

# Appendix 1: Checklist for those responsible for governance

## Checklist

General		Yes	No
1	Do we have a zero-tolerance policy towards fraud?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Councils Anti-Fraud Policies state that this Council has a zero tolerance to fraud, bribery and corruption. Where financial impropriety is discovered or it appears that a criminal offence may have been committed, the council's presumption is that the issue will be pursued		
2	Do we have the right approach, and effective counter-fraud strategies, policies and plans? Have we aligned our strategy with <i>Fighting Fraud Locally</i> ?	<input type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Fighting Fraud Locally agenda was the subject of a seminar in London on 1 December 2011 and there were representatives present from this Council. However, The Audit Section has always applied the principles of the the CIPFA Guidance contained in the Fraud Red Book. Fighting Fraud Locally is expected to be published shortly.		
3	Do we have dedicated counter-fraud staff?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	There is a benefits investigation team that is the responsibility of the Chief Internal Auditor. Responsibility for fraud investigation is the responsibility of the Chief Internal Auditor.		
4	Do counter-fraud staff review all the work of our organisation?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	Internal Audit will carry out a review of high risk areas that have tests designed to identify any potential frauds. Low risk areas will normally only be examined if there are concerns raised.		
5	Do we receive regular reports on how well we are tackling fraud risks, carrying out plans and delivering outcomes?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Audit Committee receive regular reports on the work of Internal Audit. The Finance & Property Advisory Board receive regular updates of the Benefit Fraud Investigation Section.		

General		Yes	No
6	Have we assessed our management of counter-fraud work against good practice?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	There have been comparisons made of good practice against the Red Fraud Book and the Protecting the Public Purse 2010 checklist.		
7	Do we raise awareness of fraud risks?		
a.	With new staff (including agency staff)?	<input checked="" type="radio"/>	<input type="radio"/>
b.	With existing staff?	<input checked="" type="radio"/>	<input type="radio"/>
c.	With elected members?	<input checked="" type="radio"/>	<input type="radio"/>
d.	With our contractors?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	Anti-Fraud Policies are reviewed on an annual basis and are circulated to all staff using Netconsent. New staff are referred to the policies as part of the induction process. The policies are approved by Members on an annual basis. All services are required to issue contractors with a copy of the Anti-Fraud and Corruption Policy.		
8	Do we work well with national, regional and local networks and partnerships to ensure we know about current fraud risks and issues?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	Although this authority is no longer a member of the National Anti-Fraud Network current issues are discussed through through peer groups such as the Local Authority Investigating Officers Group and Kent Audit Group. Professional bodies such as the Chartered Institute of Internal Auditors and CIPFA also provide regular updates to members.		
9	Do we work well with other organisations to ensure we effectively share knowledge and data about fraud and fraudsters?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Council has strong network links with other bodies through Service Level Agreements or use of statutory powers to exchange and share information about fraud and fraudsters.		

General		Yes	No
10	Do we identify areas where our internal controls may not be performing as well as intended? How quickly do we then take action?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Internal Audit review process identifies any control weaknesses and reports them to management. An action plan of agreed improvements is agreed and reported to Members. Any significant weaknesses identified during the course of an audit review would be drawn to managements attention immediately. Other high priority recommendations are agreed within a practical timescale.		
11	Do we maximise the benefit of our participation in the Audit Commission National Fraud Initiative and receive reports on the matches investigated?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	This authority regularly participates in this exercise.		
12	Do we have arrangements in place that encourage our staff to raise their concerns about money laundering?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	There is a policy and guidance on prevention of money laundering that is frequently reviewed and circulated to staff using Netconsent.		
13	Do we have effective whistleblowing arrangements?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	There is a Confidential Reporting Code that is reviewed and circulated to all staff annually. Any concerns raised are investigated and outcomes are reported to Management Committee. Historically there have been very few concerns raised through this policy and the Council has a history of there being very little fraud.		
14	Do we have effective fidelity insurance arrangements?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	Yes, very few claims have been made on this policy. There is a high level of budgetary control in place and this regime would be expected to keep any fraud to a low level.		

Fighting fraud with reduced resources		Yes	No
15	Have we reassessed our fraud risks since the change in the financial climate?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Internal Audit plan is an annual plan based upon risk. It recognizes that the areas that are potentially open to fraud and reviews internal controls in these areas annually. Managers also have a duty to raise any areas of risk change to Management Team.		
16	Have we amended our counter-fraud action plan as a result?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Internal Audit plan is reviewed annually but also has contingency in the plan to investigate any emerging areas of concern. In addition the skills of the Benefit Investigation Team can be used if there are any emerging areas of fraud.		
17	Have we reallocated staff as a result?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	As stated above there is the flexibility to do so if necessary.		

Current risks and issues		Yes	No
<b>Housing tenancy</b>			
18	Do we take proper action to ensure that we only allocate social housing to those who are eligible?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Housing Section have been given fraud awareness training and have referred some cases for investigation.		
19	Do we ensure that social housing is occupied by those to whom it is allocated?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	Social housing is provided by social landlords and traditionally they have been reluctant to spend time investigating this area. This is recognized in the report and the Government is looking at how this can be addressed. Benefits staff do liaise with Housing associations to a degree. There has also been a meeting set up with Circle 21 to discuss how we can work together to prevent and detect fraud		

Current risks and issues		Yes	No
<b>Procurement</b>			
20	Are we satisfied our procurement controls are working as intended?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	There are sound internal controls in place supported by a strict budgetary control regime that indicates that there are no significant procurement issues.		
21	Have we reviewed our contract-letting procedures since the investigations by the Office of Fair Trading into cartels and compared them with best practice?	<input type="radio"/>	<input type="radio"/>
<b>Comments</b>	Contract letting procedures are regularly reviewed by a Procurement Officer Study Group who are constantly examining ways to ensure fair procurement.		
<b>Recruitment</b>			
22	Are we satisfied our recruitment procedures achieve the following?		
a.	Do they prevent us employing people working under false identities?	<input checked="" type="radio"/>	<input type="radio"/>
b.	Do they confirm employment references effectively?	<input checked="" type="radio"/>	<input type="radio"/>
c.	Do they ensure applicants are eligible to work in the UK?	<input checked="" type="radio"/>	<input type="radio"/>
d.	Do they require agencies supplying us with staff to undertake the checks that we require?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	This is an area that has been subject to audit and controls were found to be satisfactory.		

Current risks and issues		Yes	No
<b>Personal budgets</b>			
<b>23</b>	Where we are expanding the use of personal budgets for adult social care, in particular direct payments, have we introduced proper safeguarding proportionate to risk and in line with recommended good practice?	<input type="radio"/>	<input type="radio"/>
<b>Comments</b>	Not applicable to this Council		
<b>24</b>	Have we updated our whistleblowing arrangements, for both staff and citizens, so that they may raise concerns about the financial abuse of personal budgets?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Confidential Reporting Code is reviewed annually and staff receive a copy using Netconsent. The Code is also on the Council Intranet and Website. The issue of personal budgets is not applicable to this Council		
<b>Council tax</b>			
<b>25</b>	Are we effectively controlling the discounts and allowances we give to council taxpayers?	<input type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Council took part in the last national fraud initiative exercise and cancelled a number of Single Person Discounts. The application form for a SPD has also been amended to state "To knowingly give false information could lead to prosecution."		

Current risks and issues		Yes	No
<b>Housing and council tax benefits</b>			
<b>26</b>	When we tackle housing and council tax benefit fraud do we make full use of the following?		
<b>a.</b>	National Fraud Initiative?	<input checked="" type="radio"/>	<input type="radio"/>
<b>b.</b>	Department for Work and Pensions Housing Benefit matching service?	<input checked="" type="radio"/>	<input type="radio"/>
<b>c.</b>	Internal data matching?	<input checked="" type="radio"/>	<input type="radio"/>
<b>d.</b>	Private sector data matching?	<input checked="" type="radio"/>	<input type="radio"/>
<b>Comments</b>	The Internal Audit staff have use of the audit interrogation software IDEA and this is frequently used to identify potential fraud where it is possible and legal to do so. The Council have also participated in exercises with Experian for data matching to single person discounts.		

