

ASHFIELD DISTRICT COUNCIL: EXECUTIVE FUNCTIONS DECISION RECORD

Please use this form to record any Executive Decision taken by an Executive Lead Member or Chief Officer.

TO BE COMPLETED BY THE DECISION TAKER:	
1.	<p>Title / Subject Matter:</p> <p style="text-align: center;"><u>Contract for the Provision of Specialist Anti-Fraud Services</u></p> <p>Contract for the provision of Specialist Anti-Fraud Services with Derby City Council.</p>
2.	<p>Is this a Key Decision: A Key Decision is one that is likely to:</p> <p>(a) Result in the Council spending or making savings of over £100,000 revenue or £1m capital, or;</p> <p>(b) Have a significant impact on two or more Wards, or electoral divisions in the Council's area.</p> <p>No</p>
3.	<p>Decision Taken:</p> <p>Internal Audit (CMAP) has made recommendations that the Council should have access to specialist Anti-Fraud trained staff. The capacity and cost to undertake this within ADC does not exist so options to access this specialist support were explored through Derby City Council who have such contracting arrangements in place with other public organisations. Our contract for internal audit (CMAP) is also through Derby City Council so there are synergistic benefits to be capitalised on, specifically as both CMAP and DCC's anti-fraud service both report through to the same line manager.</p>
4.	<p>Reasons for the Decision:</p> <p>To address outstanding internal audit recommendations at an affordable cost. (Within budget).</p>
5.	<p>Copy of the Report or Briefing Note setting out the information which was used as the basis for the Decision:</p> <p>See attached.</p>



Ashfield

DISTRICT COUNCIL

6. Was the Decision classed as exempt? If so, what were the reasons for this:

In accordance with Overview and Scrutiny Procedure Rule 13 (Call In of Executive Decisions), the decision has been deemed to be urgent because specialist support is required to work on two potential fraud related cases. The decision will therefore be taken immediately and will not be subject to the Member call-in procedure.

7. Alternative Options Considered / Rejected:

To go to the market for other potential providers. This was rejected due to the low value of the contract and because the wider synergistic benefits described above would not be achieved.

8. Declarations of Interest and Dispensations – if applicable:

Any Declarations of Interest relating to this decision and subsequent dispensations should be listed.

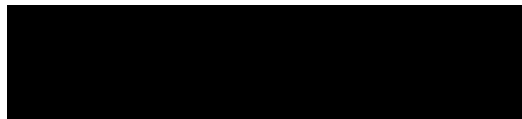
Not Applicable.

9. Name / Title of the relevant Executive Lead Member(s) consulted (if appropriate):

Cllr. Rachel Madden - Executive Lead Member for Finance, Revenues and Benefits.

10. Name / Title of the decision taker:

(a) Executive Lead Member: Cllr. Rachel Madden - Executive Lead Member for Finance, Revenues and Benefits.



Date: 2 August 2024

TO BE COMPLETED BY DEMOCRATIC SERVICES

1. Date that the decision was notified to Members:

N/A – Overview and Scrutiny Procedure Rule 13 in place

2. Date and time when the Call-In period for this decision ends:
3. Date when the decision can be implemented (five clear working days following publication):
4. Decision Reference Number (if applicable):

The completed form should be emailed to the Democratic Services Team:

democratic.services@ashfield.gov.uk

They will arrange for it to be published on the Council's web site.

EXEMPT OR CONFIDENTIAL BACKGROUND INFORMATION IN SUPPORT OF THE DECISION:

Use this section to share any confidential information. **This will not be published or placed on the Council's web site.** It will only be shared within the Authority, as appropriate.

For further support or guidance please contact Ruth Dennis, Executive Director for Governance (and Monitoring Officer) ruth.dennis@ashfield.gov.uk or any member of the Democratic Services Team.

Report To:	EXECUTIVE DECISION
Date:	2 AUGUST 2024
Heading:	CONTRACT FOR THE PROVISION OF SPECIALIST ANTI-FRAUD SERVICES WITH DERBY CITY COUNCIL
Executive Lead Member:	CLLR RACHEL MADDEN – EXECUTIVE LEAD MEMBER FOR FINANCE, REVENUES AND BENEFITS
Ward/s:	
Key Decision:	NO
Subject to Call-In:	NO

Purpose of Report

To approve the entering into a contract with Derby City Council for the provision of specialist Anti-Fraud Services.

Recommendation(s)

To approve the proposed contractual arrangement.

Reasons for Recommendation(s)

To address outstanding internal audit recommendations that the Council should have in place access to specialist anti-fraud services.

Alternative Options Considered

Not to implement the outstanding audit recommendations. This was rejected as without this specialist support the Council remains at risk of not maximising the detection and prevention of fraud related activities.

Consider other potential providers. This was rejected as Derby City Council already provides our internal audit function through CMAP and both CMAP and DCC's Anti-Fraud team are line managed by the same manger so there are additional synergistic benefits to be capitalised on which would

not be available if the service was sourced through another provider. Additionally, the annual contract value is low at £5,000 so this route also minimises unnecessary additional administration costs.

Detailed Information

The Council has a number of outstanding internal audit recommendations linked to the lack of access to specialist anti-fraud services. Provision of these services from within the Council is not possible due to both lack of capacity and cost prohibitive.

Failure to address the outstanding audit recommendations greater exposes the Council to risk of fraud. This service will assist with both the detection and prevention of fraud related activities.

The contract will be subject to a 6 month review to determine the level of success achieved during that period and whether its scope needs to be varied.

Implications

Corporate Plan: Financial sustainability is key to the operation of the Council. Having in place measures to both detect and prevent fraudulent activities contributes to the delivery of that objective.

Legal: The Council has the power to enter into contracts in order discharge its functions (Local Government Act 1972, s111 and the Local Government (Contracts) Act 1997, s1). The Local Government Act 1972 requires the Council to have regulations for how it enters into contracts. In addition to complying with all relevant UK legislation every contract entered into on behalf of the Council must also comply with the Council's Contract Procedure Rules and the Council's Financial Regulations. An exception to the Council's Contract Procedure Rules may be granted where there is no (or insufficient) marketplace to tender for the supply of goods, services or works required because of the specialist nature of the proposed Contract in which case permission to apply an exception will be sought from the Portfolio Holder or Cabinet to either deal with a single contractor or to vary the quotation/tender requirements (CPR 17.6.2).[LE 05.08.24]

Finance: Cost to be funded from within the approved annual revenue budget. [PH 02/08/2024].

Budget Area	Implication
General Fund – Revenue Budget	£5,000 from within approved budget
General Fund – Capital Programme	N/A
Housing Revenue Account – Revenue Budget	N/A
Housing Revenue Account – Capital Programme	N/A

Risk:

Risk	Mitigation
There is no value identified from the operation of the contract.	A six-monthly review has been included which will evaluate the success or otherwise of the contractual arrangement. The contract can be ceased by either party with 3 months' notice.

Human Resources: Not Applicable.

Environmental/Sustainability:

(to be completed by the author)

Equalities:

N/A

Other Implications:

N/A

Reason(s) for Urgency

In accordance with Overview and Scrutiny Procedure Rule 13 (Call In of Executive Decisions), the decision has been deemed to be urgent because two cases of potential fraudulent activity need to be investigated. The decision will therefore be taken immediately and will not be subject to the Member call-in procedure.

Reason(s) for Exemption

N/A

Background Papers

Outstanding Audit Recommendations relating to Anti-Fraud.

Report Author and Contact Officer

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