Annex 1

Fighting Fraud Checklist for Governance

Protecting the public purse 2013

November 2013



General	Yes	No
1. Do we have a zero tolerance policy towards fraud?		
Previous action - Anti-Fraud Policies updated regularly		
2013 - Update Anti-Fraud Policies updated to include CTRS and during 2013/14 there will be a separate CTRS Anti-Fraud Policy and Prosecution policy introduced.		
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> ?		•
Previous action - Have concentrated effort on detection so only partial compliance		
2013 Update – Will concentrate more resources on prevention and early intervention. More resources have been diverted to non-benefit fraud		
3. Do we have dedicated counter-fraud staff?		
Previous action – Make up of Corporate Fraud Team has moved towards compliance as well as detection		
2013 Update – Evaluate effect of SFIS on Fraud Team and liaise with other external bodies further		
4. Do counter-fraud staff review all the work of our organisation?		•
Previous action – Audit plan is based upon risk profiles and any concerns will be investigated		
2013 Update – Continued risk assessment and requirement for Audit Committee to oversee fraud prevention and detection		
5. Does a councillor have portfolio responsibility for fighting fraud across the council?		
Previous action – Constitution states responsibility for Benefit Fraud Investigation		
2013 Update – Request change to Constitution to fighting fraud across Council		
6. Do we receive regular reports on how well we are tackling fraud risks, carrying out plans and delivering outcomes?		
Previous action – Regular reporting to Audit Committee on risk strategy and emerging risks. All concerns raised under Confidential Reporting Code are reported to Audit Committee. Fraud reports given to Finance, Improvement and Property Advisory Board.		
2013 Update – Request changes to report fraud matters to Audit Committee in the Constitution.		
7. Have we assessed our management of counter-fraud work against good practice?		
Previous action – Have carried out comparison with checklists in CIPFA		

red book, Fighting Fraud Locally and Protecting the Public Purse annual surveys.	
2013 Update	

General	Yes	No
8. Do we raise awareness of fraud risks with:		
■ new staff (including agency staff);		
■ existing staff;		•
■ elected members; and		•
■ our contractors?		
Previous action Copies of Anti-Fraud Policies updated annually and circulated to staff. Copies of Anti-Fraud policies given to contractors.		
2013 Update – In addition to above there was online training on fraud awareness available to all staff in 2013		
9. Do we work well with national, regional and local networks and partnerships to ensure we know about current fraud risks and issues?		•
Previous action Members of Kent Investigating Officers Group and LAIOG		
2013 Update – Continued membership of above		
10. Do we work well with other organisations to ensure we effectively share knowledge and data about fraud and fraudsters?		•
Previous action - Investigate on behalf of DWP		
2013 Update – Have made approach to Housing Association re joint working		
11. Do we identify areas where our internal controls may not be performing as well as intended? How quickly do we then take action?		•
Previous action - Regular audits of high risk areas take place		
2013 - Update Audit plan is based upon risk assessment		
12. Do we maximise the benefit of our participation in the Audit Commission National Fraud Initiative and receive reports on our outcomes?		•
Previous action - NFI referrals are examined and action taken on appropriate cases with reports given to Members		
2013 - Update Continued participation in NFI and reporting to Members on outcomes		
13. Do we have arrangements in place that encourage our staff to raise their concerns about money laundering?		•
Previous action - Anti-Money laundering policy and guidance in place		
2013 Update - As above		

General	Yes	No
14. Do we have effective arrangements for:		
■ reporting fraud?; and		
■ recording fraud?		
Previous action - Outcomes of investigation section reported to Members and press releases issued for prosecutions. Northgate system records benefit related fraud but other frauds have to be recorded manually.		
2013 Update - New Fraud Manager is considering more effective methods of recording fraud outcomes		
15. Do we have effective whistle-blowing arrangements? In particular are staff:		
aware of our whistle-blowing arrangements?		
have confidence in the confidentiality of those		
arrangements?		
■ confident that any concerns raised will be addressed?		
Previous action - Confidential reporting code updated and circulated annually		
2013 Update – Annual review will take place and any concerns raised will be investigated and outcomes reported to Members		
16. Do we have effective fidelity insurance arrangements?		
Previous action – Fidelity insurance in place and regularly reviewed		
2013 Update – As above		
Fighting fraud with reduced resources	Yes	No
17. Have we reassessed our fraud risks since the change in the financial climate?		
Previous action – All managers are required to consider fraud risk when carrying out the 6 monthly review of risk registers		
2013 Update – As above		
18. Have we amended our counter-fraud action plan as a result?		
Previous action – Audit plan is a risk based plan		
2013 Update – As above		
19. Have we reallocated staff as a result?		
Previous action – Audit resources are targeted at risk areas		
2013 Update – Audit resources continue to be targeted to areas of risk		

Current risks and issues	Yes	No No
Housing tenancy		
20. Do we take proper action to ensure that we only allocate social housing to those who are eligible?		
Previous action – Work closely with Housing to review cases identified as potentially fraudulent		
2013 Update – Continue working closely with Housing and raise fraud awareness with Housing staff		
21. Do we take proper action to ensure that social housing is occupied by those to whom it is allocated?		
Previous action – Not a housing authority		
2013 Update – Have contacted main social housing provider to consider how we can joint work		
Procurement		
22. Are we satisfied our procurement controls are working as intended?		•
Previous action Audit review of process		
2013 Update – Audit reviews of procurement take place regularly and participation in NFI		
23. Have we reviewed our contract letting procedures since the investigations by the Office of Fair Trading into cartels, and compared them with best practice?		
Previous action – Procurement OSG continually reviews procedures for contract letting		
2013 Update – Procurement OSG continues		
Recruitment		
24. Are we satisfied our recruitment procedures:		
prevent us employing people working under false identities;		
■ confirm employment references effectively;		
 ensure applicants are eligible to work in the UK; and require agencies supplying us with staff to undertake the 		
checks that we require? Previous action – Recruitment checks in place		
2013 Update – Audit undertaken in 2013 of recruitment has made several recommendations to ensure consistent and robust recruitment procedures		

Current risks and issues	Yes	No
Personal budgets		
25. 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?		
Previous action		
2013 Update – N/A		
26. Have we updated our whistle-blowing arrangements, for both staff and citizens, so that they may raise concerns about the financial abuse of personal budgets?		
Previous action		
2013 Update – N/A		
Council tax discount		
27. Do we take proper action to ensure that we only award discounts and allowances to those who are eligible?		
Previous action – Participation in NFI		
2013 Update – Continued participation in NFI and introduction of CTRS in Anti-Fraud Policy and Prosecution Policy. Introduction of penalties for erroneous applications.		
Housing benefit		
28. When we tackle housing benefit fraud do we make full use of:		
■ National Fraud Initiative;		
 Department for Work and Pensions Housing Benefit matching service; 		
■ internal data matching; and		
■ private sector data matching?		
Previous action Participation in all of the above. Private sector data matching where cost effective to do so.		
2013 Update – Continued participation i above		

Emerging fraud risks	Yes	No
29. Do we have appropriate and proportionate defences against emerging fraud risks:		
■ business rates;		•
■ Right to Buy;		•
■ Social Fund and Local Welfare Assistance;		
■ council tax reduction;		
■ schools; and		•
■ grants?		•
Previous action – Audit reviews of above areas that are applicable		
2013 Update – New CTRS Anti-Fraud Policy has been included in current anti-fraud policy		

Source: Audit Commission (2013)

