

Fighting Fraud and Corruption Locally Strategy 2020

Counter Fraud Strategy 2020-21 – Review of FFCL Strategy Appendix 1 and 2 Checklists

Appendix 1 – Questions

What should senior Stakeholders do?		
Question	Response	Status
<i>The Chief Executive</i>		
1- Ensure that your authority is measuring itself against the checklist for FFCL.	Aware and assessment has been undertaken.	Complete
2- Is there a trained counter fraud resource in your organisation or do you have access to one?	Yes – Counter Fraud Officer.	Complete
3- Is the audit committee receiving regular reports on the work of those leading on fraud and is the external auditor aware of this?	Yes – routine reporting to G&E and external auditor aware.	Complete
<i>The Section 151 Officer</i>		
1- Is there a portfolio holder who has fraud within their remit?	Yes – Chairman of the G&E committee.	Complete
2- Is the head of internal audit or counter fraud assessing resources and capability?	Yes – Head of Internal Audit and Counter Fraud Officer.	Complete
3- Do they have sufficient internal unfettered access?	Yes – to CEX and Leader.	Complete
4- Do they produce a report on activity, success and future plans and are they measured on this?	Yes – Annual Report and Progress Report.	Complete
<i>The monitoring officer</i>		
1- Are members, audit committee and portfolio lead aware of counter fraud activity and is training available to them?	Yes – training and counter fraud awareness available.	Complete
2- Is the fraud team independent of process and does it produce reports to relevant committees that are scrutinised by members?	Yes – independent via Internal Audit and report to G&E.	Complete
<i>The Audit Committee</i>		
1- Should receive a report at least once a year on the counter fraud activity which includes proactive and reactive work.	Yes – Annual Report and Progress Report.	Complete
2- Should receive a report from the fraud leads on how resource is being allocated, whether it covers all areas of fraud risk and where those fraud risks are measured.	Yes – Counter Fraud risk assessment is completed at least annually and incorporated within internal audit termly planning to the audit committee termly.	Complete
3- Should be aware that the relevant portfolio holder is up to date and understands the activity being undertake to counter fraud.	Yes – Chairman aware and regularly briefed on fraud.	Complete
4- Should support proactive counter fraud activity.	Yes – supports the Internal Audit and Counter Fraud Plan.	Complete
5 – Should challenge activity, be aware of what counter fraud activity can comprise and link with	Yes – challenge and review of Internal Audit and Counter Fraud Plans.	Complete

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the various national reviews of public audit and accountability.		
The portfolio lead		
1- Receives a regular report that includes information, progress and barriers on the assessment against the FFCL checklist, fraud risk assessment and horizon scanning.	Initial assessment of the FFCL 2020 checklists to be shared and complemented with risk assessments and horizon scanning work.	Work in progress

Appendix 2 – Questions

Fighting Fraud and Corruption Locally Checklist		
Question	Response	Status
1- The local authority has made a proper assessment of its fraud and corruption risks, has an action plan to deal with them and regularly reports to its senior Board and its members.	Risk assessment in place and has been updated for 2020-21 to incorporate emerging risks, including covid19 risks to develop action plans.	Complete
2- The local authority has undertaken a fraud risk assessment against the risks and has also undertaken horizon scanning of future potential fraud and corruption risks. This assessment includes the understanding of the harm that fraud may do in the community.	Risk assessment in place and has been updated for 2020-21 to incorporate emerging risks, including covid19 risks. The risk assessment has been updated to consider harm to the community.	Complete
3- There is an annual report to the audit committee, or equivalent detailed assessment, to compare against FFCL2020 and this checklist.	Annual Report completed but not incorporating the FFCL checklist yet.	Work in progress
4- The relevant portfolio holder has been briefed on the fraud risks and mitigation.	Yes – incorporated within planning and risk on termly basis.	Complete
5- The audit committee supports counter fraud work and challenges the level of activity to ensure it is appropriate in terms of fraud risk and resources.	Yes – Plans, progress and annual reports completed.	Complete
6- There is a counter fraud and corruption strategy applying to all aspects of the local authority's business which communicated throughout the local authority and acknowledged by those charged with governance.	Yes – Counter Fraud and Corruption Strategy in place, reviewed annually and disseminated.	Complete
7- The local authority has arrangement in place that are designed to promote and ensure probity and propriety in the conduct of its business.	Yes – the Council operates within its constitution and codes of conduct.	Complete
8- The risks of fraud and corruption are specifically considered in the local authority's overall risk management process.	Fraud risks are considered but there is opportunity to refresh understanding and consideration.	Work in progress
9- Counter fraud staff are consulted to fraud-proof new policies, strategies and initiatives across departments and this is reported upon to committee.	Consultation is not consistent and not routinely reported to committee.	Consideration will continue to be given to this

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10- Successful cases of proven fraud/corruption are routinely publicised to raise awareness.	This is limited to the volume of cases proven and limited publicity.	Consideration will continue to be given to this
11- The local authority has put in place arrangements to prevent and detect fraud and corruption and a mechanism for ensuring this that this is effective and reported to committee.	Yes – this is through the joint working of internal audit and counter fraud within the Counter Fraud and Corruption Strategy and supporting documents.	Work in progress
12- The local authority has put in place arrangements for monitoring compliance with standards of conduct across the local authority covering: <ul style="list-style-type: none"> • Codes of conduct including behaviour for counter fraud, anti-bribery and corruption. • Register of interests. • Register of gifts and hospitality. 	Yes – arrangements are in place corporately and within departments which are subject to review by the monitoring officer and internal audit. Work continues in response to the AGS risks to review Code of Conducts through the MO and Legal Services.	Work in progress
13- The local authority undertakes recruitment vetting of staff prior to employment by risk assessing and undertaking the checks recommended in FFCL 2020 to prevent potential dishonest employees from being appointed.	Yes – recruitment checks identify risk posts and employ checks in line with FFCL 2020.	Complete
14- Members and staff are aware of the need to make appropriate disclosures of gifts, hospitality and business. This is checked by Auditors and reported to committee.	Yes – this is part of the codes of conduct and is reviewed by Internal Audit. Work continues in response to the AGS risks to review Code of Conducts through the MO and Legal Services.	Work in progress
15- There is a programme of work to ensure a strong counter fraud culture across all departments and delivery agents lead by counter fraud experts.	Yes – The Counter Fraud Officer promotes the strong culture across departments and includes liaison with internal and external experts such as Trading Standards, Police, GAIN etc.	Complete
16- There is an independent and up-to-date whistleblowing policy which is monitored for take-up and can show that suspicions have been acted upon without internal pressure.	Yes – The whistleblowing policy is up-to-date and independently monitored by the monitoring officer.	Complete
17- Contractors and third parties sign up to the whistleblowing policy and there is evidence of this. There should be no discrimination against whistle-blowers.	Yes – compliance with whistleblowing policy and the implications are part of the procurement processes for contractors and third parties.	Complete
18- Fraud resources are assessed proportionately to the risk the local authority faces and are adequately resourced.	Risk assessment completed and allocation follow the risks assessments from available resources.	Complete
19- There is an annual fraud plan which is agreed by committee and reflects resources mapped to risks and arrangement for reporting outcomes. The plan covers all areas of the local authority's business and includes activities undertaken by contractors and third parties or voluntary sector activities.	There is a risk plan but needs to move to the termly basis. The risk assessment covers business risks but may need to be extended to cover contractors, third parties and voluntary sector.	Work in progress

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20- Statistics are kept and reported by the fraud team which covers all areas of activity and outcomes.	Yes – this is recorded with the irregularity's registers, Pentana and activities are reported within the termly reporting.	Complete
21- Fraud officers have unfettered access to premises and documents or the purpose of counter fraud investigations.	Yes – unfettered access is provided to fraud officers.	Complete
22- There is a programme to publicise fraud and corruption cases internally and externally which is positive and endorsed by the council's communications team.	Publication of cases is limited but case studies are used to support the counter fraud awareness materials.	Consideration will continue to be given to this work
23- All allegations of fraud and corruption are assessed.	All referrals are assessed by the Counter Fraud Officer. Work continues to ensure that all cases are subject to a referral by management.	Work in progress
24- The fraud and corruption response plan cover all areas of counter fraud work: <ul style="list-style-type: none"> • Prevention. • Detection. • Investigation. • Sanctions . • Redress. 	Yes – the Fraud Response Plan covers each of the areas and is refreshed annually to ensure remains up-to-date.	Work in progress
25- The fraud response plan is linked to the audit plan and is communicated to senior management and members.	Yes – the fraud response plan is part of the internal audit activity and reviewed by management and members.	Complete
26- Asset recovery and civil recovery are considered in all cases.	Yes – recovery of assets and civil recovery are considered in cases and a redress	Complete
27- There is a zero-tolerance approach to fraud and corruption that is defined and monitored, and which is always reported to committee.	Yes – the council endorses a zero-tolerance approach with is defined at all levels.	Complete
28- There is a programme of proactive counter fraud work which covers risk identified in assessments.	The Counter Fraud Risk Assessment identifies topics for proactive review. There is a proactive element to the fraud work which is include in planned activity for either counter fraud or internal audit.	Complete
29- The counter fraud team works jointly with other enforcement agencies and encourages a corporate approach and co-location of enforcement activity.	Yes – joint work in undertaken with the police and GAIN along with co-ordinated activity in other areas such as Trading Standards.	Complete
30- The local authority shares data across its own departments and between other enforcement agencies.	Data sharing is limited across departments and data is shared with government agencies through NFI and GAIN.	Work in progress
31- Prevention measures and projects are undertaken using data analytics where possible.	Data analytics are used where possible and shared with other agencies. Developments with Continuous Audit will incorporate counter fraud measures.	Work in progress
32- The counter fraud team has registered with the Knowledge Hub, so it has access to directories and other tools.	Counter Fraud Officer is registered with the Knowledge Hub to share intelligence.	Complete

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33- The counter fraud team has access to the FFCL regional network.	Yes – via Rachael Tiffen at Cifas and the Knowledge Hub.	Complete
34-There are professionally trained and accredited staff for counter fraud work. (If auditors undertake counter fraud work, they too must be trained in this area.)	Yes – Internal Audit staff are professionally trained and accredited staff.	Work in progress
35- The counter fraud team has adequate knowledge in all areas of the local authority or is trained in these areas.	Yes – the team have knowledge and experience supported by internal audit knowledge.	Complete
36- The counter fraud team has access (through partnership/other local authorities /or funds to but in) to specialist staff for: <ul style="list-style-type: none"> • Surveillance. • computer forensics. • asset recovery. • financial investigations. 	The counter fraud team has access to such resources either within the Council, through collaboration or from brought in services.	Complete
37- Weakness revealed by instances of proven fraud and corruption are scrutinised carefully and fed back to departments to fraud-proof systems.	Yes – post incident reviews are undertaken, and a report generated recommending action as a result of the incident to strengthen internal control processes.	Complete