

## Fighting Fraud and Corruption Locally – Action Plan

Ref	Statement	Status (Yes / No / Partial)	Evidence / Issue	Action	Responsible Officer & Date
Chief Executive					
1.1	Ensure authority is measuring itself against the checklist of FFCL	Yes	This checklist is evidence that the Council is measuring itself against the FFCL	-	-
1.2	Is there a trained counter-fraud resource in your organisation or do you have access to one?	Yes	Internal Audit has a dedicated counter fraud specialist and training has been given to other members of the team to provide additional support	-	-
1.3	Is the audit committee receiving regular reports on the work of those leading on fraud and is the external auditor aware of this?	Yes	The Audit & Governance Committee receives an annual report of Internal Audit Counter Fraud Work & Whistleblowing Referrals. The Chairman of the Committee is kept abreast in as close to real time as is practical on any major fraud or corruption investigations.	-	-
Section 151 Officer					
2.1	Is there a portfolio holder who has fraud within their remit?	Yes	There is a portfolio holder who attends Audit & Governance Committee meetings	-	-
2.2	Is the head of audit or counter fraud assessing resources & capability?	Yes	The Chief Internal Auditor has assessed the resources and capability required for fraud and audit as part of the annual audit planning process.	-	-
2.3	Do they have sufficient internal unfettered access?	Yes	The Council's Financial Regulations explicitly state that Internal Audit (which Counter Fraud is a part of) has the right of access to all documentation and staff where required	-	-

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2.4	Do they produce a report on activity, success and future plans and are they measured on this?	Yes	The Audit & Governance Committee receives an annual report of Internal Audit Counter Fraud Work & Whistleblowing Referrals.  Outcomes against the planned Counter Fraud work are included as part of this report, along with any other counter fraud activity undertaken.	-	-
Monitoring Officer					
3.1	Are members, audit committees and portfolio leads aware of counter fraud activity and is training available to them?	Partial	Counter fraud activity is presented to the Audit & Governance committee on a quarterly basis. Minutes for this committee are reported to full Council on a monthly basis, thus all councillors have an opportunity to inform themselves about the Council's fraud prevention activity.  Further fraud training is required for Councillors	Fraud awareness training will be provided to all Audit & Governance Committee members	Head of Audit & Management Assurance By March 2021
3.2	Is the fraud team independent of process and does it produce reports to relevant committees that are scrutinised by members?	Yes	As part of Internal Audit, the counter fraud team is independent of the rest of the Council.  The Audit & Governance Committee receives an annual report of Internal Audit Counter Fraud Work & Whistleblowing Referrals.	-	-
Audit committee					
4.1	Does the committee receive a report at least once a year on the counter fraud activity which includes proactive and reactive work?	Yes	The Audit & Governance committee receives an annual report of Internal Audit Counter Fraud Work & Whistleblowing Referrals.	-	-
4.2	Does the committee 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?	Partial	This forms part of the Internal Audit plan which is agreed by the Audit & Governance committee annually. The Fraud Risk Register is currently not shared with the committee.	The Fraud Risk Register will be presented to Audit & Governance Committee annually on a confidential basis	Head of Audit & Management Assurance Jan 2020

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4.3	Is the committee aware that the relevant portfolio holder is up to date and understands the activity being undertaken to counter fraud?	Yes	The Resources portfolio holder attends the Audit & Governance Committee as standard and is thus informed of all Counter Fraud activity	-	-
4.4	Does the committee support proactive counter fraud activity?	Yes	Proactive counter fraud activity is part of the Audit Plan and progress is reported to the Audit & Governance committee on a quarterly basis. The Committee has approved the Anti-Fraud and Corruption Policy and have accordingly approved and support the proactive counter fraud culture.	-	-
4.5	Does the committee challenge activity, is aware of what counter fraud activity can comprise and link with the various national reviews of public audit and accountability?	Yes	The Audit & Governance Committee offer robust challenge to the quarterly report presented by Internal Audit and to the annual Counter Fraud report. The annual Counter Fraud report includes details of any national reviews of public audit & accountability	-	-
The Portfolio Lead					
5.1	Does the portfolio lead receive a regular report that includes information, progress and barriers on the assessment against the FFCL checklist, Fraud risk assessment and horizon scanning.	Partial	This FFCL assessment is being presented as part of the annual report on Counter Fraud activity. The Fraud Risk Register is currently not shared with the committee.	As 4.2 - The Fraud Risk Register presented to Audit & Governance Committee	Head of Audit & Management Assurance Jan 2020
FFCL checklist					
6.1	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.	Yes	Internal Audit have carried out a fraud & corruption risk assessment in 2019/20. Actions have been taken to cover areas of fraud risk during 2019/20 and 2020/21 as part of the Internal Audit Plan. These are reported quarterly to Audit & Governance Committee.	-	-

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6.2	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.	Yes	An assessment has been made using the CIPFA Fraud Risk Assessment tool and an action plan has been put in place to address any deficiencies. The Anti-Fraud & Corruption Policy contains a statement that recognises the harm fraud & corruption can cause to the community	-	-
6.3	There is an annual report to the audit committee, or equivalent detailed assessment, to compare against FFCL 2020 and this checklist	Yes	This action plan provides the assessment	-	-
6.4	The relevant portfolio holder has been briefed on the fraud risks and mitigation	Yes	The Resources portfolio holder is provided with all reports to Audit & Governance Committee, including the annual Counter Fraud report.	-	-
6.5	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	The Audit & Governance Committee offer robust challenge to the quarterly report presented by Internal Audit and to the annual Counter Fraud report	-	-
6.6	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 acknowledged by those charged with governance.	Yes	The Council has an Anti-Fraud & Corruption Policy which is refreshed annually and presented to the Audit & Governance Committee for approval. This policy is applicable throughout the Council. Fraud awareness training is mandatory for all employees	-	-
6.7	The local authority has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business.	Yes	The Council's Financial Regulations contain a scheme of delegation and direction about how procurement is to be carried out. There is also a Councillor code of conduct included within the Council Constitution.  There are legacy officer codes of conducts in place.	-	-
6.8	The risks of fraud and corruption are specifically considered in the local authority's overall risk management process.	Partial	The fraud risk register is a part of the overall risk management process.	As 4.2 - The Fraud Risk Register presented to Audit & Governance Committee.	Head of Audit & Management Assurance  March 2021

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6.9	Counter fraud staff are consulted to fraudproof new policies, strategies and initiatives across departments and this is reported upon to committee.	Partial	Internal Audit are sometimes consulted on new policies, strategies and initiatives for both a controls weaknesses and fraud proofing perspective.	Internal Audit will liaise with the Insight, Policy & Performance team to be added as a consultee on relevant policies. The annual report to Audit & Governance committee will include policies, strategies and initiatives that Internal Audit have consulted upon.	Head of Audit & Management Assurance Jan 2021
6.10	Successful cases of proven fraud/corruption are routinely publicised to raise awareness.	Yes	Any cases of successfully proven fraud / corruption are considered for publicising as appropriate	-	-
6.11	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.	Yes	The Council has an Anti-fraud & Corruption Policy and a separate Whistleblowing Policy. The results of these are tracked and reported annually to the Audit & Governance Committee	-	-
6.12	The local authority has put in place arrangements for monitoring compliance with standards of conduct across the local authority covering: – codes of conduct including behaviour for counter fraud, anti-bribery and corruption – register of interests – register of gifts and hospitality.	Partial	Internal Audit are in the process of agreeing assurance testing to be carried out across the Council which will cover interests, gifts & hospitality. Management are responsible for ensuring employee compliance with the code of conduct and for reporting this to HR,	Internal Audit will liaise with HR to strengthen corporate monitoring and reporting of breaches of the code of conduct.	Head of Audit & Management Assurance January 2021
6.13	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.	Yes	Recruitment vetting processes are in place, including checking documentation and confirming references and qualifications. Where the Council considers that employees need to have a DBS check, this is carried out.	-	-

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6.14	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	The Council has a Gifts, Hospitality and Interests policy in place.  An Internal Audit review is planned for 2020/21 and the results of this will be communicated to the Audit & Governance committee as part of normal reporting processes.	-	-
6.15	There is a programme of work to ensure a strong counter fraud culture across all departments and delivery agents led by counter fraud experts	Yes	There is mandatory counter-fraud training for all employees, along with a fraud newsletter and a statement in the Anti-Fraud & Corruption Policy stating that fraud will not be tolerated.  In addition, Internal Audit considers fraud risks across the authority as part of creating the annual Internal Audit plan and uses this to ensure that the counter fraud culture is in place.	-	-
6.16	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	A Whistleblowing policy is in place and is reviewed annually to ensure that it is fit for purpose and compliant with best practice	-	-
6.17	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	The Council's Whistleblowing policy states that "All organisations that carry out activities on behalf of the Council, for example providers of commissioned services, are expected to have appropriate and robust whistleblowing arrangements which are consistent with the requirements set out in legislation and in this policy". In addition the standard terms & conditions for provision of services for Council contracts states "The Contractor will ensure it maintains effective whistleblowing policies whereby the Contractor's employees may raise in confidence without fear of victimisation discrimination or disadvantage concerns about possible malpractice".	-	-
6.18	Fraud resources are assessed proportionately to the risk the local authority faces and are adequately resourced.	Yes	The annual audit plan covers fraud activity and resources are considered and appropriately allocated	-	-

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6.19	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.	Partial	The annual audit plan covers fraud activity and resources are considered and appropriately allocated; however the detailed fraud plan is not provided to A&G Committee	The Counter Fraud Work Programme will be reported to Audit & Governance Committee as part of the annual Internal Audit plan setting process.	Head of Audit & Management Assurance Jan 2021
6.20	Statistics are kept and reported by the fraud team which cover all areas of activity and outcomes.	Yes	Monthly statistics of corporate fraud activity are produced (RTB / housing tenancy / Blue Badge) and presented as part of the annual Counter Fraud report to Audit & Governance Committee  Results of significant investigations are presented quarterly to the Audit & Governance Committee and all investigations, including outcomes, are reported annually	-	-
6.21	Fraud officers have unfettered access to premises and documents for the purposes of counter fraud investigation.	Yes	The Council's Financial Regulations explicitly state that Internal Audit (which Counter Fraud is a part of) has the right of access to all documentation and staff where required.  Internal Audit staff have not experienced managers denying access to premises or documents during investigations	-	-
6.22	There is a programme to publicise fraud and corruption cases internally and externally which is positive and endorsed by the council's communications team.	Yes	Fraud newsletter does cover fraud & corruption cases.  Any cases of successfully proven fraud / corruption will be considered for publicising as appropriate. <i>The Council's communications team support IA in publicising fraud and corruption awareness this includes using their skills to maximise impact through design and formatting and using the right message platform.</i>	-	-

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6.23	All allegations of fraud and corruption are risk assessed.	Partial	Allegations received are considered for suitability of investigation and action, however this is done on an undocumented basis	A formal documentation process will be implemented to demonstrate how each allegation has been risk assessed as part of a revision of the fraud investigation procedures	Head of Audit & Management Assurance March 2021
6.24	The fraud and corruption response plan covers all areas of counter fraud work: prevention; detection; investigation; sanctions; redress.	Yes	Internal Audit has a Counter Fraud Work Programme which is compiled to support the annual Internal Audit plan.	-	-
6.25	The fraud response plan is linked to the audit plan and is communicated to senior management and members.	Partial	The Counter Fraud Work Programme is linked to the annual Internal Audit plan, but is not explicitly reported to the Audit & Governance Committee	As 6.19 - The Counter Fraud Work Programme will be reported to Audit & Governance committee as part of the annual Internal Audit plan setting process.	Head of Audit & Management Assurance January 2021
6.26	Asset recovery and civil recovery are considered in all cases.	Yes	The Anti-Fraud & Corruption Policy states that all possible action will be taken to recover losses from fraud & corruption.	-	-
6.27	There is a zero tolerance approach to fraud and corruption that is defined and monitored and which is always reported to committee.	Yes	The Anti-Fraud & Corruption Policy has a statement in which states that fraud & corruption will not be tolerated within the Council.  Furthermore, there is an annual report to the Audit & Governance Committee reporting fraud activity	-	-
6.28	There is a programme of proactive counter fraud work which covers risks identified in assessment.	Yes	A programme of proactive counter fraud work is incorporated into the annual audit plan	-	-



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6.29	The counter fraud team works jointly with other enforcement agencies and encourages a corporate approach and co-location of enforcement activity.	Yes	The Counter Fraud team liaises with enforcement agencies as required, including local police forces, HMRC and the National Fraud Intelligence Bureau	-	-
6.30	The local authority shares data across its own departments and between other enforcement agencies.	Yes	The Council partakes in the NFI exercise which shares data across organisations for the purpose of detection of fraud.	-	-
6.31	Prevention measures and projects are undertaken using data analytics where possible.	Yes	Housing tenancy and RTB checks are undertaken using data analytics	-	-
6.32	The counter fraud team has registered with the Knowledge Hub so it has access to directories and other tools.	Yes	Counter Fraud team has registered with the Knowledge Hub.	-	-
6.33	The counter fraud team has access to the FFCL regional network.	Yes	Now part of new South West regional network.	-	-
6.34	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	The Fraud Specialist within the Internal Audit team has PINS M ACFO accreditation. An Auditor has undertaken training for the CIPFA Counter Fraud Technician	-	-
6.35	The counter fraud team has adequate knowledge in all areas of the local authority or is trained in these areas.	Yes	All officers involved in counter fraud work have at least 10 years' experience of working with local government	-	-
6.36	The counter fraud team has access (through partnership/ other local authorities/or funds to buy in) to specialist staff for: – surveillance – computer forensics – asset recovery – financial investigations.	Yes	Through liaising with other departments within the Council, the counter fraud team have access to a financial forensic investigator. Funds are available if required to buy in the specialist services for investigations	-	-
6.37	Weaknesses revealed by instances of proven fraud and corruption are scrutinised carefully and fed back to departments to fraud-proof systems.	Yes	Where investigations have been carried out, reports with recommendations for improvement are always provided	-	-