

Appendix 2: Counter Fraud and Corruption Strategy Action Plan

Ongoing Activity:

Ref	Action Required	Responsibility	Update	Status
1	Prepare a counter fraud strategy which acknowledges fraud risks facing the council and sets overall counter fraud aims. The strategy should link together existing counter fraud related policies and set out actions required for developing counter fraud arrangements.	Chief Finance Officer (s151) / Veritau	A new counter fraud strategy was introduced in 2016 and has been subject to annual review since then. An updated strategy will be written following the release of an updated Fighting Fraud and Corruption Locally Strategy for local government (expected to be published in 2020).	Annual Review
2	Prepare an updated counter fraud policy to take account of the latest national guidance, and reflecting changes to the councils counter fraud arrangements following the transfer of benefit fraud investigation to the DWP.	Chief Finance Officer (s151) / Veritau	A new Counter Fraud policy was approved in July 2017. The policy has been reviewed as part of this report - no updates are required at this time.	Annual Review
3	Undertake a counter fraud risk assessment.	Chief Finance Officer (s151) / Veritau	An annual risk assessment has been presented to the O&S Committee since 2016 (see Appendix 3 of this report for the 2019 update).	Annual Review
4	Participate in regional & local data matching and counter fraud exercises.	Veritau	Data matching is an important area within local authority counter fraud work. It facilitates the detection of	Ongoing

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			<p>frauds that would not normally be detected by members of staff or the public. Data matches can be undertaken internally, with regional partners, and nationally through exercises like the National Fraud Initiative.</p> <p>Current priorities are highlighted in the one-off development section of this plan (see action points 3 and 4).</p>	
5	Undertake specific fraud awareness training for priority service areas identified through the fraud risk assessment.	Chief Finance Officer (s151) / Veritau	<p>Training is delivered on a rolling basis depending on priorities and emerging fraud risk.</p> <p>In 2018/19 training was delivered to the benefits, customer services, and housing teams.</p>	Ongoing
6	Raise awareness of cyber security issues and promote good practice.	Chief Finance Officer (s151) / Veritau	<p>Veritau, alongside the ICT department, promotes guidance and best practice from the National Cyber Security Centre.</p> <p>An awareness raising exercise is planned for 2019/20 (see action point 5 in One Off Activity).</p>	Ongoing

One Off and Developmental Activity:

Ref	Action Required	Target Date	Responsibility	Notes
1	Liaise with HR officers to incorporate general counter fraud awareness training into induction training for all new employees.	September 2019	Chief Finance Officer (s151) / Veritau	An e-learning package has been identified and is being tested ahead of a decision about whether to purchase a licence.
2	Explore increased funding for council tax and business rate investigation from regional partners.	September 2019	Chief Finance Officer (s151) / Veritau	The Council's precepting bodies benefit from work undertaken to prevent, detect and deter council tax and business rates fraud. Veritau to explore increased collaboration between regional organisations to ensure balanced funding in this area of work.
3	Increase ability to detect procurement fraud.	March 2019	Chief Finance Officer (s151) / Veritau	<p>The counter fraud team is exploring the use of the Competition and Markets Authority's cartel screening tool to detect fraud within council procurement exercises.</p> <p>There are technical issues to overcome to load the software onto council systems. These issues have affected organisations nationally and the CMA is reviewing the product in 2019.¹</p> <p>Once resolved, Veritau will liaise with the relevant departments to promote use of the tool.</p>
4	Undertake data matching	March	Veritau	The counter fraud team will undertake data

¹ United Kingdom Anti-Corruption Strategy 2017-22 – Year One Update

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	exercises to highlight fraud issues within the council tax system.	2020		matching exercises to highlight potential fraud against council tax discounts.
5	Undertake a cybercrime awareness week for staff.	September 2019	Veritau / IT Department	Create and deliver a week of content to Council staff to help raise awareness of the threat of cybercrime.
6	Ensure that up to date policies are in place to enable the council to undertake covert surveillance under the Regulation of Investigatory Powers Act (RIPA) and employee monitoring outside of RIPA.	September 2019	Veritau / Legal Department	Covert surveillance and employee monitoring are powerful tools that assist in the investigation of fraud and criminality against and within the council. Up to date policies are necessary for the council to be able to undertake these actions. The counter fraud team will review council policy and recommend changes to ensure that action can be taken should the need arise.
7	Explore joint working arrangements with the Department for Work and Pensions (DWP) and evaluate potential benefits for the Council.	March 2020	Veritau	The DWP have recently instigated new joint working arrangements across England and Wales. The benefits of these new arrangements will be evaluated in 2019/20 to ensure they represent good value to the Council and residents.
8	Consider establishing a process for use of powers under the Investigatory Powers Act (IPA).	January 2020	Veritau / Legal Department	Use of IPA powers requires the appointment of an internal authorising officer and a potential update to the RIPA policy.

Completed Activities:

Ref	Action Required	Target Date	Responsibility	Update
1	Prepare an anti-money laundering (AML) policy.	July 2016	Chief Finance Officer (s151) / Veritau	An updated policy was presented to the O&S Committee in July 2016 for comment. The policy was subsequently approved by Full Council in September 2016.
2	Undertake a publicity campaign to raise awareness of the counter fraud strategy and policy, internally within the council.	September 2016	Veritau	Training on the council's counter fraud policy and strategy has formed part of fraud awareness training delivered to members of staff over a number of years.
3	Introduce regular reporting to Overview and Scrutiny committee on counter fraud activity.	September 2016	Chief Finance Officer (s151) / Veritau	Regular reporting to the committee on fraud activity was introduced in 2016. Four progress reports and one annual policy review are produced for the committee annually.
4	Review wider governance and other policies (eg employee related policies, gifts, interests, financial regulations) to ensure they: <ul style="list-style-type: none"> cover all required areas (eg anti-bribery) are consistent with the counter fraud strategy and policy. 	March 2017	Chief Finance Officer (s151) / Veritau	Council policies are regularly reviewed in the course of Internal Audit work. Reviews to date have not highlighted any potential weaknesses.

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5	Launch and promote regional fraud hotline.	September 2017	Veritau	A new 0800 regional fraud hotline number was introduced in 2017. Promotional material was released as part of annual billing in 2018.
6	Review council recruitment processes.	March 2018	Veritau / Head of HR	A review of recruitment processes was completed in 2017/18, however this will be an area of periodic review.
7	Monitor Money Laundering guidance.	March 2019	Chief Finance Officer (s151) / Veritau	New Money Laundering Regulations were issued by Government in 2017. No update to the Council's Anti-Money Laundering Policy is required
8	Participate in regional & local data matching and counter fraud exercises.	N/A	Veritau	A proactive exercise looking at council tax evasion fraud at caravan sites was undertaken in 2018/19. This identified instances of council tax evasion that now have been corrected and highlighted for investigation.
9	Consider whether counter fraud risk assessment can be integrated into service risk management arrangements, supported by counter fraud expertise.	October 2019	Chief Finance Officer (s151) / Veritau	Annual fraud risk assessment are routinely distributed to service managers who will consider whether to include in service specific risk registers.