Counter Fraud Action Plan Update

CFP2 No.	ROG No.	Question	Improvements identified	Action	Timescale / Responsible Officer	Progress Update as at 26/07/21
1		**Does the top tier demonstrate a commitment to counter-fraud and provide the necessary leadership to fight fraud?**				
1.1	R2	Do those charged with governance in the organisation promote a clear message in terms of having a zero tolerance of fraud?	It would be more effective for the CMT to take a proactive role in promoting the consequences of fraudulent behaviour within their service areas	Add to PFM meetings as well as 151 Officer bringing regular update as part of the agenda for CMT - Finance update.	Immediate effect CMT	Chief Finance & S151 Officer to include fraud matters in updates to CMT and to ask CMT to include fraud as a regular agenda item on PFM's. Fraud issues will also be highlighted at DMT as necessary.
1.2	R2	Does the organisation's senior leadership team and management actively promote the importance of a good anti-fraud culture?	SLT set a good tone from the top that fraud will not be tolerated, however they could take a more proactive role in actively promoting the message.	CMT will, through the reporting structure, identify areas where fraud has been identified and where appropriate promote through the various media channels and internally	Immediate effect CMT / Head of Communications and Marketing.	Commentary on fraud work and overarching message in Chief Executive's Blog 25/06/21. Press release issued 07/07/21: Swansea - Council clamps down on fraud Press Coverage: 07/07/21 online Nation.Cymru 07/07/21 online Wales Online Corporate Fraud Function Annual Report 2020/21 presented to Governance and Audit Committee 13/07/21. 14/07/21 Evening Post article published

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1.3	R6	Are all staff required to attend fraud and ethics awareness training so that roles and responsibilities are clear?	Fraud awareness training is not undertaken on an annual basis.	To consider how this could be introduced as an online e-learning package in collaboration with fraud Team.	September 2021 HR & OD Manger / Corporate Fraud Team	A Chard 26/05/21 – CMT approved additional resource for learning and development. A Chard to look for available fraud awareness training modules/ packages on the market to be agreed with Corporate Fraud before being introduced/ rolled out via training pool. 15/07/21 - Initial materials provided to Fraud Function for consideration and review but information provided was not suitable. Work ongoing to seek appropriate material.
2	**Does the organisation have a suitable structure and sufficient skilled resources to prevent and detect fraud?**					
2.5	R11	Does the organisation have an annual programme of proactive counter-fraud work (i.e. fraud prevention work) which covers the risks identified in the risk assessment with ring fenced days for proactive work to be undertaken?	There are no ring-fenced days for proactive work to be undertaken given the limited resources much of the work completed is reactive.	As part of developing the forward work programme that identifies proactive work this will be reviewed to see what proactive or how this can be included.	October 2021 Chief Auditor/ Corporate Fraud Team	The Corporate Fraud Function Plan for 2021/22 includes some priority areas for proactive work if time and resource allows. This will be considered throughout the year but is dependent on ongoing pressures within the function to deal with immediate urgent reactive work. NFI 2020 is proactive and is underway.
3	**Does the organisation have a sound policy framework to support effective counter-fraud arrangements?**					

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3.1	R5	Does the organisation have a counter-fraud strategy in place to address identified risks which is communicated across the organisation and is overseen by those charged with governance?	It would be more effective to include fraud risk within the corporate risk register to ensure that the risk is highlighted and disseminated across the organisation	Corporate risk Register to be reviewed and risk added.	April 2021 Deputy Chief Executive / Chief Finance Officer	Fraud Risk has been added to the Corporate Risk Register.
3.2	R2	Does the organisation have a code of conduct which sets out clearly for employees and contractors which behaviours are acceptable and unacceptable and includes a section for reporting and addressing conflicts of interests?	There is a limited reference to anti-fraud procedures in the Code of Conduct.	The code of conduct will be amended with a section included on Fraud.	June 2021 HR &OD Manager / CFT / Chris Williams	Anti-Fraud and Corruption Policy is being updated by Chief Auditor, Corporate Fraud Investigators and HROD and expanded to include further details on anti-fraud procedures – once finalised this can be referenced in an updated version of the Code of Conduct. Ongoing.
4	**Does the organisation undertake an effective fraud risk assessment together with appropriate responses to emerging issues?**					

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4.1	R3	Does the organisation undertake a regular and comprehensive fraud risk assessment which is shared and discussed with the Board/Senior Management Team/Audit Committee?	Fraud risk is not assessed on a Senior Management Level as part of the Corporate Risk Register.	Corporate risk Register to be reviewed and risk added.	April 2021 Deputy Chief Executive / Chief Finance Officer/ Corporate Fraud Team	Fraud Risk has been added to the Corporate Risk Register. Annual Fraud Risk Assessment completed by Corporate Fraud Investigators included in the Fraud Function Annual Plan (March) reviewed by CMT and Audit Committee.
4.2	R4	Does the organisation consider fraud risk as part of the overall risk management process?	The Council have not included fraud risk within the Corporate Risk Register which is overseen by the Senior Management Team	Corporate risk Register to be reviewed and risk added.	April 2021 Deputy Chief Executive / Chief Finance Officer/ Corporate Fraud Team	Fraud Risk has been added to the Corporate Risk Register. Annual Fraud Risk Assessment completed by Corporate Fraud Investigators included in the Fraud Function Annual Plan (March) reviewed by CMT and Audit Committee.
5	**Does the organisations internal control environment support effective arrangements for preventing and detecting fraud?**					

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5.2	R4	Does internal audit look at fraud risks and test controls designed to prevent and detect fraud as part of its annual programme of work?	There is no specific reference to fraud risk detection in the internal audit work programme	The current testing of controls does cover this but it is not specifically stated in the audit programme. All tests are designed to ensure controls are effective and hence preventing fraud.	Chief Auditor to consider this during the year.	Drive to increase awareness of aspects of fraud within the Internal Audit Team by distribution of all relevant fraud bulletins and newsletters received by the Corporate Fraud Function as and when these are received. Audit staff encouraged to consider possible fraudulent activity when undertaking reviews. Fraud risk in specific areas highlighted by bulletins / newsletters received by Corporate Fraud is distributed to all audit team members and wider Council Officers as required.
5.4	R12 / R13	Does the organisation regularly use data analysis/matching (outside NFI) to validate data and detect potentially fraudulent activity?	The Benefits team use Data Tank to establish any fraud risk. No other data analysis/ matching exercise is used.	Review of system to be undertaken and identify if any other analysis / matching would be beneficial	October 2021 Chief Finance Officer	To be completed.
6	**Does the organisation have an appropriate response to fraud?**					
6.1	R5	Does the organisation have an appropriate fraud response plan that is communicated to all staff which makes clear that all allegations of fraud will be investigated?	There is no specific fraud response plan in place at Swansea Council	Development and implementation plan to be developed mapped out details and timescales and any additional resource required to deliver a fraud response plan	August 2021 Chief Auditor/ Corporate Fraud Team	Currently being considered as part of the update of the Anti-Fraud and Corruption Policy and other policy and guidance documents.

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6.2	R5	Does the organisation take action to ensure that allegations of fraud, including anonymous allegations are assessed in line with the fraud response plan?	No set policy in place about how the investigation will take place	Development and implementation plan to be produced mapping out details and timescales and any additional resource required to deliver a fraud response plan including investigation policy	August 2021 Chief Auditor / Chief Finance Officer/ Corporate Fraud Team	Currently being considered as part of the update of the Anti-Fraud and Corruption Policy and other policy and guidance documents.
6.3	R5	Does the organisation have documented procedures in place for conducting fraud investigations which follow proper professional practice?	The Council have no documented procedures in place for conducting fraud investigations which follow proper professional practice	Development and implementation plan to be produced mapping out details and timescales and any additional resource required to deliver investigation policy for conducting fraud investigations	August 2021 Chief Auditor / Chief Finance Officer/ Corporate Fraud Team	Currently being considered as part of the update of the Anti-Fraud and Corruption Policy and other policy and guidance documents.
6.4	R5	Does the organisation effectively investigate allegations of fraud in line with their procedures?	The Council have no documented procedures in place for conducting fraud investigations which follow proper professional practice	Development and implementation plan to be produced mapping out details and timescales and any additional resource required to deliver investigation policy for conducting fraud investigations	August 2021 Chief Auditor / Chief Finance Officer/ Corporate Fraud Team	Currently being considered as part of the update of the Anti-Fraud and Corruption Policy and other policy and guidance documents.

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7		**Does the organisation have proper reporting and scrutiny in place to ensure its counter-fraud culture and framework is operating effectively?**				
7.3	R7	Does the organisation provide an appropriate level of information to an Audit Committee to enable it to discharge its duties in relation to counter-fraud?	The Audit Committee should take a more proactive role in helping to promote a good anti-fraud culture.	The audit committee and chair to be made aware of opportunities throughout the year	Ongoing Chief Auditor / Corporate Fraud Team	Corporate Fraud Function Annual Report 2020/21 presented to Governance and Audit Committee 13/07/21. 14/07/21 Evening Post article published Mid-year Counter-Fraud report has been added to the Governance and Audit Committee work plan, initially scheduled for November 2021.
Key to recommendation or question numbers: **CFP2 =** Counter Fraud Phase 2 Question Hierarchy Responses **ROG =** Raising Our Game – Tackling Fraud In Wales						