraud staff review all the work of our organisation?		
5. Do we receive regular reports on how well we are tackling fraud risks, carrying out plans and delivering outcomes?		
6. Have we assessed our management of counter-fraud work against good practice?		
7. Do we raise awareness of fraud risks with: <ul style="list-style-type: none"> • New staff (including agency staff); • Existing staff; • Elected members; and • Our contractors? 		
8. Do we work well with national, regional and local networks and partnerships to ensure we know about current fraud risks and issues?		
9. Do we work well with other organisations to ensure we effectively share knowledge and data about fraud and fraudsters		
10. Do we identify areas where our internal controls may not be performing as well as intended? How quickly do we then take action?		
11. Do we maximise the benefit of our participation in the Audit Commission National Fraud Initiative and receive reports on our outcomes?		
12. Do we have arrangements in place that encourage staff to raise their concerns about money laundering?		
13. Do we have effective arrangements for: <ul style="list-style-type: none"> • Reporting fraud; • Recording fraud; and • Whistle-blowing? 		
14. Do we have effective fidelity insurance arrangements?		
15. Have we reassessed our fraud risks since the change in the financial climate?		
16. Have we amended our counter-fraud plan as a result?		
17. Have we reallocated staff as a result?		
Housing Tenancy	Yes	No
18. Do we take proper action to ensure we only allocate social housing to those who are eligible?		
19. Do we take proper action to ensure that social housing is occupied by those to whom it is allocated		

Procurement	Yes	No
20. Are we satisfied our procurement controls are working as intended?		
21. Have we reviewed our contract letting procedures since the investigations by the Office of Fair Trading into cartels and compared them with best practice?		
Recruitment	Yes	No
22. Are we satisfied our recruitment procedures: <ul style="list-style-type: none"> • Prevent us employing people working under false identities; • Confirm employment references effectively • Ensure applicants are eligible to work in the UK; and • Require agencies supplying us with staff to undertake the checks that we require? 		
23. Where we are expanding the use of personal budgets for adult social care, in particular direct payments, have we introduced proper safeguarding proportionate to risk and in line with recommended good practice?		
24. Have we updated our whistle-blowing arrangements for both staff and citizens so that they may raise concerns about the financial abuse of personal budgets?		
Council Tax Discount	Yes	No
25. Do we take proper action to ensure that we only award discounts and allowances to those who are eligible?		
Housing and council tax benefits	Yes	No
26. When we tackle housing and council tax benefit fraud do we make full use of: <ul style="list-style-type: none"> • National Fraud Initiative; • Department for Work and Pensions • Housing benefit matching service; • Internal data matching; and • Private sector data matching? 		
Emerging fraud risks		
27. Do we have appropriate and proportionate defences against emerging fraud risks: <ul style="list-style-type: none"> • Business rates; • Right to Buy; • Social Fund and Local Welfare Assistance; • Local Council Tax Support; • Schools; and • Grants? 		

Appendix 13 - Tenancy Fraud Policy

Introduction

Taunton Deane Borough Council allocates social housing through choice based lettings. The Council will allocate social housing to those in housing need and to those who will use it as their only or principal home (as outlined in the Housing Act 1996). The Council's Allocations Policy is the framework document outlining the Council's criteria for the allocation of social housing.

Part VII of the Housing Act 1996 also places a duty on local housing authorities to provide advice and assistance to homeless people and people threatened with homelessness.

The Council owns and manages its own stock of approximately 6,000 properties, including supported units for older people.

Social housing is a valuable national asset, which provides security and stability to millions of people in housing need in England. However, the Audit Commission estimates that there are as many as 50,000 social homes across the country that may be occupied fraudulently. This equates to more than 1 in 100 housing association and council homes.

The National Fraud Authority, in association with the Chartered Institute of Housing, published The [Guide to Tackling Tenancy Fraud](#) in 2011. The Guide identified the following "key learnings and recommendations" for social landlords:

- All landlords should ascertain the level of unlawful occupation in their stock.
- More local authorities should provide a fraud investigatory service to housing associations in return for nomination rights to homes recovered
- Registered providers of social housing should have robust internal audit processes in place to detect possible fraudulent or corrupt actions by staff.
- Local authorities should consider photographing tenants at allocation and existing tenants at tenancy audits.
- Local authorities should consider the balance of the resources they allocate to housing benefit and housing tenancy fraud.
- A consistent best practice tenancy audit checklist and training needs to be devised to show how these can be carried out effectively.
- The Government should consider further incentivising local authorities and registered providers to investigate and recover unlawfully sublet properties.
- Registered providers and councils should commit to joint working and there should be political and managerial commitment to the recovery of unlawfully sub-let properties.
- Housing tenancy fraud is not restricted to London and work needs to be done to promote investigations outside London

Those who commit tenancy fraud deprive people who are genuinely in need from accessing social housing. This is unacceptable and so the Council, as a landlord, has a duty to make the best use of public resources by ensuring that existing stock is

properly managed and that tenancy fraud is prevented or appropriately dealt with when detected.

Tenancy fraud has a damaging impact upon the Council and its residents because:

- It can prevent people in genuine need accessing Council housing.
- The Council is not able to make best use of its housing stock.
- Some residents could spend longer in unsatisfactory, overcrowded or temporary housing if they are prevented from accessing housing because it is being blocked due to tenancy fraud.
- There is a greater risk of the property being used for illegal purposes.
- There is a greater risk of damage to the property as a result of modifications made to it to make it suitable for subletting to a number of tenants.
- The Council may have more difficulty gaining access to the property to carry out essential maintenance work, putting at risk the health and safety of the property and the occupiers within it.
- Unauthorised sub-tenants, unaware of their status, could be vulnerable to being charged increased rents or at risk of eviction and homelessness should the unlawful activity be detected.

This policy applies to all Taunton Deane Borough Council tenancy lets, including lets made to new tenants, transfers and mutual exchanges.

What is tenancy fraud?

This policy defines 'fraud' according to the Audit Commission's interpretation as:

"any intentional false representation, including failure to declare information or abuse of position that is carried out to make gain, cause loss or expose another to the risk of loss".

- Tenancy fraud can present itself in various forms and at any stage during the tenancy life cycle. It can include:
- Fraudulently obtaining a tenancy (e.g. through misrepresentation of identity or circumstances).
- Non-occupation by the tenant as their principal home.
- Unlawful subletting (e.g. subletting the whole property to a single household or multiple sublets within one property).
- Wrongly claimed succession.
- Unauthorised assignments.
- "Key selling" (where the tenant leaves the property and passes on the keys in return for a one-off lump sum payment or favour).
- Not notifying the landlord when the tenant moves out or passes away.

Legislative context

Prevention of Social Housing Fraud Act 2013

This Act began as a Private Member's Bill which was presented on 20 June 2012. The Bill attracted cross party support and Government backing - it completed its parliamentary stages and received Royal Assent on 31 January 2013.

The Act extends to England and Wales and was brought fully into force in England on 15 October 2013 (The Prevention of Social Housing Fraud Act 2013 (Commencement) (England) Order 2013 SI 2013/2622. The Act:

- creates new criminal offences of unlawful subletting by assured and secure tenants in social housing;
- gives local authorities powers to prosecute in cases of unlawful subletting;
- enables the courts to order the recovery of any profit made from unlawful subletting from tenants; and
- provides that assured tenants who unlawfully sublet the whole of their dwelling cannot subsequently regain their security of tenure.

Only a Local Authority can take action for illegal subletting in the Courts. The authority can use powers granted in the Prevention of Social Housing Fraud Act 2013 to gain an "unlawful profits order" from the court. This means a landlord can recover any profit made from sub-letting homes from tenants by proving the profits exist. We would do not have to show any loss.

Landlords could previously claim back the profits under the common law principle of unjust enrichment, but this put a higher burden of proof on the landlord.

Making false statements to obtain Council housing

It is a criminal offence to knowingly or recklessly make a statement which is false in a material particular or to knowingly withhold information when applying to join the local authority waiting list or when applying as a homeless person.

A strict time limit of six months applies from the date of the commission of the offence or from when the matter of the complaint arose. A prosecution cannot be pursued once the time limit has expired.

Eviction

For secure and flexible tenancies, the court may order possession if it considers it "reasonable" and is satisfied that the tenancy was obtained through deliberate falsification.

For introductory tenancies, the Council does not have to prove "reasonableness" and can obtain possession as long as the court is satisfied that the procedures relating to the service of the notice of proceedings for possession and any review of the decision to serve the notice have been correctly followed. However, there may be occasions where the Council would need to establish that eviction is a proportionate step to take pursuant to the Human Rights Act before the Court will make an Order for Possession.

Policy Objectives

The Tenancy Fraud policy includes the following nine objectives:

1. Housing applicants and their household members will be asked to supply proof of their current address at the application for housing stage.
2. Proof of identity will be requested to be brought along to the property viewing.
3. Proof of identity will be requested to be brought along to the tenancy sign up appointment.
4. A full-face photograph of new tenants will be requested at the tenancy sign up appointment.
5. Information about the rights and responsibilities around occupation will be provided to every new Council tenant at the sign up appointment.
6. New tenant follow up visits will be carried out to check all correct persons have taken up occupancy.
7. There will be a variety of ways that the public can report cases of suspected tenancy fraud.
8. Regular awareness raising campaigns will be carried out about the impact of tenancy fraud with information on how the public can report suspected incidents.
9. During the course of the tenancy there will be sound mechanisms in place to detect and identify tenancy misuse.

In meeting these objectives, Taunton Deane Borough Council undertakes to take the action detailed below.

Application for Housing Stage

Policy Objective 1: Housing applicants and their household members will be asked to supply proof of their current address at the application for housing stage.

- The Council will take action to verify information supplied by the housing applicant. This may involve cross-checking the supplied details with both internal and external data sources to highlight any discrepancies or inconsistencies, with investigative action being taken upon any discrepancies found.
- The proof of residency can include any of the suggested documentation listed in the [Evidence for Circumstances and Identity](#) section.
- For existing tenants wishing to transfer or mutually exchange, this information will also be requested as part of the application.
- Housing applications are reviewed once a year on the date of the anniversary of the initial application.

Property Viewings

Policy Objective 2: Proof of identity will be requested to be brought along to the property viewing.

- The Council will take action to verify information supplied by the housing applicant. This may involve cross-checking the supplied details with both internal and external data sources to highlight any discrepancies or inconsistencies, with investigative action being taken upon any discrepancies found.
- Getting evidence to validate identity can prevent tenancies from being obtained through deception.
- When a property is ready to be let the successful housing applicant(s) will be asked to supply two forms of identification at the property viewing.
- The [Evidence for Circumstances and Identity](#) section details the types of identification that can be accepted. Should it be a joint tenancy, proof of identity will be requested for each joint applicant.

Tenancy Sign up

Policy Objective 3: Proof of identity will be requested to be brought along to the tenancy sign up appointment.

- When the applicant(s) are asked to collect the keys and sign the tenancy agreement they will be asked to supply identification once again (as outlined in the [Evidence for Circumstances and Identity](#) section).

Policy Objective 4: A full-face photograph of new tenants will be requested at the tenancy sign up appointment.

- Having a photograph of the tenant(s) on file significantly reduces the opportunity for identity impersonation and unlawful subletting as they can be used to compliment identity checks and support the investigation.
- The applicant(s) will be asked to bring a passport size photograph to the sign up appointment.
- If the applicant is not able to supply a passport photograph (e.g. due to cost), they will be asked to consent to having a digital photograph taken at the appointment.
- The reasons for requesting a photograph should be clearly explained and the applicant reassured that the Council complies with all data protection requirements regarding the use of personal information.
- All such photographs taken will be electronically stored on the applicant(s) tenancy file. The tenant will be asked to sign a consent form which states that they agree to the storing of their photograph on file.

Policy Objective 5: Information about the rights and responsibilities of the tenancy will be provided to every new Council tenant at the tenancy sign up appointment.

- The sign up appointment is also where new tenants are provided with information about how to conduct their tenancy in an appropriate manner and the consequences if there is a breach.

- All new tenants will be provided with a handbook at the sign up stage, which includes information about the tenancy agreement and the consequences if this agreement is broken.

New Tenant Follow Up Visit

Policy Objective 6: New tenant follow up visits will be carried out to check all correct persons have taken up occupancy.

- Settling in visits carried out shortly after signing the tenancy agreement are useful for the following reasons:
 - To confirm that occupancy has been taken up.
 - To validate that the residents living in the property are the ones on the tenancy agreement.
 - To provide the new tenant(s) with advice and assistance on any property or tenancy related issue.
- New tenant visits will be carried out 4 to 6 weeks after the tenancy start date. The visits will check that the tenant has moved into the property as his/her main residence and validate the identity of the tenant(s) through checking that the photograph/s on file match the tenant(s) in occupation.

Reports from the Public

Policy Objective 7: There will be a variety of ways that the public can report cases of suspected tenancy fraud.

- Local residents are in a good position to notice changes in activities within their communities, which may lead to suspicions of tenancy fraud. This is because local residents develop day-to-day relationships with their neighbours so they are well placed to notice if new neighbours arrive or the previous resident moves away.
- Public reports of suspected tenancy fraud are a very important source of intelligence for the Council. The Council will take all reports seriously, whether anonymous or not, and act upon them promptly. Requests for anonymity will be respected.
- The public will be able to report suspected cases of tenancy fraud:
 - By telephoning the Fraud Hotline number where callers can speak to a trained investigator
 - In person at the Deane House
 - Online via a web based reporting form at www.tauntondeane.gov.uk
 - By email at investigators@tauntondeane.gov.uk

Publicity

Policy Objective 8: Regular awareness raising campaigns will be carried out about the impact of tenancy fraud with information on how the public can report suspected incidents.

- It is very important that reporting mechanisms are well publicised and accessible to all members of the community. The identity of those reporting suspected incidents of tenancy fraud will be protected if requested.
- Raising awareness amongst residents about the impact of tenancy fraud and that the Council is serious about eliminating it will encourage the reporting of suspicious incidents.
- Reporting tenancy fraud will be advertised as follows:
 - Through an article four times a year in the newsletter “Deane Dispatch”.
 - By placing posters on communal area notice boards.
 - By having a page dedicated to tenancy fraud on the housing section of the Council’s website.

Investigative and proactive measures

Policy Objective 9: During the course of the tenancy there will be sound mechanisms in place to detect and identify tenancy misuse.

- There are a variety of proactive measures that can be employed to actively detect tenancy fraud. These will be routinely in place so that the Council remains proactive about tackling it.
- No access for gas safety checks could indicate an abandoned property or that it is being unlawfully occupied. The Council will investigate all cases where no access is given.
- The Council will take part in the National Fraud Initiative, which is a data matching exercise run every two years. The Council will use the information obtained through this initiative to its full potential to help focus its fight against tenancy fraud.
- Tenancy fraud investigations will be carried out by trained investigators from the Council’s Corporate Anti-Fraud Team and where tenancy misuse is discovered then appropriate action will be taken against the perpetrators.
- Housing Services staff will receive periodic training on how to identify and take the appropriate action to deal with tenancy fraud.
- It is also important that the Council works in partnership with other local authorities, housing associations and landlords to provide a joint effort wherever possible in detecting and tackling tenancy fraud

Supporting Victims of Unlawful Subletting

Some unlawful sub-tenants may be unaware of their unlawful status and could be vulnerable to illegal eviction by the tenant at little or no notice when the situation has been uncovered. Unlawful sub-tenants are also vulnerable to eviction by the Council when it sets about recovering the property.

Victims of unlawful subletting will be offered advice from the Housing Options and Private Sector team in relation to their future housing options and rights.

Evidence for circumstances and identity

Housing Application Stage

Residency proof

One of the following documents can be accepted to validate current residence:

- Household/utility bill
- Council Tax bill
- Payslip with address
- Tenancy agreement
- Letter from Housing Benefit which confirms benefit to the current address
- Bank/Building Society statements
- Child benefit or Job Seeker's allowance book
- Pension book
- TV Licence
- Car registration documents
- Correspondence from Government department such as DWP, NHS or Borders and Immigration
- College/school letter
- Tenancy Agreement (if you signed within the last four weeks)
- Mobile telephone statement

Proof of residency can be a photocopy and will be checked against the application form before being placed on file.

Proof of children in residency

One of the following documents can be accepted to validate proof of children under the age of 16 or in full-time education:

- Child benefit letter, with address as on the application and dated within the last 4 weeks, or an old Child Benefit letter together with the applicant's most recent bank statement showing the credit and the current address.
- Child Tax Credit letter.

Children that do not live with the applicant on a full time basis cannot be considered as part of the housing application.

No fixed address

If the applicant has no fixed address they should provide a contact address and a letter from the person at that address giving their consent for correspondence to live there.

Former homeowners

If the applicant has previously owned a home either in the United Kingdom or abroad, they are to supply the completion statement for the sale of that property.

Foreign nationals

- EU/EEA nationals – Will need to supply proof of working in the UK, a copy of a recent wage slip. If a couple where the partner is not working, they are to provide proof of civic partnership or marriage.
- A2 nationals – Will need to supply the same details as EU/EEA nationals and if they arrived before 2006 a photocopy of their visa or if they arrived after 2006 a copy of their registration certificate.
- Rest of the world - Will need to supply a clear photocopy of their passport and visa.

Property Viewing and Tenancy Sign Up Stages

Proof of identity

The following documents can be accepted to validate identity:

- Full UK or EU driving licence (with photograph) or a ten year UK or EU passport (with photograph)
- Plus one of the following:
 - Home Office documents confirming status
 - A current, valid credit or debit card with supporting bank statement with address
 - Child benefit or Job seeker's allowance book showing names and address
 - Pension book showing name and address
 - For elderly residents, the travel pass issued for free public transport (with photograph)

If a passport or driving licence with a photograph is not available, it is possible to accept two of the following forms of identification:

- Home Office documents confirming status
- A current, valid credit or debit card with supporting bank statement with address
- Child benefit or Job seeker's allowance book showing names and address
- Pension book showing name and address
- For elderly residents, the travel pass issued for free public transport (with photograph)

If none or only one of the above is available, the following documents may be considered, but do not provide conclusive proof of identity:

- Student identity card – from reputable university or college
- Public sector work ID card
- National Insurance Number Card
- Medical card with national insurance number
- Birth/adoption/marriage certificate
- P46/P60
- Certificate of employment in HM Forces

The documentation must be the original copies. Photocopies will not be accepted.

Monitoring and Review

Having an understanding of the extent of tenancy fraud and possible trends locally will be useful for responding to any issues. The following information will be recorded and used to monitor the levels of tenancy fraud in Council stock:

- Numbers of tenancy frauds and types each year.
- The action taken and outcomes.

This information will be recorded by both the Housing Management team and the Corporate Anti-Fraud Team and reported in the annual report to tenants and used to evidence how the Council is performing in the tackling of tenancy fraud.

This Policy will be reviewed by the Housing Services Manager and the Corporate Anti-Fraud Team Manager on an annual basis.

Appendix 14 – Right to Buy Policy

Introduction

The Right to Buy Discount represents a significant incentive for fraudulent activity.

To be eligible for the scheme the tenant (or joint tenant) must:

- Have rented in the public sector for at least 2 years if their tenancy started before 18 January 2005 or
- Have rented in the public sector for at least 5 years if their tenancy started after 18 January 2005

The tenant or joint tenant will not be eligible if:

- There is a Possession Order over the property
- We have applied to have their Right to Buy suspended because of tenancy breaches
- The tenant has been made bankrupt and this has not been discharged
- There are on-going bankruptcy proceedings
- They have made agreements with creditors to pay debts
- They have had their Secure Tenancy suspended by Court order
- Their Right to Buy has been suspended because they have been involved in Anti-Social Behaviour

Some companies have sought to entice Public Sector Tenants into agreements with them which may result in the tenants losing their homes. These are called “Deferred Resale Agreements” and involve the tenant in receiving money up front to buy their home thereby allowing the company receiving the property to charge rent to the tenant.

If a tenant makes one of these agreements they would be required to repay the Right to Buy Discount immediately.

Appendix 15 Home Improvement Grants

Home Improvement Grants are available to home-owners and tenants to adapt their properties for people with disabilities and special needs.

This is a “means tested” grant and applicants are required to provide proof of ID and NINO as well as proof income and savings.

Applicants are required to provide original documents.

Applicants must provide original letters proving a “passporting benefit”, for example Housing Benefit/Income Support/Pension Guarantee Credit.

Check is made with Taunton Deane Borough Council’s Revenues and Benefits Service to confirm the applicant receives a qualifying benefit.

If the applicant works they must provide copies of 3 months wage slips if in full time work and 12 months if employment is not regular.

Copies of Bank statements are required and may also be used to confirm receipt of benefits.

If the applicant is an owner/occupier evidence of ownership is required and this may involve a check with the Land Registry if title deeds or proof of mortgage are not available.

Any false applications would result in the Grant having to be repaid.

Additionally a tenant is also required to obtain permission from their landlord to carry out the proposed alterations.

Taunton Deane Borough Council makes payment direct to the contractor for the work. Invoices are monitored and payments are authorised by 2 members of staff before payment.

Appendix 16 Procurement (Invoice & Mandate Fraud)

Public Sector bodies can be vulnerable to invoicing and mandate fraud from both inside and outside their organisations.

Insider Invoice Fraud

This refers to cases where a Council employee can access the Council's assets and payments to commit fraud.

Payment to Dormant Suppliers:

Payment Control Measures:

- Monitor spending with individual suppliers
- Conduct regular reviews of suppliers to confirm they are still active
- Closure of accounts when suppliers cease to be active
- Separation of duties and authorisations
- Audit trail of Supplier detail changes (e.g. Bank Account details)
- Checks of actual spend against budgets
- Up-to-date list of Authorisers
- All payments approved by an authorised officer

Supplier Control Measures:

- Non-approved suppliers to be blocked centrally
- Limit number of officers able to create suppliers in the system
- Segregation of duties and authorisation applied to supplier creation process
- Independent verification of supplier details
- Audit trail of supplier creation

Changes of Supplier Address and Bank details

- Segregation of duties when changing payment details so that more than one member of staff is required to carry out this function
- Supporting evidence recorded and retained
- Audit trail of address/bank detail creation and changes
- Sample checking of address/bank detail changes

Undisclosed Relationship/Collusion with Suppliers

- Pro-Active testing of employee to vendor address matching
- Clearly defined policies and guidelines
- Audit Trail of purchasing decisions
- Segregation of Duties
- Promotion of Whistle Blowing Policy
- Covert and/or overt investigations

Supplier Invoicing Fraud:

Supplier submitting false or duplicate invoices

- Effective goods receipting and invoice matching process
- Checking process for duplicated invoice values from the same supplier
- Checking process for duplicated invoice/order numbers from same supplier

Supplier submitting invoices for work contracted but not delivered

- Effective goods receipting and invoice matching process
- Segregation of Duties (invoice handling separated from goods receipting)
- All goods and services must be receipted before payment of invoice
- Robust procedures to recover any overpayments
- Clear directions of use of Government Procurement cards

Altered amounts

- Effective goods receipting and invoice matching process
- Segregation of Duties

Invoices for goods/services not delivered

- Purchase orders should be processed and approved by and an authorised officer before orders goods or services
- Supplier invoices should only be paid where there is a completed approval matched to the purchase order
- Effective goods/services receipting and invoice matching process
- Segregation of Duties

Invoices for work not to contracted standard

- Quality checking process implemented
- Monitoring of budget spend and follow up checks on over/under expenditure
- Sample of invoices checked against goods/services delivered

Mandate Fraud:

Mandate fraud is when authorities are fraudulently advised of changes to supplier bank details.

Details of suppliers can be obtained from sources such as corrupt staff, published contract information and on-line logs of supplier contracts for example.

Request to change Bank details from an external source

- Confirm request with supplier using existing contact details
- Send a notification to the supplier confirming the change of details
- Check information on the request form to existing records before making any changes

Fraudulent Requests to set up Standing Orders

- Control account reconciliations to be performed monthly to confirm the financial statement accurately reflect transactions, enabling discrepancies to be identified and timely corrective action to be taken
- There should be a documented process in place to manage changes to the general ledger and compliance with this should be monitored

Rogue Publisher Fraud:

Publisher Fraud involves organisations being misled into paying for services such as advertising space in publications which is not required and may not even be provided.

This can be carried out in a number of ways:

- Invoices are sent to Local Authorities for adverts in publications that do not exist
- Local Authorities receive calls from “rogue publishers” claiming to be from genuine publications they have used before. If they express an interest they are passed to another operative who arranges for the advert to be placed. If the subsequent invoice is queried the “rogue publisher” claims a verbal contract exists.
- Local Authorities may be contacted with offers of a free listing in a “business directory”. They may be asked to complete and return a form confirming the Local Authorities details. In the small print it will state that by signing the form the organisation is committing to an order and agreeing to pay for on-going entries in the directory
- Rogue publishers will call organisations asking for the names of 2 members of staff who can authorise the placement of an advertisement in one of their publications. They then call one of these members of staff and ask them to authorise an advert that has been booked by the other person
- Authorities are contacted by telephone or letter and asked if they wish to place an advert in the next edition of a publication that they are falsely informed they have used before
- Rogue publishers mislead organisations to believe they are registered charities by using name which are very similar to genuine well-known charities
- Rogue publishers will claim their publications are being produced in conjunction with other agencies, when these actually have no involvement at all

Control Measures:

- Never place adverts over the telephone
- Request written details of the service being offered including full terms and conditions
- Keep a record of all calls from publishers noting all details
- Query invoices for services that do not appear to have been received
- Register at www.tpsonline.org.uk/ to opt out of receiving unsolicited sales and marketing calls.