



CORPORATE GOVERNANCE COMMITTEE - 24 OCTOBER 2018

**JOINT REPORT OF THE DIRECTOR OF CORPORATE RESOURCES
AND DIRECTOR OF LAW AND GOVERNANCE**

**PREVENTION OF THE FACILITATION OF TAX EVASION - POLICY
STATEMENT AND PROCEDURES**

Purpose of the Report

1. The purpose of this report is to present to the Corporate Governance Committee for approval the new Prevention of the Facilitation of Tax Evasion Policy Statement and Procedures that will form part of the Council's overall suite of counter fraud policies and procedures.

Background

2. Part 3 of the Criminal Finances Act 2017 creates a new criminal offence where a corporate entity fails to prevent the facilitation of tax evasion by its staff, agents and contractual associates.
3. Governance procedures are already in place that should meet the Act's requirements; and there is no suggestion that the Council tolerates tax evasion, or that staff engage in such behaviour. However, adopting an express corporate policy will help the Council defend any allegation that it has facilitated tax evasion.
4. The Policy attached as an appendix to this report reiterates that staff (agents and contractual associates as far as relevant) must:
 - always follow Council policies, procedures and guidance;
 - never help anyone else evade tax;
 - tell management if criminal activity is suspected;
 - attend any appropriate training offered.

Specifically, staff, agents and associates must not knowingly do anything that helps someone else evade tax.

5. The new Policy will form part of the Council's overall framework of counter fraud policies and procedures. This addition coincides with the biennial refresh of the Council's Anti-Fraud & Corruption Policy, the Anti-Bribery Policy and the Anti-Money Laundering Policy. The Director of Resources has delegated

authority to make minor changes to these policies which are maintained on the County Council's web-site - <https://www.leicestershire.gov.uk/about-the-council/council-pending/fraud>.

Equality and Human Rights Implications

6. None arising from this report.

Recommendation

7. The Committee is recommended to:

- (a) agree the new Prevention of the Facilitation of Tax Evasion - Policy Statement and Procedures, attached as an appendix to this report;
- (b) authorise the Director of Corporate Resources to make any minor amendments to the Policy Statement and Procedures, agreed in (a) above, as necessary.

Background Papers

None.

Circulation Under the Local Issues Alert Procedure

None.

Officers to Contact

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Appendix

Prevention of the Facilitation of Tax Evasion - Policy Statement and Procedures