

APPENDIX A

CHECKLIST FOR THOSE RESPONSIBLE FOR GOVERNANCE

Description	Yes	No	Action/Comments
General			
1. Do we have a zero tolerance policy towards fraud?	✓		The zero tolerance of fraud is a clear statement in the shared anti-fraud and corruption policy. (paragraph 1.1 of the AFCS refers)
2. Do we have the right approach, and effective counter-fraud strategies, policies and plans? Have we aligned our strategy with Fighting Fraud Locally?	✓		Work currently ongoing by the Fraud Manager is aimed at aligning the Councils' approaches more closely with Fighting Fraud Locally and the 10 point action plan announced by Eric Pickles. We have reviewed our policies as a consequence of emerging risks identified.
3. Do we have dedicated counter-fraud staff?	✓		The Fraud Team comprises the councils' dedicated counter-fraud staff.
4. Do counter staff review all the work of the organisation?	✓		Between the Fraud Team and SIAS the risks of fraud are evaluated.
5. Do we receive regular reports on how well we are tackling fraud risks, carrying out plans and delivering outcomes?	✓		Annual reports are submitted to Audit Committee by the Fraud Manager.
6. Have we assessed our management of counter-fraud work against good practice?	✓		Internal Audit work in September 2010 reviewed the Fraud Team against the Protecting the Public Purse checklist. Time is allocated in the audit plan for 2013/14 to review the councils' approaches to identifying and tackling fraud risks.
7. Do we raise awareness of fraud risks?			
<ul style="list-style-type: none"> • With new staff including agency staff 		✓	We do for new staff but not agency staff. HR to review.
<ul style="list-style-type: none"> • With existing staff 	✓		Yes. E-learning Anti-Fraud and Corruption Training is provided. The material is available on the intranet.
<ul style="list-style-type: none"> • With elected members 	✓		The E-learning training was made available to elected Members.
<ul style="list-style-type: none"> • With our contractors 		✓	No

Description	Yes	No	Action/Comments
8. Do we work well with national, regional and local networks and partnerships to ensure we know about current fraud risks and issues?	✓		Fraud Manager makes extensive use of networks. These include the National Anti-Fraud Network (Nafn), The National Fraud authority (NFA) as examples. Bulletins are disseminated to all staff to minimise fraud risks.
9. Do we work well with other organisations to ensure we effectively share knowledge and data about fraudsters?	✓		Yes use of NAFN, the Audit Commission, NFA.
10. Do we identify areas where our internal controls may not be performing as well as intended? How quickly do we then take actions?	✓		Where specific exposure is identified then action is taken quickly – e.g. following on from an incident the procedures for changing bank account details were improved within Finance and Revenues & Benefits promptly. This is further achieved by agreeing the Council’s Annual Governance Statement
11. Do we maximise the benefit of our participation in the Audit Commission National Fraud Initiative and receive reports on the matches identified?	✓		Yes
12. Do we have arrangements in place that encourage our staff to raise their concerns about money-laundering?	✓		Yes a new money-laundering policy was agreed in 2012.
13. Do we have effective arrangements for reporting fraud, recording fraud and whistle blowing?	✓		Yes, revised arrangements were agreed in 2012 that included whistle blowing, Bribery Act and a revised Anti-Fraud and Corruption Strategy. This was communicated to all staff. The recording of fraud is on the fraud case management system Incase.
14. Do we have effective fidelity insurance arrangements?	✓		Yes effected through Zurich Municipal.

Description	Yes	No	Action/Comments
Fighting fraud with reduced resources			
15. Have we reassessed our fraud risks since the change in the financial climate?	✓		Both councils have updated their risk registers to include the risk of fraud as a specific risk. Audit (SIAS) performs an overview fraud risk analysis of key financial systems as part of the annual planning process and this incorporates the possible effects of the change in the financial climate. We have reviewed emerging risks and reported findings to Leadership Team April 2012.
16. Have we amended our counter-fraud plan as a result?	✓		Work is ongoing including this checklist as part of this process.
17. Have we reallocated staff as a result?	✓		Yes.
Current risks and issues			
Housing Tenancy			
18. Do we take proper action to ensure that we only allocate social housing to those who are eligible?	✓		Yes appropriate checks in place – via for example ID documents, Experian, Land Registry and through home visits to verify circumstances. Housing staff liaise with fraud on specific cases.
19. Do we ensure that social housing is occupied by those to whom it is allocated?	✓		Temporary accommodation monitored through managing agents. Permanent stock responsibility passed to housing association on stock transfer. We have obtained funding from the LGA and are recruiting a tenancy fraud investigator specifically for this purpose following this issue being highlighted as an emerging risk.
Procurement			
20. Are we satisfied our procurement controls are working as intended?	✓		An audit was conducted in 2012/13 for TRDC and reviewed the corporate procurement arrangements. The proposed audit for WBC was deferred until 2013/14.
21. Have we reviewed our contract letting procedures since the investigations by the Office of Fair Trading into cartels and compared them with best practice?	✓		Yes this was reviewed as part of the TRDC audit in 2012/13 but for WBC this will be picked up in 2013/14.

Description	Yes	No	Action/Comments
Recruitment			
<p>22. Are we satisfied our recruitment procedures achieve the following?</p> <ul style="list-style-type: none"> • Do they prevent us employing people working under false identities • Do they confirm employment references effectively • Do they ensure applicants are eligible to work in the UK • Do they require agencies supplying us with staff to undertake the checks that we require? 			<p>Recruitment audit 2011/12 identified that more could be done to promote a consistent approach to minimum standards for the vetting of candidates/new employees to provide a higher level of assurance. This work is ongoing. Whilst the Head of HR is satisfied with our recruitment process we accept more could be done. This will include further consideration to enhanced vetting.</p>
	✓		Yes
	✓		Yes
	✓		Yes – more checks on document verification could minimise further risks though
	✓		Yes, assurances were obtained from agencies that the relevant checks are in fact being carried out for every candidate.
Personal Budgets			
<p>23. 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?</p>			N/A

Description	Yes	No	Action/Comments
24. 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?			N/A
Council Tax			
25. Do we take proper action to ensure that we only award discounts and allowances to those eligible.	✓		A 3-year programmed review was entered into with County Council and Revenues & Benefits in 2011/12 to assess the SPD position and discounts. This review is a continuing process to ensure we have an accurate tax base.
Housing and Council Tax Benefits			
26. When we tackle Housing and Council Tax Benefit fraud do we make full use of the following?			
<ul style="list-style-type: none"> • National Fraud Initiative • Department for Works and Pensions Housing Benefit Matching Service 	✓		Yes
<ul style="list-style-type: none"> • Internal Data Matching 	✓		Yes
<ul style="list-style-type: none"> • Private Sector data matching 		✓	No – our data is however supplied to the Audit Commission for inclusion in the National Fraud Initiative (NFI)
		✓	No – but private sector data is used in the NFI