

Fighting Fraud and Corruption Locally Strategy Checklist

	Senior Stakeholders	Checklist Requirement	Counter Fraud Assessment	Considered in action plan?
1	Head of Paid Services	Ensure that your authority is measuring itself against the checklist for FFCL	Checklist to be considered by the Head of Paid Service (CEX) and CLT. The checklist is taken from the publication "Fighting Fraud and Corruption Locally" ['FFCL']. Areas requiring further attention are to be detailed in an action plan for CLT and GRAC consideration	
2		Is there a trained counter fraud resource in your organisation or do you have access to one?	<p>The Council previously had specialist counter fraud trained officers who were subsequently redeployed to the DWP. Officers from the Revenues department are cognisant of the inherent risks in that area and follow procedures to detect and prevent false applications.</p> <p>Whilst there is no specifically trained counter fraud resourced, Revenues is a section of the Council where risk of fraud is higher. In the Job Description of all Revenue Officers is the following: Actively detect and prevent false applications for discounts, exemptions, reliefs and tax evasion. Internal processes in that department include cross-checking by telephone and in writing with other sources to verify information.</p> <p>The Council is reviewing ways it may enhance its current counter fraud provision, focussing on a preventative approach</p>	
3		Is the audit committee receiving regular reports on the work of those leading on fraud and is the external auditor aware of this?	The GRAC committee receives updates relating to counter fraud policies, such as the Counter fraud, corruption and bribery strategy and policy, and the Whistleblowing policy. The Monitoring Officer provides an update in her annual report to	

			GRAC as to the Council's Whistleblowing and Anti-Fraud policies and contraventions of any enactment or rule of law including fraud.	
4	Section 151 Officer	Is there a portfolio holder who has fraud within their remit?	There is a PFH for finance. As the current Administration begins its new term, Statutory Officers will discuss this remit with the Leader and the Portfolio holder.	Yes
5		Is the head of internal audit or counter fraud assessing resources and capability?	Yes. A previous audit identified the need to improve staff awareness, provide training and create an action plan.	
6		Do they have sufficient internal unfettered access?	Yes	
7		Do they produce a report on activity, success and future plans and are they measured on this?	The head of internal audit does not produce a report on counter fraud activity, success and future plans. The Council will need to identify a Lead to report on such	Yes
8	The Monitoring Officer	Are members, audit committees and portfolio leads aware of counter fraud activity and is training available to them?	There is no specific anti-fraud training to Members in place.	Yes
9		Is the fraud team independent of process and does it produce reports to relevant committees that are scrutinised by members?	There is no specific fraud team. This is a small council and its fraud team was redeployed to the DWP a number of years ago. The Council will keep this under review	Yes
10	The Audit Committee	Should receive a report at least once a year on the counter fraud activity which includes proactive and reactive work	GRAC receives the annual Monitoring Officer report which has a section on Whistleblowing and Anti-Fraud policies and contraventions.	Yes
11		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	A counter fraud action plan is being prepared to share with GRAC	Yes

12		Should be aware that the relevant portfolio holder is up to date and understands the activity being undertaken to counter fraud	There is a need to address this by enhancing the management relationship with the relevant portfolio holder to ensure there is sufficient communication with them regarding counter fraud activity.	Yes
13		Should support proactive counter fraud activity	A counter fraud update and action plan is being prepared to share with CLT and GRAC to enable discussion, suggestions and challenge	
14		Should challenge activity, be aware of what counter fraud activity can comprise and link with the various national reviews of public audit and accountability.	As above	
15	The Portfolio Lead	<i>Receives a regular report that includes information, progress and barriers on:</i> The assessment against the FFCL checklist Fraud risk assessment and horizon scanning.	As detailed above	Yes

	FFCL Check list requirements	Counter Fraud Assessment	
16	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.	A fraud risk update and assessment were completed by the s.151 officer in June 2022. Any outstanding actions will be reviewed. A further action plan is now in place to address all matters within the Fighting Fraud and corruption locally checklist. Internal Audit prepares a risk-based audit plan each year and is cognisant of areas where there is potential for fraud and corruption. It provides a work programme which involves those areas and services which are subject to an inherent risk. Audit reports make recommendations to address risk identified.	Yes
17	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.	[As above]	Yes
18	There is an annual report to the audit committee, or equivalent detailed assessment, to compare against FFCL 2020 and this checklist.	This checklist and related action plan to go to GRAC for consideration	Yes
19	The relevant portfolio holder has been briefed on the fraud risks and mitigation	This checklist and related action plan to go to the Portfolio Holder, with counter fraud within their remit, annually	
20	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	The GRAC terms of reference include monitoring risk management and internal control arrangements. With regard to governance, it includes “to review the Council’s arrangements to counter fraud and corruption, with regard to the polices on Counter Fraud, Whistleblowing and Money Laundering”	
21	There is a counter fraud and corruption strategy applying to all aspects of the local authority’s business which has been communicated throughout the local authority and	Yes – available on the intranet in addition to related relevant policies	

	acknowledged by those charged with governance.		
22	The local authority has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business.	Yes. In addition to the counter fraud strategy and policy, there are other arrangements designed to protect the council. This includes, but not limited to, the contract procedure rules, declarations of interests, maintaining and publishing a gifts and hospitality register, pre-recruitment checks and data protection procedures.	
23	The risks of fraud and corruption are specifically considered in the local authority's overall risk management process.	There is in place a Corporate Risk Register which is regularly updated and reported to Members. Any agreed audit recommendations to address this are acted upon. Data is also monitored and available through the National Fraud Initiative; Housing Benefits Matching Service and the National Anti-Fraud Network. The Revenues team has use of the NFI Norfolk Fraud Hub. The team also work with Datatank for council tax single person discount reviews and access to Ascendant's solution Apply4.Online® system which automatically cross-checks and analyses a number of data sources, enabling the validity of a grant application to be assessed automatically.	
24	Counter fraud staff are consulted to fraud- proof new policies, strategies and initiatives across departments and this is reported upon to committee.	Whilst there is no specific counter fraud officer, these policies are reported to GRAC and shared with Internal Audit.	
25	Successful cases of proven fraud/corruption are routinely publicised to raise awareness.	Successful prosecutions are shared with the Council's Communications Departments for reporting in the Press. The Council may wish to explore the benefits of making Proceeds of Crime applications in suitable cases and publicising such at the appropriate time.	
26	The local authority has put in place arrangements to prevent and detect fraud and corruption and a mechanism for ensuring that this is effective and is reported to committee.	The Counter Fraud policy and strategy encourage reporting of fraud. The whistleblowing policy is published and informs how someone can raise a concern. This policy provides for reporting of such incidents to GRAC. The Revenues team undertakes its processes with a view to prevent and detect fraud. Other arrangements such as pre-	

		employment checks, Code of Conduct for Members and Officers and maintaining a register of interests address this.	
27	<p>The local authority has put in place arrangements for monitoring compliance with standards of conduct across the local authority covering:</p> <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 	Contained within the council's Constitution is the Member Code of Conduct and employee Code of Conduct, dealing with expected standards of behaviour and what to do where a conflict of interest is encountered. Where there is an alleged breach, there are processes to investigate. The Council maintains a register of Member interests and a gifts and hospitality register for both Members and officers.	
28	The local authority undertakes recruitment vetting of staff prior to employment by risk assessing posts and undertaking the checks recommended in FFCL 2020 to prevent potentially dishonest employees from being appointed.	Checks on ID, references, qualifications and where appropriate DBS checks are undertaken through the Council's HR department and relevant managers.	
29	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. Information is in the Constitution. The Monitoring Officer has provided a further guidance note available on the intranet and CLT/MT are reminded at times where gifts are more likely to be offered – such as prior to the Christmas break. A record is kept by the MO and this is shared with GRAC and published in the annual MO report.	
30	There is a programme of work to ensure a strong counter fraud culture across all departments and delivery agents led by counter fraud experts.	Fraud awareness training, specifically aimed at fighting fraud in local government, is currently being arranged for all officers and Members via Skillgate – the Council's e-learning resource. Specialist training is being identified for those key officers whose role may require this.	
31	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 subject to regular review and is published on the intranet. Managers are asked to make their teams aware of this policy. The Whistleblowing policy details specific officers who can be contacted with concerns as well as details of relevant external bodies. The policy allows for reporting of such complaints to GRAC.	
32	Contractors and third parties sign up to the whistleblowing policy and there is evidence of this. There should be no	Whilst contractors and members of the public do not have the statutory protection that an employee has where a concern is raised,	

	discrimination against whistleblowers.	the Council's Whistleblowing policy confirms that it is committed to treat those other persons, raising a concern, fairly.	
33	Fraud resources are assessed proportionately to the risk the local authority faces and are adequately resourced.	The Council currently has no specific fraud resource or department. Departments where there is an inherent risk of fraud have anti-fraud processes. In particular, Revenues has processes to help review and identify fraud with a new temporary post linked to this work. This will identify avoidance of tax for NDR and council tax and will identify potential fraud. However the Council is reviewing whether there may be a need for further experience and qualifications, either internally or through recruitment for specialist and part time recruitment for work which involves investigatory procedures and PACE interviews.	
34	There is an annual fraud plan which is agreed by committee and reflects resources mapped to risks and arrangements for reporting outcomes. This plan covers all areas of the local authority's business and includes activities undertaken by contractors and third parties or voluntary sector activities.	A fraud risk assessment 2022/23 identified areas of particular risk with a RAG rating. This was before GRAC in June 2022 and has been reviewed and an update taken to GRAC	
35	Statistics are kept and reported by the fraud team which cover all areas of activity and outcomes.	There is no fraud team, but the annual MO report highlights and activity and outcomes.	Yes
36	Fraud officers have unfettered access to premises and documents for the purposes of counter fraud investigation.	Internal Audit (and external audit) have such access. If investigations are undertaken internally, arrangements with other departments for access to relevant information will need to be drawn up.	
37	There is a programme to publicise fraud and corruption cases internally and externally which is positive and endorsed by the council's communications team.	Presently this would only occur where a successful prosecution is reported, but when there is such an occurrence, the council's communications team is engaged to publicise this.	
38	All allegations of fraud and corruption are risk assessed.	This would be done as detailed in the Whistleblowing policy procedures. In circumstances where a member of the public makes an outright allegation of fraud, they may be informed to contact the police who have expertise in investigating such allegations.	

39	<p>The fraud and corruption response plan covers all areas of counter fraud work:</p> <ul style="list-style-type: none"> • prevention • detection • investigation • sanctions • redress 	<p>Yes, the Counter fraud, corruption and bribery strategy covers these points, as well as deterrence.</p> <p>IT take the following steps to protect IT systems from misuse or possible fraud:</p> <ul style="list-style-type: none"> • Run software to detect and block phishing/malware emails before they reach the users' inboxes. • All web traffic is filtered and monitored. Any known sites of concern are blocked and downloads are not allowed. • Firewalls which protect the perimeter are regularly tested and supported by a fully managed service. This gives the best possible chance to detect any suspicious activity. • Virus software runs on all laptops/PCs and servers. • Data is always encrypted in transit so it cannot be intercepted. • All events on all devices are logged and alert on significant events. 	
40	Asset recovery and civil recovery are considered in all cases.	Investigators will consider this and apply to the courts for recovery. Where criminal action is taken, the council's legal representatives may consider compensation, other recovery sanctions, or where appropriate, a Proceeds of Crime application.	
41	There is a zero-tolerance approach to fraud and corruption that is defined and monitored, and which is always reported to committee.	The policy sets out that the council is opposed to all forms of fraud, corruption, theft and bribery and that when identified, it will apply for appropriate sanctions against those involved.	
42	There is a programme of proactive counter fraud work which covers risks identified in assessment.	Yes. Our policy sets out what we do to prevent fraud. This includes pre appointment vetting by the HR department.	
43	The counter fraud team works jointly with other enforcement agencies and encourages a corporate approach and co- location of enforcement activity.	Key departments, such as Revenues, where there is an inherent risk of fraud by service users (such as making false representations and applications) liaise with external agencies and undertake relevant	

		checks. These external bodies include the Norfolk Fraud Hub, other local councils, Datatank, Ascendant Solutions, VOA . The Revenues Manager chairs a NFI Norfolk Hub sub group which assesses and discusses fraud cases, sharing learning across Norfolk.	
44	The local authority shares data across its own departments and between other enforcement agencies.	We subscribe to the National Fraud Initiative which collects data from various departments and external agencies to detect incidents of fraud. The NFI has national data sets uploaded annually including elections, payroll etc. Norfolk is part of a fraud hub with extra data sets being uploaded quarterly including council tax, council tax support, housing benefit, waiting lists this is compared locally against other councils and also Norfolk County Council data for social services, disabled parking licences. The national data reports on deaths and will soon include NDR.	
45	Prevention measures and projects are undertaken using data analytics where possible.	Datatank checks the discount to credit agencies to make sure that the discount is correct. Any risk is identified, and information requested. The last review in October 2022 cancelled over 300 discounts increasing council tax by over £160k. The Council is now undertaking a rolling Single Person Discount review to identify if further cases exist to prevent fraud. Other reviews are ongoing with Council Tax and Non Domestic Rates	
46	The counter fraud team has registered with the Knowledge Hub, so it has access to directories and other tools.	IT = NNDC is registered with the Knowledge Hub	
47	The counter fraud team has access to the FFCL regional network.	It is uncertain whether relevant departments have access and this will be noted in the action plan	Yes
48	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.	The Council has access to a team of specialist fraud investigators through the Internal Audit consortium Revenues has recently recruited a temporary dedicated member of staff to look at fraudulent/incorrect applications etc.	

49	The counter fraud team has adequate knowledge in all areas of the local authority or is trained in these areas.	The Revenues team undertakes training in basic processes. The Council is also about to undertake a roll out of counter fraud training relating specifically to issues within local government.	
50	The counter fraud team has access (through partnership/ other local authorities/or funds to buy in) to specialist staff for: <ul style="list-style-type: none"> • surveillance • computer forensics • asset recovery • financial investigations 	The Council has access to a team of specialist fraud investigators through the Internal Audit consortium	
51	Weaknesses revealed by instances of proven fraud and corruption are scrutinised carefully and fed back to departments to fraud-proof systems.	This will be highlighted in the action plan.	Yes