

Fraud Risk - Action Plan

Theme Area	Requirement	Finding	Rating	Action	Business Owner	Implementation date
Resources and Communications	1a	The organisation has internal audit and external audit planning aligned to fraud risks. Fraud resources are assessed proportionately to the risk the local authority faces and are adequately resourced.	Amber	Baseline Assessment report to be shared with ELT, along with the Anti-Fraud, Bribery & Corruption policy for onwards circulation. Baseline Assessment report to be shared with the Audit & Governance committee.	Assistant Director of Finance	December 2022 23/11/2022
	1b	There is a programme of counter fraud work to ensure a strong counter fraud culture across all departments and delivery agents led by counter fraud experts. There is an annual fraud plan which is agreed by Audit Committee and reflects resources mapped to risks and arrangements for reporting outcomes.	Amber	The audit plan for Q3 includes a specific audit where the service residual risk is high. The plan is being presented to the Audit & Governance committee at its meeting on 23/11/2022.	Assistant Director of Finance	23/11/22
	1c	The local authority has put in place arrangements to prevent and detect fraud and corruption and a mechanism for ensuring that this is effective and is reported to committee.	There is no mechanism yet to capture the progress of investigations and to report on them	Amber	A mechanism will be designed and implemented for capturing the progress of investigations.	Assistant Director of Finance
Risk Management	2a	The risks of fraud and corruption are specifically considered in the local authority's overall risk management process.	Red	A review will be carried out to assess whether it is appropriate for the strategic risk register to include specific reference to fraud, bribery and/or corruption risk	Assistant Director of Finance & Head of Executive Office	31/03/23

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Policy Related	3a	The local authority has put in place arrangements for monitoring compliance with standards of conduct across the local authority covering: Codes of conduct including behaviour for counter fraud, anti-bribery, and corruption; Register of interests; Register of gifts and hospitality; and Members and staff are aware of the need to make appropriate disclosures of gifts, hospitality and business. This is checked independently.	The code of conduct has not been updated yet to include direct fraud reference. There is a conflict of interest register and each member of staff needs to declare any conflict when joining the organisation. However, there is still no regular update to ensure that changes of situation have been reflected on an annual basis. There is currently reliance on staff to self-declare any change that would impact the register. The implementation of a yearly review process is still deemed necessary but in view of other priorities, it is agreed to revise the target date of this action and reclassify it as "Medium term" instead of "Immediate future". SWAP provided some input on the newly created anti-fraud, bribery and corruption policies, which have been presented to the Audit & Governance committee. However, there has been no formal review of those policies by a trained counter fraud resource (e.g. SWAP) but this will be considered for the upcoming reviews	Amber	An annual review of 'Interests Register' will be undertaken.	Head of Democracy & Governance	wef 1/4/2023
	3b	There are employee and member Code of Conducts in place, which include reference to fraud.	The code of conduct has not been updated yet to include direct fraud reference.	Amber	The Anti-Fraud, Bribery & Corruption Policy sets out the responsibilities for employees and members. When the Codes of Conduct are next review there will be an assessment on whether inclusion of a direct reference to either the Anti-Fraud, Bribery & Corruption Policy or Fraud will be made.	Assistant Director of HR&OD and Head of Democracy & Governance	At the Codes of Conducts next reviews
	3c	The organisation has an appropriate and approved Anti-Fraud and Corruption Policy available to stakeholders.	The anti-fraud, bribery and corruption policy has been published as part of the Audit and Governance committee papers. However, it is planned to disseminate them further when presenting the results of the fraud baseline actions to ELT.	Amber	Baseline Assessment report to be shared with ELT, along with the Anti-Fraud, Bribery & Corruption policy for onwards circulation.	Assistant Director of Finance	Dec-22

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	3d	There is a counter fraud and corruption strategy applying to all aspects of the local authority's business which has been communicated throughout the local authority and acknowledged by those charged with governance. There is a zero-tolerance approach.		The anti-fraud, bribery and corruption policy has been published as part of the Audit and Governance committee papers. However, it is planned to disseminate them further when presenting the results of the fraud baseline actions to ELT.	Amber	Baseline Assessment report to be shared with ELT, along with the Anti-Fraud, Bribery & Corruption policy for onwards circulation.	Assistant Director of Finance	Dec-22
	3e	The organisation has an appropriate and approved money laundering policy available to stakeholders		The policy was approved by Audit and Governance Committee in September 2022. The new policy will be further distributed to the ELT in the upcoming weeks.	Amber	Baseline Assessment report to be shared with ELT, along with the Anti-Fraud, Bribery & Corruption policy for onwards circulation.	Assistant Director of Finance	Dec-22
	3f	There is an independent and up-to-date whistleblowing policy which is monitored for take up and can show that suspicions have been acted upon without internal pressure.		The whistleblowing policies have been reviewed and published as part of Audit and Governance committee papers. They will be further distributed to the ELT in the upcoming weeks.	Amber	A link to the updated approved Whistleblowing Policy will be shared with ELT.	Head of Democracy & Governance	Dec-22
Culture and Awareness	5a	The organisation educates and trains employees regarding the importance of ethics and anti-fraud programs and senior management exhibit and encourage ethical behaviour.		A fraud awareness session has been designed to remind staff of red flags. A pilot was conducted on 28/04/2022 with a Heads of Service group. Based on the feedback from the participants, the fraud awareness session has been amended and will be rolled out to other officers.	Amber	Fraud awareness sessions will be held with every Head of Service and their managers/teams where the service is at higher risk of fraud.	Assistant Director of Finance	starting April 2023
	5b	The local authority has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business.		As per the above sections, except for the Codes of Conduct, the policies have been presented to the Audit Committee in April 2022 but not yet further distributed. These will be shared with the ELT in the coming weeks.	Amber	Baseline Assessment report to be shared with ELT, along with the Anti-Fraud, Bribery & Corruption policy for onwards circulation.	Assistant Director of Finance	Dec-22
	5c	Relevant staff and members are up to date with latest anti-fraud practice and trends in fraud.		As the per the above sections, a fraud awareness session is being designed to remind staff of red flags. A pilot was conducted on 28/04/2022 with a group of heads of service. Based on the feedback from the participants, the fraud awareness session has been amended and will be rolled out to other officers	Amber	Fraud awareness sessions will be held with every Head of Service and their managers/teams where the service is at higher risk of fraud.	Assistant Director of Finance	starting April 2023
	5d	The organisation routinely publicises successful cases of proven fraud and corruption to raise awareness and this is endorsed by the communications/ media team.		There has been no recent example therefore it is still difficult to assess how well this process is working and how complete it is.	Amber	This will be kept in review and will be included in the mechanism for capturing the progress of investigations.	Assistant Director of Finance	45016

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Reporting, Investigating and Monitoring	6a Statistics are kept and reported which cover all areas of activity and outcomes. Are number of investigations and outcomes recorded.	There is no mechanism yet to capture the progress of investigations and to report on them.	Red	A mechanism will be designed and implemented for capturing the progress of investigations.	Assistant Director of Finance	31/03/23
	6b All allegations of fraud and corruption are risk assessed.	The fraud awareness sessions that have been designed and will be rolled out to the heads of service and their team will also be used to remind staff of the requirement to report allegations to senior management. This will also be mentioned in the presentation of this baseline report to ELT in the coming weeks.	Amber	Fraud awareness sessions will be held with every Head of Service and their managers/teams where the service is at higher risk of fraud.	Assistant Director of Finance	starting April 2023