

Fighting Fraud Locally – The Local Government Fraud Strategy

Recommendations	Comment / Action
1. Review new policies and initiatives where appropriate (or changes to existing policies and initiatives) to evaluate the risk of fraud and build-in strong fraud prevention controls.	Policies are reviewed and submitted to the Audit & Governance Committee for approval
2. Continually review system weaknesses and assess the effectiveness of controls in light of the evolving fraud threats across local government, making best use of shared information and intelligence on known fraud and fraudsters.	Fraud risk assessment completed and reviewed on a quarterly basis. Shared intelligence used to ensure that new emerging risks are highlighted
3. Conducting a fraud risk assessment to identify their own fraud threat and using the fraud loss tool to determine their likely fraud risk exposure.	Fraud risk assessment completed and reviewed and updated on a quarterly basis. Fraud loss tool used to predict SPD fraud
4. Performing a resilience check of their current capabilities and making use of the free resilience tool which can be accessed via the National Anti-Fraud Network (NAFN) website.	To be completed
5. Keeping records of all suspected and confirmed fraud cases and reporting annually at an Audit Committee level, or equivalent, on all matters relating to fraud, including an assessment of the effectiveness of the authority's fraud response.	Frauds to be reported as part of fraud reporting
6. Reviewing key systems that may be vulnerable to fraud and ensuring that key fraud risks are managed effectively.	Key controls in main financial systems reviewed annually
7. Developing a response plan aligned with their fraud risk and this strategy, accompanying guidance documents and checklist and reporting on this to senior management and relevant committees.	Response plan in place

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8. Deploying data analytic tools in their areas of risk for the purposes of preventing and detecting fraud.	Will consider – need to establish cost effectiveness of purchasing analytical tools
9. Collaborating with NFI and NAFN to develop data warehouses for the purpose of data matching fraud prevention services across councils.	Completed – we submit data for the NFI data matching exercise
10. Developing a programme of activity to embed a strong anti-fraud culture across departments and delivery agents.	12/13 – to roll out e learning solution and Internal Audit go “on the road” to promote the Policies
11. Using the Changing Organisational Cultures toolkit.	Need to check with Audit Commission on current availability
12. Ensuring that staff and the public have access to a fraud and corruption whistle-blowing helpline, and assure themselves that it conforms to the British Standard for whistle-blowing arrangements.	Access via website and intranet – where details are available. Conforms to the British Standard see Appendix 6
13. Ensuring that the local authority has access to appropriate specialist investigative resource, including financial investigators, and explore options on whether access to these services can be shared across local authorities.	Staff within the section – CMIIA, ACCA and trainee AAT showing that a cross section of qualifications held. Ability to call on colleagues within Staffordshire if required. In addition, aware of specialist companies available should the need arise.
14. Making arrangement with other authorities or partners to ensure access to a financial investigator.	See above
15. Adopting a parallel sanctions policy for the purpose of taking disciplinary, civil and criminal action against fraudsters and consider the use of fraud recovery for all instances of fraud.	In place
16. Securing appropriate training for fraud practitioners in line with agreed professional standards for all types of investigation.	Fraud training undertaken as appropriate

Recommendations	Comment / Action
Only employing staff to undertake investigations that are suitably qualified and trained and adhere to a professional code.	Staff within Internal Audit suitably qualified. Benefits investigation staff fully trained.

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