

ACTION PLAN 2012/13

An action plan to improve further the Authority's arrangements for countering fraud and corruption is set out below

ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS
OBJECTIVE: Apply checklist from 2011 Audit Commission report "Protecting the public purse"			
Establish WDC compliance with National Fraud Authority strategy report "Fighting Fraud Locally" in order to identify any gaps and to consider if further counter fraud measures need to be introduced.	Audit and Risk Manager	October 2012	<p>Completed.</p> <p>A recurring entry in the action plan has been to apply the checklist that accompanies the annual Audit Commission report in order to identify any gaps that might indicate that some action is necessary. The checklist is somewhat repetitive with only minor variations year on year. The 2011 checklist included reference to the NFA report "Fighting Fraud Locally" and authorities were recommended to review their counter fraud arrangements in the context of the report.</p> <p>The report outlines a strategic approach to enabling local authorities to become better protected from fraud and so the content is fairly broad with the recommendations being worded accordingly. In overall terms the council's approach to counter fraud is very much in line with the actions recommended in the report but there is no convenient checklist or yes/no answer list to evidence this.</p> <p>On a tangible front, as a result of considering the report, the council now receives the Fighting Fraud Locally quarterly newsletter and has received some fraud awareness promotional material. Free fraud awareness training that can be undertaken on line is due to be received fairly soon.</p>

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ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS
OBJECTIVE: Apply CIPFA Risk Management Counter Fraud checklist			
Establish the council's overall counter fraud arrangements by applying the CIPFA checklist and take appropriate action if any weaknesses can be addressed.	Audit and Risk Manager	September 2012	<p>Completed.</p> <p>This was included in the action plan as it was a counter fraud checklist from a reputable organisation (CIPFA) and it would provide an alternative to the usual Audit Commission checklist. It differs from the Audit Commission checklist in that it is less specific with the questions taking a more general view of counter fraud work. There are 34 points in the checklist and the council is fully compliant with most of them. Those areas where the council is only partially compliant or non compliant fall into the ideal or academic category and are not applicable to the council's approach to counter fraud work and more relevant to authorities with large corporate fraud teams.</p> <p>Some examples of points where the council is not compliant are "The council has undertaken horizon scanning of future potential fraud risks", "Counter fraud staff are consulted to fraud proof new policies" and "There is an annual fraud plan which is agreed by committee".</p> <p>This council adopts an approach to counter fraud work that is seen as being appropriate to the risks faced. Most of the work involves reviewing policies and procedures, raising fraud awareness and keeping abreast of developments. The resources applied are minimal. A proactive approach requiring a far greater level of resources could not be justified. Any need for investigative work following the discovery of a fraud would of course be met.</p>

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ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS
OBJECTIVE: Promote fraud awareness within the Council			
Issue fraud awareness reminders for members, managers and staff.	Audit and Risk Manager	December 2012	<p>Completed.</p> <p>Since the submission of the last progress report to F & A Internal Audit have been invited to attend the corporate induction programme for new starters to present a brief session on fraud awareness. A number of sessions took place in 2012 and 5 are scheduled for 2013.</p>
Review and republicise the council's Whistleblowing policy and procedure.	Audit and Risk Manager	November 2012	<p>Completed.</p> <p>The Whistleblowing policy and procedure has been reviewed and it is considered to be relevant and appropriate and no changes are necessary.</p> <p>It has been republicised on the Intranet.</p>
Evaluate the effectiveness and worth of the In Touch confidential reporting service.	Audit and Risk Manager	August 2012	<p>Completed.</p> <p>This was raised with the Chief Executive initially and referred to the HR Manager. Despite the low use of the service the decision was to subscribe for another year.</p> <p>The matter will be considered again this year.</p>

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Consider the benefits to the council of raising fraud awareness with contractors with a view to producing appropriate guidance.	Audit and Risk Manager	December 2012	<p>Completed.</p> <p>This item featured in the checklist in the 2011 Audit Commission report; the point being that an authority should raise awareness of fraud risks with its contractors. Assuming that the term "contractors" would extend to all council suppliers then the population would be several thousand. In an effort to draw on the experience of other authorities a request for advice was posted on the CIPFA discussion board, "TIS online" last October. There was not a single response which suggests that other authorities have not gone down this road.</p> <p>The production of guidance for contractors and then distributing it to them could be an onerous task with the potential benefit unlikely to be anything other than minimal. It is unlikely that most of the council's contractors would ever encounter any fraudulent activity or requests while working for the council but if they did it would be assumed that they would declare it.</p> <p>The matter will not be pursued further at this stage.</p>

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ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS
OBJECTIVE: Improve publicity of successful fraud cases and the contribution of the National Fraud Initiative			
<p>Make arrangements to publicise details of successful prosecutions in fraud cases in all available and appropriate media sources in order to act as a deterrent. The contribution of NFI matches, if any, should also be recognised.</p>	<p>Audit and Risk Manager</p>	<p>December 2012</p>	<p>Partially completed.</p> <p>Of late there have been no examples of corporate fraud that have resulted in a prosecution. Whenever a case reaches the courts it will always be covered in the local press and possibly radio and television. At the end of the whole process a report will always be submitted to the appropriate committee.</p> <p>Most fraud cases resulting in a prosecution relate to Benefit Fraud. Such cases are normally the result of a joint prosecution with the DWP Fraud Team as state benefits are also involved and it is the DWP who handle the publicity.</p> <p>Press releases relating to WDC-only prosecutions are prepared periodically and forwarded to the Media Room but their progress is not monitored. Very brief details of Benefit prosecutions appear in the Court Reports feature in The Courier.</p> <p>As an alternative to a prosecution certain Benefit fraudsters receive a financial penalty or a formal caution. The numbers were reported in District Focus but following its demise they are no longer published.</p> <p>There were no prosecutions resulting from the 2012 NFI exercise</p>

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ACTIONS	RESPONSIBILITY	TIMESCALE	PROGRESS
OBJECTIVE: Effectively manage the council's role under the National Fraud Initiative (NFI)			
Undertake self-assessment against revised checklist accompanying NFI National Report and Members' Briefing 2012 and report to Finance and Audit Scrutiny Committee.	Audit and Risk Manager	July 2012	Completed. Report submitted to Finance and Audit Scrutiny Committee 10 July 2012.
Implement measures arising from above self-assessment.	Audit and Risk Manager	July 2013	Partly completed. Some measures to be reviewed and outcomes of 2012/3 NFI cycle to be considered for reference in the Annual Governance Statement and relevant Service Assurance Assessments for 2013/14. Update on 2012/3 NFI cycle to be reported to Finance and Audit Scrutiny Committee in October 2013.

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OBJECTIVE: Ensure Internal Audit staff remain aware of best practice and new developments			
Arrange for attendance of Internal Audit staff at appropriate training events and professional networking groups.	Audit and Risk Manager	Ongoing.	<p>Completed.</p> <p>Training has been undertaken during the year as appropriate, available and affordable. Members of Internal Audit have attended the Warwickshire and Midlands networking groups throughout the year.</p> <p>The Audit and Risk Manager is in his second year of a course of study covering fraud and irregularity leading to a qualification, the CIPFA Certificate in Investigative Practice.</p>
OBJECTIVE: Review Strategy and Action Plan			
Review the currency of the Anti Fraud and Corruption Strategy annually and report to Members.	Audit and Risk Manager	July 2013	<p>Completed.</p> <p>The Strategy is a series of fairly broad measures setting out how the council aims to prevent, detect and respond to fraud and as such it is devoid of specific measures that will become outdated over time. It is considered that it remains relevant to the council's current structure, objectives and methods of operation. A copy of the strategy is attached as Appendix B.</p>

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Obtain and examine latest CIPFA and Audit Commission guidance on fraud and corruption and consider if any of the recommendations impact on WDC's fraud prevention procedures or the policy and strategy.	Audit and Risk Manager	December 2012	<p>Completed.</p> <p>The latest Audit Commission report, Protecting the Public Purse - Fighting Fraud Against Local Government was published in November 2012. The report presents facts and figures and details on emerging trends in fraud activity. It is very similar in content to previous reports highlighting the cost of fraud and focusing on the usual current issues particularly housing tenancy fraud.</p> <p>The checklist is virtually the same as those in previous reports and there are no new recommendations to consider.</p>
Present an annual report recording progress against the Action Plan together with a revised Action Plan.	Audit and Risk Manager	Annually	<p>Completed.</p> <p>Undertaken as part of this report.</p>