BRISTOL CITY COUNCIL
Audit Committee
3rd February 2012

Report of: Strategic Director (Corporate Services)

Report Title: Anti Fraud, Bribery and Corruption Strategy and Policy

Ward: Citywide

Officer presenting report: Richard Powell, Chief Internal Auditor

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RECOMMENDATION

The Committee review and approve the Anti-Fraud, Bribery and Corruption Strategy and Policy and advise of any amendments they feel necessary.

The Committee note the recommendation for the Annual Governance Statement review process to specifically include their sign off of the effectiveness of the Council's counter-fraud arrangements.

SUMMARY

Against a back drop of increased Government focus on tackling fraud, the Council's counter-fraud arrangements have been reviewed and a strategy to enhance these developed in line with recommendations made by the National Fraud Authority.

The Strategy and Policy are being considered by the Strategic Leadership Team on 31st January 2012 and a verbal update on their views will be provided to the Committee. The Strategy and Policy is due to be considered at Leaders Briefing on 16th February 2012.

The significant issues in the report are:

- the Government's expectations that Councils will do more in the fight against fraud in the changing fraud environment (paragraph 1)
- review of the Council's counter fraud arrangements and a revised Strategy and Policy for approval by the Committee (Paragraph 2, Appendix A)
- the recommendation that the Annual Governance Statement review process includes specific sign off by the Audit Committee regarding the mitigation of fraud risk (paragraph 2.7)

Policy

This report is submitted in accordance with the Audit Committee's Terms of Reference and Internal Audit's Charter and Strategy.

Consultation:

Internal: None necessary

External: None necessary

1. Introduction and Context

1.1 "Every year in the UK, fraud costs public services an estimated £21billion. It is deeply unfair to allow opportunist fraudsters and organised criminals to steal money that should be used for frontline services, especially at a time when we have had to ask many in the public sector to make difficult decisions to bring the economy back on track". ***Prime Minister - David Cameron in the Cabinet Office's 'Eliminating Public Sector Fraud' Interim Report.***

1.2 Through a Cabinet Office Counter Fraud Task Force and a national cross sector strategy (entitled 'Fighting Fraud Together) to reduce fraud affecting the country and its economy, the Government has indicated a step change in how seriously it considers the issue of fraud in the public sector as a key driver for improving efficiency.

1.3 The National Fraud Authority (NFA) estimates that fraud costs local government in the region of £2.1billion per annum. Other research estimates that the economic cost of fraud to organisations around the world averages 5.7% of their budgets with 70% of organisations globally losing 3% of their budgets to fraud. *(Source - PKF Forensic Services).*

1.4 The current UK economic climate and Local Government spending cuts have led to an increasing fraud risk:

- Incentive and pressure to commit fraud is increased in recessionary times as the threat to individuals' livelihoods and prosperity increases.

- Opportunity to commit fraud is likely to be increasing. Structural and operational changes to deliver the required savings in public spending are likely to result in the weakening of internal control systems aimed at preventing fraud.

- Resource reductions available to tackle fraud at all levels mean that as the fraud risk increases our ability to respond firmly to it is threatened

- New fraud risks are emerging as the way in which services are delivered evolves under the localism agenda. This will see more commissioning of services and an increase in service delivery by third parties and the voluntary sector. The proposed changes to the welfare benefit system may also provide for different and new risks in these areas.

- The changing regulatory landscape around public sector fraud resulting from the abolition of the Audit Commission,threatens to undermine good progress made in recent years in tackling fraud threats. The future of key pieces of work such as the National Fraud Initiative and sharing best practice solutions is yet to be determined.

1.5   In response, the NFA have developed a strategy for tackling fraud in local government - 'Fighting Fraud Locally'. This was launched in December 2011 with the release of the formal document expected early in February 2012. Their strategy includes recommendations for both Central and Local Government to create an environment where fraud can be and is tackled effectively.

1.6   The strategy recognises that local authorities are currently constrained in their response to fraud and urges the Government to resolve key issues that contribute to this:

●   Information sharing - legislation makes it difficult for investigators to access and use information about fraudsters and their activities.

●   Incentives - currently there are few rewards for local authorities who invest resource in tackling fraud effectively and often recoveries made must be passed back to central government rather than being retained as a contribution to Council budgets

●   Powers - improving the powers of local authority investigators to facilitate effective investigations instead of having to rely on the police and other enforcement agencies to do so.

1.7   The NFA calls upon Local Government to review its anti-fraud arrangements and makes several recommendations for improvement of these now and into the future.

1.8   Additionally, there have been a number of other high profile reports issued which support the work of the NFA and highlight the increasing importance of effective anti-fraud arrangements. These include:

●   Protecting the Public Purse 2011 - an update issued by the Audit Commission focussing on fighting fraud against local government.

●   Eliminating Fraud in the Public Sector - an interim report by the Government's Counter Fraud Taskforce on tackling fraud across the public sector

●   Procurement Fraud in the Pubic Sector - issued in October 2011 by the NFA recognising the large scales losses to procurement fraud across government and the public sector generally.

2   The Council's Anti-fraud Approach

2.1   In response to the above developments, the Council's Anti-Fraud, Bribery and Corruption arrangements have been reviewed and assessed against "Fighting Fraud Locally" and the recommendations made in the reports referred to above.

2.2   Additionally, the National Anti-Fraud Network has endorsed a 'quick and easy' fraud resilience checking tool for organisations. This has been applied and

the results used to inform the revised strategy and policy.

2.3   The Chartered Institute of Public Finance and Accountancy's (CIPFA's) Fraud Risk Evaluation Diagnostic tools (FRED 1 and 2) designed to help councils assess the effectiveness of their arrangements have also been reviewed together with the CLG's ten point action plan for tackling fraud against local government.

2.4   As a result, the Council's Anti-fraud, Bribery and Corruption Strategy and Policy has been reviewed and aligned to the approach endorsed in "Fighting Fraud Locally". It is attached at Appendix A for endorsement by the Audit Committee.

2.5   The Strategy aims to identify the areas for improvement in our arrangements but will need to be reviewed again as the national strategy set out in Fighting Fraud Locally progresses in creating a stronger environment in which to tackle fraud. The strategy is founded on improvements required to three key areas in countering fraud and corruption and is supported by a detailed programme of work to be led by Internal Audit:

- acknowledging and understanding the wide range of fraud and corruption risks the Council faces and the measuring the cost of fraud to the Council

- preventing and detecting fraud, bribery and corruption and working collaboratively with others in doing so

- Pursuing and punishing fraudsters to underpin the culture where fraud is not tolerated and losses are recovered.

2.6   The Policy aims to give Members, staff, the public and other organisations who work with it, clear messages that the Council takes the matter of fraud seriously. It also sets out the responsibilities of Members and staff in the Council's fight against fraud and details the procedures they should take if they suspect fraud or irregularity. Appended to the policy is an overview of the Council's counter fraud governance arrangements which will be of interest to this Committee.

2.7   The Committee should note that "Fighting Fraud Locally" includes a requirement for the Annual Governance Statement review process to include consideration by the Audit Committee that fraud risks have been effectively mitigated and there are no significant issues in this respect.

3.   Other Options Considered

3.1   None necessary

4.   Risk Assessment

4.1   There is a clear expectation by the Government that councils need to do more in the fight against fraud. Failure to acknowledge and understand the fraud risks faced by the Council could leave it vulnerable to fraud attack. Weaknesses in

our counter-fraud arrangements will increase the risk of fraud and the potential financial losses suffered by the Council.

5.   Equalities Impact Assessment

5.1   None necessary for this report.

6.   Legal and Resource Implications

6.1   Legal - not yet received. Verbal update to be provided at the meeting.

6.2   Resource implications - there are currently no direct resource implications for the Council. The cost and resource required for pro-active and reaction fraud work is mainly absorbed within the Internal Audit or other directorate budgets where they need to become involved.

Appendices

Appendix A Draft Anti-Fraud, Bribery and Corruption Strategy and Policy

LOCAL GOVERNMENT ACCESS TO INFORMATION

Background Papers   As detailed in the report

DRAFT

Anti Fraud, Bribery and Corruption Strategy and Policy

Managing the Risk of Fraud

Fraud Hotlines:

Benefit Fraud:
0500 554535

Other Fraud:
0117 9222470

January 2012

Version 1.0

INDEX

Links to Related Policies and Procedures:

- Fraud Notification Form and Investigation Guidance
- Anti-Money Laundering Policy and Guidance
- Whistleblowing Policy
- Benefit Fraud Prosecution Policy
- Regulation of Investigatory Powers Act Policy and Procedures
- Members' Code of Conduct
- Employee Code of Conduct
- Financial Regulations
- Procurement Regulations

ANTI FRAUD, BRIBERY AND CORRUPTION STRATEGY
2012/13 and 2013/14

1. The City Council has for many years had a strong approach to Fraud and Corruption with polices and processes designed to prevent, detect and punish fraud. Indeed, the Council is well regarded as a lead local authority in tackling some areas of fraud.

2. However, against a backdrop of economic downturn, reduced public spending and significant changes to service delivery methods, fraud and corruption are increasing. The Government has made it clear that they expect both central and local government departments to take the issue of fraud seriously and do more to tackle the losses to fraud from public sector funding.

3. The National Fraud Authority (NFA) has devised a National Fraud Strategy for Local Government - 'Fighting Fraud Locally'. This makes recommendations to both central and local government which should enhance the fight against fraud based around five key themes:

    - Culture   - a zero tolerance approach to fraud
    - Collaboration   - working together better
    - Consistency   - standardising counter-fraud practices
    - Accountability   - taking responsibility for fraud
    - Transparency   - honesty about fraud

4. Nationally, a number of fraud and corruption resilience checking tools have become available to assess the adequacy of an organisation's anti-fraud arrangements. Whilst the Council's arrangements are aligned to best practice in many respects, areas to strengthen them over the next 2 years have been identified. Additionally, the Anti-Fraud, Bribery and Corruption Policy has been updated to reflect stronger messages of intolerance to fraud in line with the best practice suggested in these tools.

5. Developments are required to ensure the Council's arrangements are aligned to the National Fraud Strategy for Local Government which was launched in December 2011 by the National Fraud Authority. This is founded on improvements required to three key areas in countering fraud and corruption:

Acknowledging and Understanding the Fraud Risks Faced by the Council:

- Developing and maintaining a better understanding of current and emerging fraud risks and how resilient the Council is to them.
- Determining the Council's fraud loss profile and ensuring the appropriate levels of resource is invested in counter-fraud work.
- Improving reporting, recording and measurement of fraud and irregularity affecting the Council.
- Reviewing the adequacy of training arrangements in relation to counter-fraud staff.
- Supporting collaborative working and information sharing about fraud and fraudsters.

Improving Fraud Prevention and Detection Measures:

- Making better use of data and technology to prevent and detect fraud.

- Developing data and intelligence sharing protocols
- Fraud-proofing our services, systems and procedures.
- Targeting proactive fraud work at high risks areas that are likely to generate good returns for the resource invested.
- Reviewing the effectiveness of counter fraud work as a contribution to the Council's financial reduction strategy.
- Developing a stronger anti-fraud culture across the Council and other delivery agents.
- Making better use of publicity opportunities as a deterrent to fraudsters

Pursuing Fraudsters and Recovering Losses

- Working towards a more consistent and supportive law enforcement response and improved capability to investigate and sanction fraud.

6.   The progress against and effectiveness of this strategy will be reviewed after two years. Some of the actions included are dependant on the Government addressing fraud governance issues at a national level. Additionally, as the regulatory regime develops, the strategy and arrangements for tackling fraud will need further review.

ANTI FRAUD, BRIBERY AND CORRUPTION POLICY

1.   Purpose:

1.1   The Council controls hundreds of millions of pounds of public money and takes its responsibility of administering these fairly and cost effectively very seriously. The purpose of this Policy is to set out clearly to Members, employees, contractors, organisations who work with the Council and the Public:

- the Council's commitment to tackling fraud, bribery and corruption
- the responsibilities of Members and employees in minimising the risk of fraud and reporting any suspicions they have

1.2   This Policy, together with the following related policies, form the key building blocks in the Council's approach which embody a series of measures designed to frustrate any attempted fraudulent or corrupt act and sets out the steps to be taken if such action occurs. Related policies include:

- this Anti-Fraud, Bribery and Corruption Strategy and Policy
- Anti-Money Laundering Policy and Guidance
- Whistleblowing Policy
- Fraud Notification Form and Investigation Guidance
- Benefit Fraud Prosecution Policy
- Regulation of Investigatory Powers Act Policy and Procedures
- Members' Code of Conduct
- Employee Code of Conduct
- Financial Regulations
- Procurement Regulations

2.   Underlying Principles

2.1   The Council will not tolerate fraud, bribery or corruption and emphasises to the public, employees, suppliers and contractors the importance it places on probity, financial control and honest administration.

2.2   The Council expects that Members and officers at all levels will lead by example to ensure high standards of propriety, integrity and accountability are established and adhered to and that personal conduct is beyond reproach at all times.

2.3   The Council expects that the honest majority supports the fight against fraud and that individuals and organisations with whom it comes into contact will act with integrity towards the Council.

2.4   The Council seeks to understand the fraud risks it faces and will implement policies and procedures firstly to prevent fraud, bribery and corruption, but will also take all action necessary to identify it.

2.5   The Council will take appropriate action to punish those responsible for fraud and recover losses incurred. It will deal equally with perpetrators from inside (Members and employees) and outside the Council.

2.6   Members of the public are asked to contribute to the Council's fight against fraud by

remaining vigilant to the potential for fraud and report it where they suspect the Council is being targeted. Employees and staff have a duty to do so and concerns should be raised when it is reasonably believed that one or more of the following has occurred, is occurring or is likely to occur:

- A criminal offence
- A failure to comply with a statutory or legal obligation
- Improper or unauthorised use of public or other official funds

3.   Definitions - What is Fraud, Bribery and Corruption?

3.1   **The Fraud Act 2006** (which became effective on 15 January 2007) created a general criminal offence of fraud and identifies three main ways it can be committed:

- fraud by false representation
- fraud by failing to disclose information
- fraud by abuse of position

3.2   The Act also created four related criminal offences of:

- possession of articles for use in frauds
- making or supplying articles for use in frauds
- participating in fraudulent business
- obtaining services dishonestly

3.3   **The Theft Act 1968 and the Forgery and Counterfeit Act 1981** define offences of:
- Theft
- False Accounting
- Forgery

3.4   **The Bribery Act 2010** defines bribery as "giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so." There are four key offences under the Act:

- bribery of another person
- accepting a bribe
- bribing a foreign public official
- a corporate offence of failing to prevent bribery

3.5   Genuine hospitality or similar business expenditure that is reasonable and proportionate is allowable by the Act. The Council's Members Code of Conduct and Employee Code of Conduct detail the Council's approach. Facilitation payments are considered bribes (payments to induce officials to perform routine functions they are otherwise obligated to perform).

4.   Responsibilities for Tackling Fraud

4.1   The Accounts and Audit Regulations 2011 require the Council to have appropriate control measures in place to enable the prevention and detection of inaccuracies

and fraud. The Council is committed to an effective anti-fraud approach designed to reduce losses to fraud by:

- Acknowledging and understanding fraud risks faced
- Preventing fraud happening and detecting it when it does occur
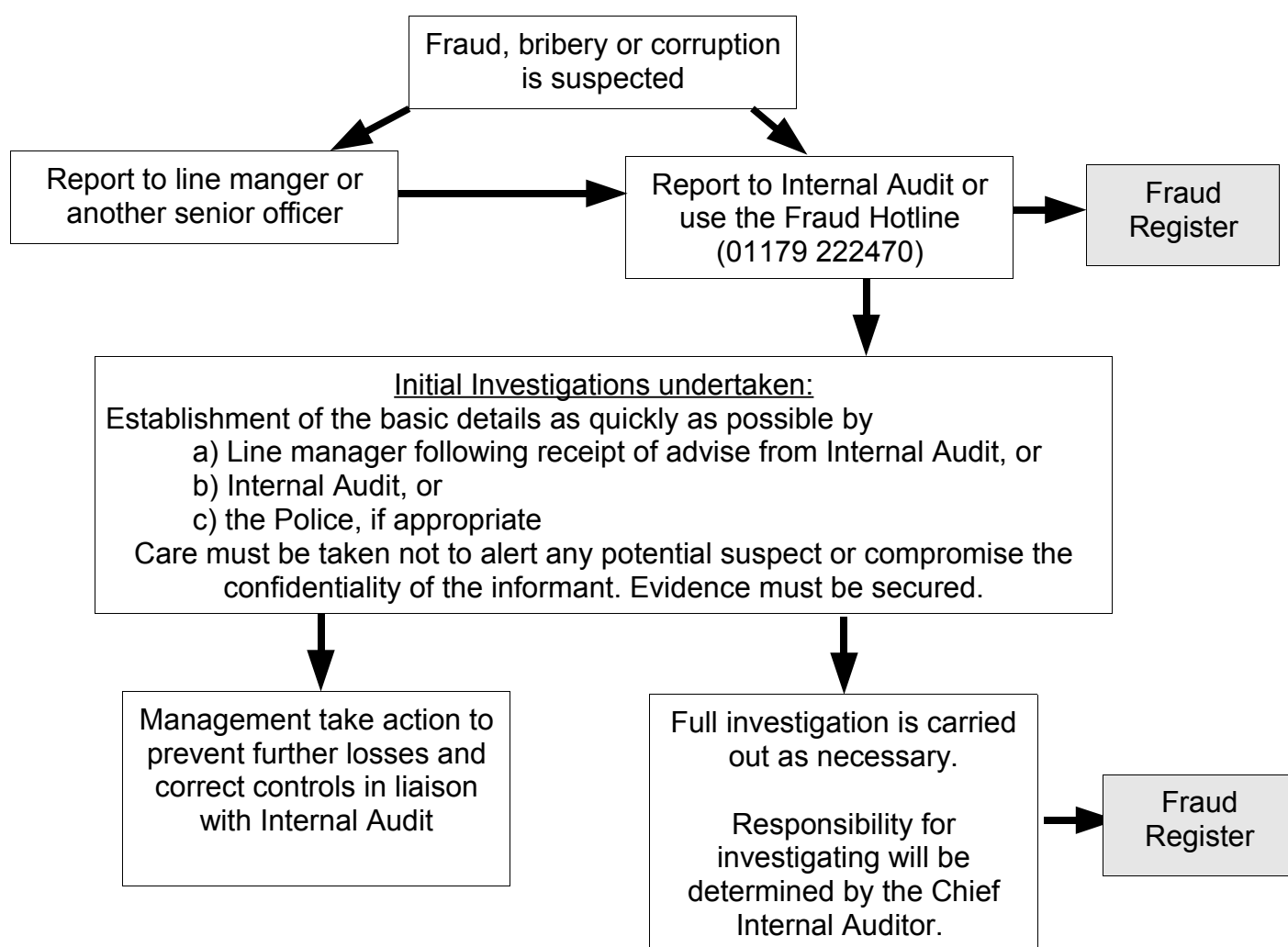- Pursing and punishing fraudsters and recovering losses.

4.2   An overview of the Council's anti-fraud arrangements can be seen at Appendix 2. Its effectiveness relies on all Members and staff taking their responsibilities seriously. Details of those responsibilities can be seen in Appendix 1.

4.3   Internal Audit are the Council's advisors in relation to risk management, control and governance issues including those relating to fraud, bribery and corruption and can be contacted at any time should Members or employees need assistance.

5.   Reporting Fraud.

5.1   Prevention is the most efficient and effective way to address fraud, bribery and corruption however it is acknowledged that, despite our best attempts determined fraudsters may succeed.

5.2   If fraud, bribery or corruption is suspected, it should be reported without delay. Employees can either use this reporting procedure or arrangements under the Whistleblowing Policy.

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                    │ Fraud, bribery or       │
                    │ corruption is suspected │
                    └─────────────────────────┘
                       ↙                    ↘
┌──────────────────────┐      ┌──────────────────────┐   ┌──────────┐
│ Report to line       │ ───→ │ Report to Internal   │ → │  Fraud   │
│ manger or another    │      │ Audit or use the     │   │ Register │
│ senior officer       │      │ Fraud Hotline        │   └──────────┘
│                      │      │ (01179 222470)       │
└──────────────────────┘      └──────────────────────┘
                                         ↓
┌─────────────────────────────────────────────────────────────────┐
│              Initial Investigations undertaken:                   │
│   Establishment of the basic details as quickly as possible by    │
│        a) Line manager following receipt of advise from           │
│           Internal Audit, or                                      │
│        b) Internal Audit, or                                      │
│        c) the Police, if appropriate                              │
│   Care must be taken not to alert any potential suspect or        │
│   compromise the confidentiality of the informant. Evidence       │
│   must be secured.                                                │
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┌──────────────────────┐      ┌──────────────────────┐   ┌──────────┐
│ Management take      │      │ Full investigation   │ → │  Fraud   │
│ action to prevent    │      │ is carried out as    │   │ Register │
│ further losses and   │      │ necessary.           │   └──────────┘
│ correct controls in  │      │                      │
│ liaison with         │      │ Responsibility for   │
│ Internal Audit       │      │ investigating will   │
│                      │      │ be determined by the │
│                      │      │ Chief Internal       │
│                      │      │ Auditor.             │
└──────────────────────┘      └──────────────────────┘
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5.3   Useful contact numbers for reporting fraud are as follows. Alternatively a fraud notification form is available on 'the Source' for reporting suspicions.

Chief Internal Auditor	Tel. 0117 9222448
Chief Executive	Tel. 0117 9224888
Monitoring Officer (Head of Legal Services)	Tel: 0117 9222839
A 24 hour confidential "Fraud Hotline". Callers leaving their contact details can assist investigations but allegations can also be made anonymously.	Tel. 0117 9222470
Outside bodies eg Public Concern at Work will give free and independent advice on how to proceed	Tel. 020 74046609

5.4   The above procedure is designed to ensure that Internal Audit is informed of all ir-regularities to ensure the Council:

- applies a consistent approach
- assigns appropriately experienced staff to investigate fraud depending on the type and nature of the fraud
- maintains records of all fraud experienced to inform an assessment of the Council's fraud risks

5.5   Any allegations received in any way, including by anonymous letters or telephone calls, will be taken seriously and investigated in an appropriate manner. There is also a need to ensure that any investigation process is not misused and, therefore, any abuse (eg malicious allegations) may be dealt with as a disciplinary matter for employees or through the Standards Committee for Members.

6.   Investigation of Fraud.

6.1   The investigation of fraud, bribery and corruption is a complex and specialist area and will usually be undertaken by staff in Internal Audit or, for less complicated cas-es, managers, under advice from Internal Audit. This is necessary to ensure that ev-idence is collected in a way that complies with relevant legislation and does not compromise actions to be taken if fraud is established.

6.2   To facilitate audit work and investigations, Internal Audit staff are accorded rights, by the Accounts and Audit Regulations 2011, to access all necessary documents, records, information and explanations from any member of staff. These access rights are confirmed in Financial Regulations.

6.3   Investigations procedures and guidance are available on 'the Source' for audit staff and managers carrying out investigations.

6.4   Any decision to refer a matter to the Police will be taken by the Chief Internal Audi-tor in consultation, as appropriate, with the Head of Legal Services and the Strategic Director.

7.   Actions Taken When Fraud has been Established.

7.1   Disciplinary, civil and criminal sanctions will be used, as appropriate to each case, in punishing fraud and recovering losses.

7.2   Fraud, bribery, corruption and theft by Members or staff will be regarded as gross misconduct. Disciplinary action will be taken against staff and Members misconduct will be dealt with by the Standards Committee and the relevant Group Leader.

7.3   Where there is evidence to suggest a criminal offence has been committed against the Council, the matter will be passed to the police for criminal investigation and prosecution as appropriate. Referral will be by the Chief Internal Auditor in consultation, as necessary, with Legal Services and Strategic Directors.   Sanctions taken against benefit fraud are dealt with in the Benefit Fraud Prosecution Policy.

7.4   All avenues for recovering losses will be considered including confiscation under the proceeds of crime act, civil claims, recovery from accrued pensions and appropriate insurance claims.

7.5   Use of publicity will also be made, as appropriate, to deter others against defrauding the Council. Public statements must be made through the Council's Marketing and Communications Team.

8.   Data Matching and Data Sharing

8.1   The Council will use information provided by Members, employees, service users and suppliers in the prevention and detection of fraud. Data matching exercises are undertaken, both internally, locally and nationally, via the Audit Commission's National Fraud Initiative and information is shared with other agencies, when necessary, to facilitate investigation of fraud.

8.2   All data extraction and use adheres to Data Protection legislation and has regard to the confidentiality of information.

9.   Review

9.1   These arrangements will be reviewed regularly every two years to ensure the Council remains resilient to the changing and growing fraud threat to it.

ROLES AND RESPONSIBILITIES:

MEMBERS & EMPLOYEES

Group/ Individual	Responsibilities
1. All Members	- A duty to the citizens of Bristol to protect the Council and public money from any acts of fraud and corruption. - Compliance with the Code of Conduct for Members, the Council's Constitution, including Financial Regulations and Procurement Regulations, in particular the requirements regarding interests, gifts and hospitality. - Avoid situations where there is a potential for a conflict of interest. - Report fraud, bribery or corruption where it is reasonably suspected that the Council is being targeted.
2. Audit Committee:	- Provide assurance on the anti-fraud arrangements to Council and sign off the AGS regarding fraud issues specifically. - Approval of the Anti-Fraud and Corruption Strategy and Policy Statement.
3. Strategic Directors	- Support the maintenance of a strong culture where fraud, bribery and corruption is unacceptable. - Notify the Chief Internal Auditor immediately of any fraud or irregularity.
4. Service Director: Finance	Ensure that effective procedures are in place for the prompt investigation of any fraud or irregularity.
5. Managers including Head Teachers and senior school staff	- Ensure they, and their staff, understand the fraud risks faced in delivering services by maintenance of a fraud risk assessment. - Implement and maintain an effective control environment to prevent fraud, commensurate with the level of risk identified. - Communicate the requirements of this and related policies (refer to paragraph 1.2 of the Policy) in their work area. - Create an environment in which staff feel able to report concerns of suspected fraud. - Advise Internal Audit of any suspected cases of fraud and carry out or assist in the investigation of it as required. Advise Internal Audit of the outcome of any cases investigated.
6. Business Change Programme Managers	- As Managers - Ensure fraud prevention controls are built in to new service delivery methods, systems and processes.
7. All Employees irrespective of status	- Be aware of the possibility that fraud, bribery, corruption and theft may exist in the workplace and report it where they reasonably suspect the Council is being targeted. - Avoid situations where there is a potential for a conflict of interest - Comply with the Councils policies and codes as detailed in paragraph 1.2 of the Policy.
8. Internal Audit	Maintain an overall fraud risk assessment on behalf of the

MEMBERS & EMPLOYEES	
Group/ Individual	**Responsibilities**
	Council and review the effectiveness of the Council's response to the risks faced. • Deliver an opinion to the the Service Director Finance, the Executive Member and the Audit Committee on the Council's fraud risk management, control and governance arrangements. • Undertake an annual programme of pro-active fraud work designed to prevent and detect fraud. • Ensure cases of suspected irregularity, fraud or corruption are effectively investigated and punished by appropriate sanctions in liaison with the Police, Legal Services and HR. (Exception: housing benefit fraud) . • Instigate recovery action wherever possible to recoup the losses on behalf of the Council. • Maintain a 24-hour "Fraud Hotline" (0117 9222470) • Advise management on procedural improvements required to prevent occurrence or recurrence of fraud. • Develop and encourage the exchange of information on national and local fraud and corruption activity in relations to local authorities with external agencies.
9. Benefit Investigation Team	• Undertake all benefit fraud investigations, in accordance with legislation and agreed codes of conduct • Applying sanctions in accordance with the Prosecutions Policy • Work with Internal Audit, HR and appropriate senior management in cases where employees are involved, to ensure that correct procedures are followed under the Code of Conduct for Employees and the Council's Disciplinary Procedure. • Maintain a 24-hour "Benefit Fraud Hotline" (0500 554535),
10. Human Resources	• Provide timely advice and guidance on Council Policies and procedures during investigations and any disciplinary action • Ensure recruitment procedures to be applied by Managers are effective in the verification and validation of information submitted by applicants prior to appointment. Eg. eligibility to work, verification of qualifications and employment history, Criminal Records Bureau checks where appropriate.
11. Head of Legal Services	• Advise Members of new legislative or procedural requirements regarding conduct and ethical matters. • Maintain a register of Members interests, gifts and hospitality declared • Take criminal and civil actions to ensure appropriate sanctions are applied. • Provide advice on potential criminal cases.

ANTI-FRAUD, BRIBERY AND CORRUPTION ARRANGEMENTS

Acknowledge and Understand

Dedicated Fraud Specialists
- Internal Audit
- Benefit Fraud Team

Experienced/Trained

Full access to any records & information

Fraud Register

To record the occurrence and outcome of fraud and irregularity

Fraud Risk Assessment

Held by Internal Audit devised by managers and IA

Fraud Awareness

Alerts # Bulletins # The Source # E-Training

Fraud Policy

Responsibilities and Reporting

Fraud Prevention

Business Design

Internal control systems designed into new systems & procedures

Internal Control Systems

Managers design & implement

Internal Audit review & advise

Publicity

Used as a deterrent to others when fraudsters are convicted or punished in other ways

Culture

Zero tolerance to Fraud

Fraud Detection

Reporting Fraud

Staff

Elected Members

Members of the public

Business Partners

Fraud Hotlines

Working with others

Police

UKBA

Other local authorities

CLG

Credit reference agencies

DWP

NAFN

Housing associations

Proactive Fraud Testing

Data matching

Data Analysis

Information sharing

Punishing Fraudsters

Investigation of Fraud

Objective establishment of facts in compliance with legislation

Sanctions

Criminal

Civil

Disciplinary

Recovery of losses

Proceeds of crime

Civil recovery

Costs