

APPENDIX 2
SELF ASSESSMENT OF ANTI FRAUD AND CORRUPTION ISSUES

General	Yes	No	Comments/ Action
1. Do we have a zero tolerance policy towards fraud?	Yes		There is an Anti Fraud, Bribery and Corruption policy and Counter Fraud Plan in place. The plan sets out actions being taken to maintain an anti fraud culture including regular reviews of our arrangements
2. Do we have the right approach, counter fraud strategies, policies and plans? Have we aligned our strategy with Fighting Fraud Locally?	Yes		Relevant documents which have been reported to this Committee include: <ul style="list-style-type: none"> • Anti Fraud, Bribery and Corruption Policy • Counter Fraud Plan • Whistle Blowing Policy • Anti Money Laundering Policy • Contract Procedure Rules • Financial Regulations • Internal Audit Plan It will however take some time to fully review our approach in line with the new Fighting Fraud Locally strategy
3. Do we have dedicated counter-fraud resources?	Yes		These resources include the Benefits Fraud team, an Internal Audit resource specifically for work on the Audit Commission National Fraud Initiative (NFI) scheme, and an Insurance Claims Investigator. Given the size of the authority, counter fraud resources are often not teams or full time staff, but represent a core part of the wider role that staff undertake.
4. Do counter-fraud staff review all of the work of our organisation?	Yes		Our management systems for internal control are designed to prevent and detect fraud and this is an inherent part of the work undertaken by all staff. Examples include Member services staff maintaining and reviewing registers of interests as well as the checks carried out on invoice payments by relevant staff
5. Do we receive regular reports on how well we are tackling fraud risks, carrying out plans and delivering outcomes?	Yes		A regular review of specific fraud and corruption issues is reported to this Committee, and these areas are also considered as a component part of other reports such as the Annual Governance Statement and Internal Audit reports.

General (continued)	Yes	No	Comments/ Action
6. Have we assessed our management of counter-fraud work against good practice?	Yes		The Anti Fraud, Bribery and Corruption Policy has been drawn up to meet best practice requirements. The work of the Benefit Fraud team and Internal Audit are also conducted in accordance with good practice requirements and relevant professional Codes
7. Do we raise awareness of fraud risks with: <ul style="list-style-type: none"> • new staff (including agency staff) • existing staff • elected members; and • our contractors? 	Yes		Information on fraud risks is included in the induction material for new staff, and periodic reminders on relevant policies are sent to all staff. Specific training is also arranged for relevant staff while details on emerging issues (such as the latest scams) are circulated by e-mail to raise awareness. There are effective governance arrangements in place that include Member training and providing up to date guidance and protocols for Members as and when required. All Members must also sign up to the Member Code of Conduct that highlights principles of selflessness, honesty and integrity. There are standard terms and conditions in contract documentation covering fraud, bribery and corruption and whistle blowing arrangements.
8. Do we work well with national, regional and local networks and partnerships to ensure we know about current fraud risks and issues?	Yes		These networks include the Lancashire Audit Group, the Lancashire Revenues and Benefits Group which includes active participation in Benchmarking/Good Practice sub groups, membership of Local Authority Investigation Officers Group and the National Anti Fraud Network.
9. Do we work well with other organisations to ensure we effectively share knowledge and data about fraud and fraudsters?	Yes		Key partners for data sharing include the Benefits Agency and the National Anti Fraud Network. The Council has also implemented the security and administrative requirements for Government Connect compliance

General (continued)	Yes	No	Comments / Actions
10. Do we identify areas where internal controls may not be performing as intended? How quickly do we then take action?	Yes		Management and Internal Audit consider the effectiveness of internal control systems on an ongoing basis. External Audit and Inspectorate reports may also identify issues. Action plans will then be developed to ensure agreed recommendations are then implemented. In addition at the end of each fraud investigation the findings are considered to ensure that appropriate lessons are learnt and any necessary improvements are put in place.
11. Do we maximise the benefit of our participation in the Audit Commission National Fraud Initiative and receive reports on the matches investigated?	Yes		A report on outcomes is produced at the end of each NFI mapping exercise and information on the findings are included in the Internal Audit Annual Report to Audit and Governance.
12. Do we have arrangements in place that encourage our staff to raise their concerns about money laundering?	Yes		An Anti Money Laundering policy is in place which has been communicated to all staff.
13. Do we have effective whistleblowing arrangements?	Yes		A Whistleblowing Code is in place which has been circulated to all staff and Members.
14. Do we have effective fidelity insurance arrangements?	Yes		This issue is covered under our insurance policy, and is seen as relatively low risk as no claims have been made in recent years.
Fighting fraud with reduced resources	Yes	No	Comments / Actions
15. Have we reassessed our fraud risks in the light of the current financial climate?	Yes		The increased risk of fraud in the current environment has been recognised by the Council. A range of measures have been put in place to address this increased risk including regular reports on fraud and corruption to this Committee and the development of a corporate Counter Fraud plan
16. Have we amended our counter-fraud action plan as a result?	Yes		The Counter Fraud plan contained in Appendix 3 has been drawn up giving specific attention to the issues caused by the recession and how they can be dealt with. The annual Internal Audit Plan also specifically takes account of this increased risk.
17. Have we reallocated staff as a result?			

Current risks and issues	Yes	No	Comments / Actions
18. Do we take proper action to ensure that we only allocate social housing to those who are eligible?	Yes		There is a policy in place that ensures that social housing is only allocated to those who require it. This is based upon an assessment and prioritises those most in need.
19. Do we ensure that social housing is occupied by those to whom it is allocated?	Yes		After six weeks a new tenant visit is conducted and the original application is gone through in more detail. Information is also shared with the rents team and the benefits team on applications etc. Any issues raised by neighbours are followed up by conducting interviews, asking the benefits team to make an investigations etc. Any suspected false tenancy applications will be actively pursued
20. Are we satisfied our procurement controls are working as intended?	Yes		Payments are always assessed as being a high risk issue and consequently the controls in this area are comprehensive and well documented. Management review the controls on payments on an ongoing basis and they are also subject to an annual review by Internal Audit. The last internal audit review did not identify any significant control issues
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		Contract Procedure Rules and Financial Regulations have both been reviewed and updated to reflect best practice. Procurement Practice Notes are also produced to address emerging issues and to provide additional guidance.
22. Are we satisfied our recruitment procedures achieve the following: <ul style="list-style-type: none"> • Do they prevent us from 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? 	Yes		There is a standard checklist of evidence that must be verified before a new employee can start working for the Council, including identity, CRB, employee references and eligibility to work in this country.

Personal Budgets	Yes	No	Comments / Actions
23. Where we are expanding the use of personal budgets for social care, in particular direct payments, have we introduced proper safeguarding proportionate to risk and in line with recommended good practice?	N/a	N/a	This question is intended for authorities that have social services responsibilities and so is not relevant to district councils.
24. Have we updated our whistleblowing arrangements, for both staff and citizens, so that they may raise concerns about the financial abuse of personal budgets?	N/a	N/a	This question is intended for authorities that have social services responsibilities and so is not relevant to district councils.
Council tax	Yes	No	Comments / Actions
25. Are we effectively controlling the discounts and allowances we give to council taxpayers?	Yes		The Council tax section checks discounts and allowances periodically to ensure that taxpayers are still entitled to them, requesting and verifying evidence where appropriate. Data matching work, including NFI, is also undertaken to ensure that this area is effectively controlled.
Housing and Council tax Benefits	Yes	No	Comments / Actions
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 of Work and Pensions Housing Benefit Matching Service? • Internal data matching? • Private sector data matching? 	Yes		The Council has a detailed Benefits Sanctions and Prosecutions Policy and has a good track record in relation to National and Local Performance Indicators