

# COUNTER FRAUD and ANTI-CORRUPTION POLICY/STRATEGY AND FRAUD RESPONSE PLAN

## CONTROL

Owner / Policy Lead Officer:	Chief Finance Officer / Audit Manager
Location:	City Hall, Beaumont Fee, Lincoln
Consultation:	Audit Committee / Executive
Date:	September 2016
Review Arrangements:	Every two years (Owner/Policy Lead Officer and Audit Committee)

## INTRODUCTION

It is accepted that fraud affects the UK across all sectors and causes significant harm.

The City of Lincoln Council takes a zero tolerance stance to all forms of fraud, corruption and theft, both from within the Authority and from external sources. We recognise fraud can impact on our organisational and strategic objectives and:

- undermine the standards of public service that the Council is attempting to achieve
- reduce the level of resources and services available for the residents of Lincoln
- result in major consequences which reduce public confidence in the Council

### The Council's Policy Statement:

***The Council is opposed to any form of fraud or malpractice. The Council is committed to operating in an open and honest way in order to:-***

- ***Prevent , deter and detect fraud and malpractice;***
- ***Allow scrutiny and investigation to take place, both internally and externally***
- ***Allow rigorous enforcement to take place; and***
- ***Reinforce good practice and prevent reoccurrence***

This policy is supported by elected members, the chief executive, directors, chief finance officer, city solicitor and assistant directors. The aim is to ensure that we have a clear counter fraud and corruption culture, which is part of daily business which links to prevention, detection, deterrence, investigation, sanctions and redress.

A key element is also having sound whistleblowing arrangements to communicate how to report fraud and corruption and creating an environment in which reports can be made without fear or recrimination.

We recognise that collaboration and coordination is an effective way to fight fraud and corruption; we already work in partnership in several areas and aim to continue using this approach.

Communication is key to publicise initiatives, issue fraud warnings and also celebrate successes.

We need an honest appraisal of our fraud risks and resources required to tackle them and whether that can be done locally, with the support of national agencies or neighbouring authorities. Measuring potential and actual losses helps to understand the scope of the challenge, the response required and measuring performance. And in our fast changing local authority landscape we should scan the horizon for emerging risks and ensure that we have appropriate intelligence.

Where possible, we will pursue opportunities to invest in counter fraud and corruption activity where appropriate in order to generate savings by preventing and recovering losses. We have a duty to protect the public purse, and the services we provide, and therefore we will ensure that counter fraud activity is proportionate to the risks involved.

We have assessed our fraud risks and ensured that as far as possible controls are in place to prevent fraud. We recognise that it is nearly always more cost-effective to prevent fraud suffer the losses and investigate after the event. We recognise that technology to help prevent and detect fraud is becoming more available and cost effective and we will evaluate its use.

Where fraud is detected, we aim to recover losses and penalties and we make use of the most appropriate method of collection.

Resources available for the Council are reducing and we need to ensure that we have the right level of staff with the right skills, using technology as appropriate and to focus on the key risk areas. We need to generate economies of scale through collaboration. Sharing information and resources can help mitigate risks so that the response is proportionate; it can also ensure properly skilled and equipped staff are used. By working across boundaries local authorities are better placed to prevent and detect fraudulent activity. Where fraud types are often changing and staff move roles it's important to keep resources up to date and ensure that the response remains proportionate to the threat. Those working in counter fraud must have a common set of standards to work to, proper training and a clear understanding of the counter fraud picture.

This policy takes into account the risks and responses at national level as well as local level and recognises that serious and organised crime can affect local authorities as well as other organisations.

## **Fraud Descriptions**

**FRAUD** is a deception which is deliberate and intended to provide a direct or indirect personal gain. The term “fraud” can include criminal deception, forgery, blackmail, corruption, theft conspiracy or the covering up of material facts and collusion. By using deception a fraudster can obtain an advantage, avoid an obligation or cause loss to another party. The Fraud Act 2006 has three criminal offences:

- False representation
- Failure to disclose information
- Abuse of position

**CORRUPTION** is the deliberate misuse of your position for direct or indirect personal gain. Corruption includes offering, giving, requesting or accepting a bribe or reward, which influences your actions or the actions of someone else.

**THEFT** is where someone steals cash or other property. A person is guilty of theft if he or she dishonestly takes property belonging to someone else and has no intention returning it.

We are committed to the highest possible standard of openness, probity, honesty, integrity and accountability. We expect all staff, councillors and partners to apply these standards which are included within our Code of Conduct, and supported by the Council’s values. This helps to support enhanced awareness and mitigation of fraud and corruption risks.

We will seek to deter and prevent fraud, corruption and theft to ensure that all risks in these areas are reduced to the lowest possible level. Where we suspect or detect fraud, corruption or theft we will thoroughly investigate and deal with any proven fraud in a consistent and balanced way. We will apply appropriate sanctions against those committing fraud and will attempt to recover all losses.

## **SCOPE**

This Policy applies to

- All City Council employees and Councillors
- Staff and Committee members of council funded organisations
- The City Council’s partners
- The City Council’s suppliers, contractors and consultants
- City of Lincoln residents, businesses and other stakeholders/third parties

## **AIMS AND OBJECTIVES**

We aim to:

- Reduce fraud and loss to an absolute minimum
- Protect the Council's valuable resources by ensuring they are not lost through fraud but are used for improved services to Lincoln residents
- Create a Counter Fraud culture which in beating fraud and corruption is part of daily business and highlights the Council's zero tolerance of fraud, corruption and theft, which defines roles and responsibilities and actively engages everyone – the public, staff, managers and policy makers
- Provide the best counter fraud service which will
  - Proactively deter, prevent and detect fraud, corruption and theft
  - Investigate suspected or detected fraud, corruption or theft
  - Enable the Council to apply appropriate sanctions and recover all losses
  - Provide recommendations to inform policy, system and control improvements, thereby reducing the Council's exposure to fraudulent activity.

Effective counter fraud and anti-corruption arrangements are part of good governance and the wider governance framework of the Council. The Council recognises the importance of developing a culture that is resilient to these threats.

Where possible, we will look at opportunities to improve resilience and also achieve financial savings from fraud work.

A number of specific measures have been set to try and measure counter fraud the outcomes and these are included at Annex A

## **PRINCIPLES**

We will not tolerate abuse of our services or resources and have high expectations of propriety, integrity and accountability from all parties identified within this policy.

We will ensure that the resources dedicated to our Counter Fraud activities are sufficient and those involved are trained to deliver a professional counter fraud service to the highest standards.

Fraud is a crime and will result in disciplinary, legal and / or criminal action against the individual (s) concerned. We will ensure consistency, fairness and objectivity in all our investigation work – everyone will be treated equally. There is an agreed referral process to the Police which is included later in this document.

We want everyone to report any genuine suspicions of fraudulent activity. However we will not tolerate malicious or vexatious allegations or those

motivated by personal gain and if proven, we may take disciplinary or legal action.

We will work with our partners (e.g. the police, district and county councils, government departments, external auditors and other investigation bodies) to strengthen and continuously improve our arrangements to counter fraud and corruption. This includes considering applications for fraud funding when and if this becomes available.

**RESPONSIBILITIES**

<b>RESPONSIBILITIES</b>	<b>SPECIFIC RESPONSIBILITIES</b>
<b>Chief Executive</b>	Ultimately accountable for the effectiveness of the Council’s arrangements for countering fraud and corruption
<b>City Solicitor</b>	To advise Councillors and Officers on ethical issues, standards and powers to ensure the Council operates within the law and statutory Codes of Practice. To adopt responsibilities set out in relevant counter fraud policies.
<b>Chief Finance Officer</b>	The Chief Finance Officer will be the accountable person to lead the organisation’s approach and implement the policy. The CFO will work closely with the the Chief Executive, CMT and Assistant Directors, City Solicitor as well as Internal Audit and partners to ensure the Council has adequately resourced and effective counter fraud arrangements. The CFO will monitor the risk register and fraud work plan with AD group
<b>CMT (Corporate Management Team)</b>	<p>CMT collectively own and support the Counter fraud policy and have a responsibility to help improve awareness and promote appropriate behaviours.</p> <p>CMT will review the fraud risk register alongside the strategic risk register on a six monthly basis (by exception). CMT will periodically review fraud outcomes, fraud work plan and resources. CMT will review and approve any changes to the Counter fraud policy.</p>
<b>Audit Committee</b>	To monitor the Council’s counter fraud and corruption policies / strategies and consider the effectiveness of the whistle blowing and counter fraud and corruption arrangements including reviewing and monitoring the counter fraud work plan and actions. The Audit Committee will receive a six monthly and annual report

<b>Human Resources</b>	Are responsible for providing advice in cases involving disciplinary investigations and disciplinary action
<b>Ethics and Engagement Committee</b>	Promoting and maintaining high standards of conduct by elected Members and co-opted Members
<b>Councillors</b>	To support and promote the development of a strong counter fraud culture
<b>External Audit</b>	The external auditor has a responsibility to review the authority's arrangements to prevent and detect fraud and corruption and seek appropriate assurances
<b>Internal Audit</b>	To assist in the development and implementation of the Counter Fraud Policy and fraud risk assessment; investigate cases of suspected fraud where appropriate. To make recommendations to improve controls and reduce the risk of fraud in the future. To participate in counter fraud partnerships. The Assurance Lincolnshire partnership provides access to a dedicated counter fraud team.
<b>Assistant Directors, Managers, Team Leaders</b>	AD group will monitor the policy, fraud risk register (six monthly), action plan and work plan with the CFO  AD's and Service managers will promote staff awareness, refer all suspected fraud and apply the policy of zero tolerance (the opposition to any form of fraud or malpractice). They will assess the risk of fraud, corruption and theft in their service areas, help maintain the corporate fraud risk register, and reduce these risks by implementing strong internal controls. They will take ownership of actions within their service area.
<b>Employees</b>	To comply with Council policies and procedures, to be aware of the possibility of fraud, corruption, theft and to report any genuine concerns
<b>Lincolnshire County Finance Officer Group</b>	This group has a role in working together on counter fraud and considering initiatives linked to specific fraud risks; it also acts as a liaison point for the LCFP

## Lincolnshire Counter Fraud Partnership (LCFP)

The LCFP is a partnership involving all the 8 Councils of Lincolnshire. It helps co-ordinate counter fraud projects, identify risks and improve awareness and training.

## APPROACH TO COUNTERING FRAUD

We will fulfil our responsibility to reduce fraud and protect our resources by completing work in each of the following areas

DETERRENCE	<i>We will promote and develop a strong counter fraud culture, raise awareness and provide information on all aspects of our counter fraud work. This will include publicising the results of all proactive work and fraud investigations</i>
PREVENTION	<i>We will strengthen measures to prevent fraud – we will work with managers and policy makers to ensure new and existing systems and policy initiatives are adequately protected against fraud.</i>
DETECTION	<i>We will continuously assess those areas most vulnerable to the risk of fraud. These risk assessments will inform fraud work plans. A Corporate fraud risk register will be maintained. Internal audit, management and third parties will carry out work in high risk areas</i>  <i>We will regularly review (and if necessary improve) our whistleblowing / fraud reporting arrangements and ensure that this is in the work plan.</i>
INVESTIGATION	<i>Appropriately trained investigators will investigate any fraud detected Investigation may be undertaken by Internal Audit, management or third parties.</i>  <i>Policies are in place to ensure that investigation staff are able to access the required information (which is proportionate and necessary)</i>  <i>Appropriate access rights are in place covering outsourced activities, shared services and partnership arrangements.</i>  <i>Investigations WILL comply with appropriate regulations and procedures.</i>
SANCTIONS	<i>We will apply realistic and effective sanctions for individuals or organisations where an investigation</i>

	<p><i>reveals fraudulent activity. This may include legal, criminal and disciplinary action where appropriate</i></p> <p><i>Sanctions and redress will vary between fraud risk areas and respective policies. The “Further information” section below provides more details of current policies and strategies.</i></p>
<b>REDRESS</b>	<p><i>A crucial element of our response to tackling fraud is recovering any money lost through fraud – this is an important part of our strategy and will be rigorously pursued where appropriate</i></p> <p><i>We may recover expenses incurred in the cost of the investigation as well as any direct loss. For significant risk areas this will be set out in policy ( see further information)</i></p>

## **FRAUD RISK**

There are a number of specific fraud and corruption threats faced by the Council. Further details are included in Appendix B – Fraud Risks, which is supported by a separate fraud risk register. The purpose of the register is to capture key fraud risks and ensure that these are adequately controlled.

Fraud loss estimates (local and national) are used to help assess the risk of fraud where these are available. The impact (the “harm”) caused by fraud is included.

Mitigation actions which are relevant to reduce the risk level are included within the register. These include internal control measures which will be used to prevent fraud occurring or aid early detection.

The fraud risk register will be reviewed and monitored by CMT (six monthly) alongside the Strategic risk register; although detailed monitoring will take place by the CFO and AD group. This will include monitoring any actions in response to the risks of fraud and corruption.

Where there are significant or increasing fraud risks these will be brought to the attention of management.

Service Managers will also be reminded to escalate fraud risk concerns to their Assistant Director and CFO where appropriate and discuss mitigation.

Fraud risk assessment will be undertaken for significant new operations or changes in processes.

The fraud risk register will be submitted to the Audit Committee alongside the annual counter fraud report. Progress on actions will be reported six monthly.



## **RESOURCES AND WORKPLAN**

We need to deploy the right level of resources to deal with the fraud risk.

Resources are already required to

- Facilitate the ColC/DWP/SFIS partnership
- Manage and investigate NFI
- Liaison with the LCFP and linked projects
- Implementing the tenancy fraud strategy
- Assessing and managing fraud risks
- Investigating ad hoc fraud cases

There are a number of actions arising from this policy which will be included within a fraud work plan. The work plan will be owned by the Chief Finance Officer, and managed together with AD group; it will be monitored also through the Audit Committee. The work plan will set out required pro-active and re-active work. This will depend upon available resources and the cost/benefit of any action/project.

The work plan will reflect any gaps in best practice, will support the counter fraud policy/strategy and reflect emerging risks and opportunities. The work plan is a live document and will be updated as required.

The work plan will identify resources, skills and experience required (and available) to achieve the agreed actions. These may or may not be available from internal resources.

## **BENCHMARKING AND PARTNERSHIPS**

The Council will participate in County wide (and other) partnerships where these can add value to existing arrangements, such as the Lincolnshire Counter Fraud Partnership. To help evaluate the experience of fraud and effectiveness of fraud risk management the council will participate in comparative or benchmarking activities (e.g. CIPFA / County wide / LCFP)

The County Finance Officers group has a role in reviewing proposed fraud projects, particularly those which involve collaboration across the different Councils of Lincolnshire.

Other current partnerships include DWP/SFIS for housing benefit

The Council will aim to benchmark fraud resources, with the LCFP, which supports counter fraud activity and the work plan.

Where there are counter fraud activities conducted collaboratively or where there is sharing of fraud resources, these arrangements will be set out in appropriate agreements in terms of the arrangements and responsibilities

The Council also aims to ensure that its counter fraud arrangements meet best practice – from CIPFA and the Government – the Council will seek support of LCFP to help review its self-assessment.

## **COMMUNICATION**

Communications will encompass all the areas above from deterrence through to sanctions and redress. This involves raising awareness, deterring fraudsters, sharing information and celebrating success.

The potential harm from fraud will be effectively communicated to stakeholders.

The work plan will set out how the Council will publicise anti-fraud and anti-corruption activities to its staff, contractors and customers including its commitment to tackle fraud and corruption and the outcomes of successful cases.

## **TRAINING**

It is important to have the right skills and standards to address the fraud risks identified and to investigate and conduct investigations. The work plan will identify any skills training required. There are resource limitations (for example accredited investigators) and options will need to be considered where they are required.

We recognise that awareness training is appropriate for all staff and members and will be delivered. Counter fraud awareness is part of the wider training requirements covering ethical conduct.

## **COMPLIANCE WITH LEGISLATION, REGULATION, PROCEDURES**

All relevant legislation and other requirements will be adhered to as part of any counter fraud work

This will include:

- Data matching
- NFI
- Information sharing
- RIPA

When undertaking data matching appropriate data protection notices and data sharing protocols are put in place in accordance with agreed protocols.

## **USE OF TECHNOLOGY**

The Council uses and will explore the further use of technology to prevent and detect fraud. This includes data sharing, for example through the NFI (National Fraud Initiative).

Local authorities can use new technology to prevent fraud, for example checking identity, official documents. Exploring the investment in technology that assists in preventing fraud and corruption will be a key part of this strategy and work plan.

Data analytics, the availability of third party data, channel shift and data hubs offer an opportunity to work differently in future.

## **OUTCOMES**

Investigation itself does not represent the outcomes of counter fraud work. We recognise that by preventing fraud we will reduce losses and the delivery of our counter fraud work plan will improve overall outcomes and achieve the aims and objectives of the policy. We will measure the effectiveness of our counter fraud arrangements by focussing on such outcomes as;

- High levels of fraud awareness
- Zero tolerance to fraud ( number of referrals / ensuring suspicions reported and action taken)
- Reduced losses ( a low incidence of fraud)
- Delivery of pro-active counter fraud work (work plan)
- Reducing the risk of fraud
- Successful prosecutions, other sanctions and recovery of losses
- Successfully engagement with partners

We will monitor these outcomes and using a range of measures (to be developed) and will report to the Council's Audit Committee every six months.

There are number of fraud areas where we will capture statistical information This is attached at Annex C.

## **WHISTLEBLOWING, FRAUD REPORTING, ADVICE AND SUPPORT**

The best fraud fighters are the staff and clients of local authorities. To ensure that they are supported to do the right thing a comprehensive, management-led, anti-fraud and corruption culture needs to be maintained, including clear whistleblowing and fraud reporting arrangements. Arrangements should meet best practice – BSI, Public Concern At Work for whistleblowing.

These arrangements should ensure that staff and the public have access to a fraud and corruption whistle-blowing helpline, and should be kept under review.

If anyone genuinely believes that someone is committing a fraud or suspects corrupt practices, these are the reporting options:

- Your line manager (or a more senior manager if you suspect your line manager is involved)
- Audit Manager ( or Principal Auditor in the Managers absence)
- Chief Finance Officer

- City Solicitor
- County-wide fraud reporting/whistle blowing facility:-
  - Telephone 0800 0853716 ( dedicated confidential free phone number)
  - Email: [whistleblowing@Lincolnshire.gov.uk](mailto:whistleblowing@Lincolnshire.gov.uk)
  - In writing  
 Lincolnshire Local Authorities  
 PO Box 640  
 Lincoln  
 LN11WF
- City of Lincoln (only) fraud reporting facility:
  - Email: [whistleblowing@Lincoln.gov.uk](mailto:whistleblowing@Lincoln.gov.uk)
  - In writing  
 City of Lincoln Council  
 City Solicitor  
 PO Box 747  
 LINCOLN

To avoid potentially contaminating evidence, managers should not investigate themselves and instead immediately report all suspicions.

We will treat all concerns or suspicions with discretion and confidence. If you need advice or support or would like to report a concern, please contact the Audit Manager on 01522 873321.

## **RISKS TO THE POLICY**

There is limited capacity in the organisation in some areas to support counter fraud activities due to the focus being on other priorities, such as maintaining key services and meeting budget savings.

Investigators have transferred to DWP – SFIS and there are limited budgets to train staff post SFIS. Some authorities retain skilled investigators and we will work with local partners to make the best use of our combined resources. Where there are opportunities for additional funding, this may be directed at training and / or new resources to investigate fraud.

By updating the fraud risk register, developing a new work plan and seeking support of partners through the LCFP, the Council aims to maintain focus on counter fraud. The Council has been successful with partners in securing dedicated one –off fraud related funds and will continue to seek additional funding when and if it becomes available.

## **FURTHER INFORMATION**

Information is available on the Council's website covering:

### **List of Council Fraud Related Policies and Guidance**

- Counter Fraud and anti-corruption policy/strategy
- Anti-Money laundering policy
- Anti-Bribery policy
- Benefit fraud, sanctions and prosecutions policy
- RIPA policy
- Whistleblowing policy
- Tenancy Fraud Strategy

Further information and guidance:

- Counter fraud leaflet
- Financial and contract procedures
- Codes of conduct
- Gifts and hospitality register
- Register of interests
- IT security policy
- Data protection policy
- Data transparency

### **Crime Prevention Organisations and Partnerships:**

National Crime Agency (NCA) leads work against serious and organised crime. Regional Organised Crime Units provide high end specialist capability, including regional fraud teams to local forces tackling the threat from serious and organised crime in their region. Organised crime can affect local authorities including money laundering, identity crime, intellectual property crime and theft of assets.

Action fraud is the national reporting point for fraud and cyber-crime. As of April 2014 both Action fraud and the NFIB are run by the City of London Police.

There are regular Police liaison meetings between senior Council officers and senior Police Officers.

There are links to the local economic crime unit.

### **Counter Fraud Good Practice:**

- The local government counter fraud and corruption strategy 2016-2019
- CIPFA Code of Practice on managing the Risk of fraud and corruption

## **The Transparency Code**

DCLG published the transparency code to strengthen transparency within local government. The Code legally requires local authorities to publish annually details of their counter fraud work. Key areas cover employees, amount spend and number of fraud cases.

## **FRAUD RESPONSE PLAN**

### **Referral and Investigation**

Note that there is a separate response process and policy linked to the fraud response for housing benefit, council tax support, council tax benefit.

In accordance with its objective of deterring fraud and dishonesty, the Council will pursue any remedies at its disposal, including prosecuting and recovering its losses from those responsible, and (in the case of employees) taking disciplinary action.

Where there are fraud concerns identified (or reasonable grounds for believing that a criminal offence has been committed), whether by a Councillor, employee or member of the public, the matter will initially be investigated and assessed by the Council's Internal Audit Section. If there is insufficient evidence to proceed a record of the decision will be made and feedback provided to the referer.

Where there is believed to be sufficient evidence to proceed, a strategy meeting will be held with the Chief Finance Officer, the relevant Director (or Assistant Director), City Solicitor or Legal Services Manager, Human Resources Manager. Consultation will of course depend on the nature and scope of the case. Internal Audit will present its findings.

The purpose of the strategy meeting will be to identify the type of investigation required:

- a) Management investigation
- b) Internal Audit investigation
- c) Police investigation

Officers will be clear, open, consistent and action taken will be proportionate. When deciding whether to refer a matter to the Police, or consider other sanctions, officers will make a decision at the most appropriate time using the best available information. It is possible that a Management or Audit investigation could run concurrently with a Police investigation.

Where the fraud is proven the matter will be taken forward by the Police for prosecution.

Where the fraud is proven there will be a management decision whether to try and recover losses, and whether disciplinary action is appropriate.

Where matters are referred to the Police, Council officers having any involvement in it will be expected to give the police their full co-operation, and must take care not to do anything to prejudice the investigation.

On completion of their investigations, the Police and/or the Crown Prosecution Service will decide whether or not to prosecute, having regard to the Code for Crown Prosecutors.

The Code lays down a two stage test. The first stage is to consider whether there is sufficient evidence to prove the offence beyond reasonable doubt. The second stage is to consider whether a prosecution would be in the public interest.

### **Recovery of Losses**

Wherever possible, the Council will take any steps it can to recover any losses resulting from fraud or dishonesty from those responsible. This may include asking the Police to apply for a compensation order, where the person responsible is prosecuted, taking proceedings in the civil courts, deducting any losses from sums owing to the person responsible, so far as the law allows. Investigation costs may be added.

We will recover any overpayments in relation to employees.

### **Top Tips**

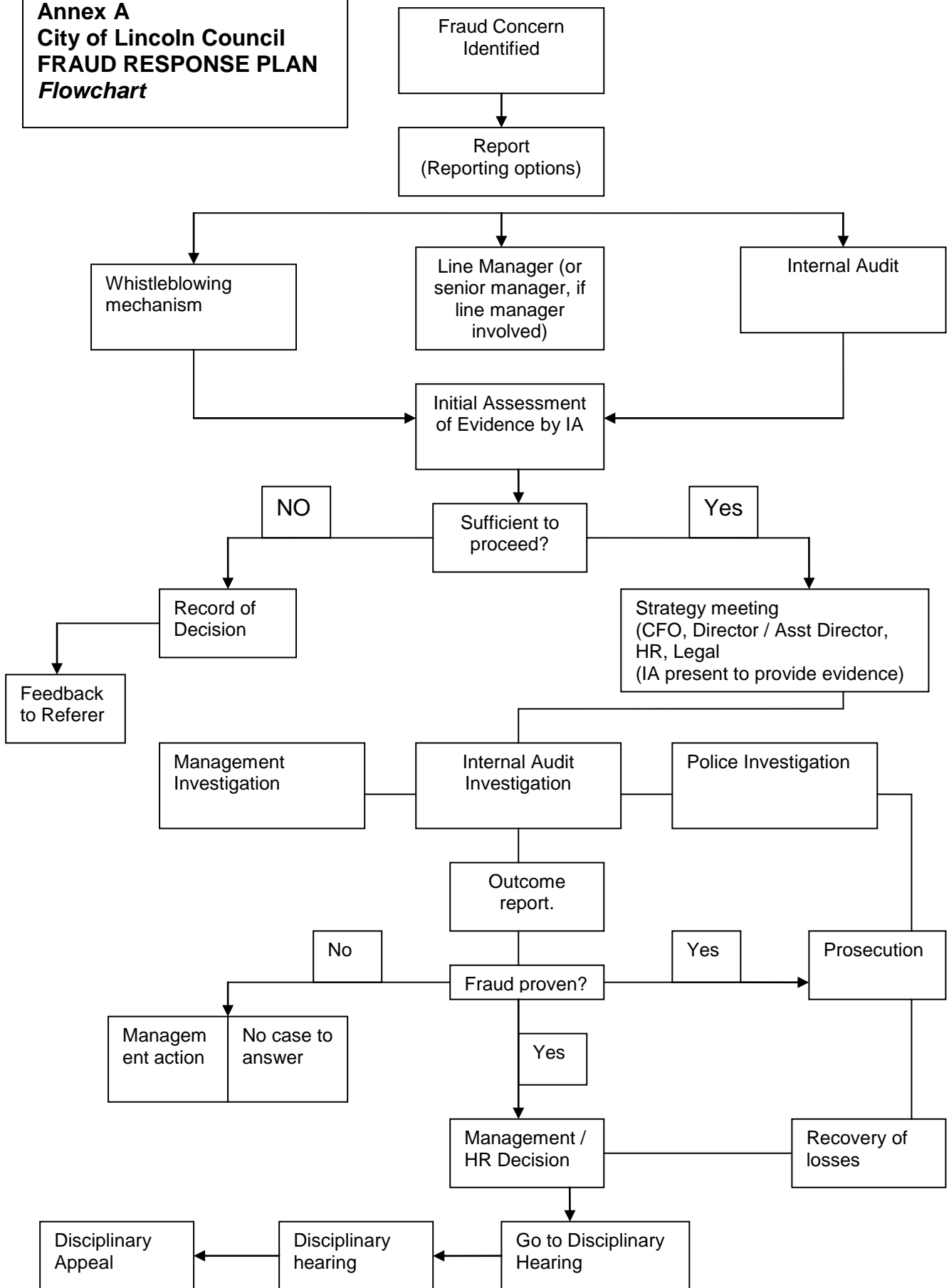
Don't delay – report the matter quickly	Do – write down your suspicions
Don't alert, approach or accuse individuals	Do – keep any evidence safe
Don't tell other people about your concerns	Do – tell us who you are
Don't – investigate yourself	Do – keep calm

Further details and information of safeguarding your confidentiality can be found in the Council's whistle blowing policy

The fraud response plan is attached as a flowchart at Annex A



**Annex A**  
**City of Lincoln Council**  
**FRAUD RESPONSE PLAN**  
**Flowchart**



## **Annex B**

### Fraud Risks

#### Fraud risk categories

- Contracting /contract management
- Procurement
- Payments
- Income Collection
- Debt management
- Money laundering
- BACS /Cheque fraud
- Payroll / employees
- Treasury management / investment fraud
- Property / land/ equipment
- Grants - Housing and Economic Support / Third Sector
- False accounting
- IT / Data
- Insurance
- Council Tax
- Housing
- Business rates
- Council Tax Support Scheme
- Housing Benefit
- Development Management
- Theft/Asset mis-use
- Refund fraud
- Election fraud

## **Annex C**

Fraud Areas subject to monitoring (six monthly / annual report) – number of cases, value of fraud

- Procurement
- Insurance Claims
- Investments
- Economic & Voluntary Sector Support
- Debt
- Expenses
- Payroll
- Recruitment
- Pensions
- Mandate Fraud
- Manipulation of Data(financial and non-financial)
- Other Fraud
- No Recourse to Public Funds
- Ctax CTR
- Ctax SPD
- Ctax other
- Business rates
- Housing benefit
- Housing right to buy
- Housing sub letting
- Housing other

### **Transparency Data**

- Number of occasions they use powers under the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 201432, or similar powers
- Total number (absolute and full time equivalent) of employees undertaking investigations and prosecutions of fraud
- Total number (absolute and full time equivalent) of professionally accredited counter fraud specialists
- Total amount spent by the authority on the investigation and prosecution of fraud
- Total number of fraud cases investigated

## Annex D

### Work Plan 2016-18

CoIC Counter Fraud Work plan				
Ref	Action	Priority Resources Skills	By When	Who
1	Approve the new Counter Fraud policy/strategy	High	September 2016	CMT CFO Audit Committee
	Ensure counter fraud resources Assessed (benchmarking LCFP)	Medium	Mar 17	CFO/LCFP
2	Ensure all counter fraud policies are appropriate and up to date	Medium	As required Every Two years	CFO Audit Committee
3	CMT to review and agree fraud risk register	High	July 2016	CMT Audit Committee
	Implement the actions within the Counter Fraud Risk Register	High	See Risks	
	Undertake horizon scanning of future potential fraud and corruption risks. ( eg cyber-crime, identity)	Med	Mar 17	With LCFP
	Assess in more detail areas within the council susceptible to corruption	Med	Mar 17	With LCFP
4	Training			
	Ensure that there is a structured programme on fraud and corruption awareness ( and fraud risks) for elected members, senior managers and employees delivered through - e-learning / awareness. - accredited training (where applicable)	High	Mar 17	CFO HR Manager AM  LCFP (e-learning)
	Review LCC fraud response	Medium	Mar 17	AM

	Guidance/practice notes and training			
5	<p>Communication</p> <p>Communicate new strategy</p> <p>Review existing publications and publicity to determine any changes /improvements</p> <ul style="list-style-type: none"> <li>• Website</li> <li>• Publicity to stakeholders</li> <li>• Risk specific</li> <li>• Successful cases - Media</li> </ul> <p>Format of annual /interim report to comply with FFL and attach FFL checklists/ CIPFA checklist</p>	<p>Medium</p> <p>Medium</p> <p>Medium</p>	<p>Nov 2016</p> <p>Mar 2017</p> <p>December 2016</p>	<p>CFO/ AD's</p> <p>AM</p> <p>CFO LCFP</p> <p>AM</p>
6	<p>Projects linked to the Lincolnshire Counter Fraud partnership</p> <p>Deliver projects* around:</p> <p>SPD Business rates Council tax support Housing Tenancy</p> <p>Fraud benchmarking</p> <p>*See full work programme</p> <p>Assess the risk of fraud loss specific to the ColC, using national and regional data.</p>	<p>High</p> <p>Medium</p> <p>Medium</p>	<p>As per LCFP work programme</p> <p>Mar 17</p> <p>Mar 17</p>	<p>LCFP Managers</p> <p>LCFP</p> <p>LCFP</p>
7	Prepare for 2016 NFI	High	September 2016	AM
8	<p>Address 2016 NFI matches</p> <p>Review creditor matches</p>	High	<p>January 17- December 17</p> <p>October 16 onwards</p>	AM / Managers

9	Prepare for 2017 Council tax /Electoral roll NFI	Low	September 17	AM
10	CIPFA fraud survey  Submit Review report results	Med	December 2016	AM CFO
11	Review counter fraud “partnership” arrangements evaluating who we work with and how effective they are	Medium	March 2017	CFO CMT AD’s
12	Whistleblowing and fraud reporting Review again against best practice and of effectiveness arrangements	Medium	Sept 2017	CFO AM
13	Ensure policies are in place to ensure that investigation staff are able to access the required information (which is proportionate and necessary)  Ensure appropriate access rights are in place covering outsourced activities, shared services and partnership arrangements	Medium	Sept 2017	AM
14	Ensure optimum use of Technology/analytics  Consider data technology pilots to improve efforts to detect and prevent fraud .	Medium	Ongoing	CFO/AM LCFP
15	Consider the use of information sharing including fraud “hubs”, potentially sharing information to increase resilience	Medium	December 2017	CFO/AD’s LCFP
16		Medium	March 2017	CFO/AD’s

	<p>Review the way fraud risks are considered as part of policy/strategy development</p> <p>Consider how best fraud-proof new policies, strategies and initiatives across departments and reporting to committee.</p> <p>Link to training (managers)</p>			AM
17	<p>The local authority undertakes recruitment vetting of staff prior to employment by risk assessing posts and undertaking the checks recommended in FFCL 2016 to prevent potentially dishonest employees from being appointed.</p>	Medium	Dec 17	AM CFO HR manager
18	<p>Undertake a further Ethical audit</p> <p>Ensure 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.</p>	Medium	17/18 Audit Plan	CFO AM HR manager
19	<p>Consider with LCFP access to specialists for:</p> <ul style="list-style-type: none"> <li>-surveillance</li> <li>-computer forensics</li> <li>-asset recovery</li> <li>-other</li> </ul>	Medium	December 2016	LCFP CFO AM  HR Manager City Solicitor
20	<p>LCC to undertake counter fraud “healthcheck”</p>	Medium	2017/18	LCFP
21	<p>Where there has been a fraud or attempted fraud feedback to Audit committee any control improvements</p>	Medium	Ongoing	AM