

AGENDA ITEM: 12

Page nos. 225 - 240

Meeting	Audit Committee
Date	20 March 2007
Subject	Annual Workplan of the Corporate Anti Fraud Team 2007
Report of	Acting Head of Corporate Anti Fraud Team and Deputy Director of Corporate Governance
Summary	The Committee is asked to note the Annual Workplan of the Corporate Anti Fraud Team 2007-08

Officer Contributors	Clair Green, Acting Head of Corporate Anti Fraud Team Dorne Kanareck, Deputy Director of Corporate Governance
Status (public or exempt)	Public
Wards affected	N/A
Enclosures	Corporate Anti Fraud Team Annual Report 2007-08
For decision by	Audit Committee
Function of	Council
Reason for urgency / exemption from call-in (if appropriate)	N/A

Contact for further information: Clair Green 0208 359 7168 Dorne Kanareck 0208 359 7988

1. RECOMMENDATIONS

- 1.1 That the Committee note the contents of the CAFT Annual Workplan for 2007-08**
- 1.2. That the Committee consider whether there are any areas on which they require additional information or action.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 The Corporate Anti Fraud Team (CAFT) was launched on 7 May 2004 (delegated powers report, ref: BT/2004-05 -2 March 2004)
- 2.2 On 4 April 2006, the Audit Committee included in the work programme for 2006/7, that an annual workplan of the Corporate Anti-Fraud Team be produced to this meeting.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 The Corporate Plan sets out our vision and core value as a Council. One of our five core values is “value for money” - we are committed to managing the council efficiently, getting the best value for money and investing in services that matter most to our residents. The work of the CAFT supports this.

4. RISK MANAGEMENT ISSUES

- 4.1 The CAFT has a duty to the Council in the protection of the public purse through prevention, detection, investigation and deterrence of fraud.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 The CAFT is committed to promoting equality, challenging discrimination and developing community cohesion. This will be demonstrated through the Annual Workplan and our service delivery.
- 5.2 Our Annual Workplan will have no adverse impact or diversity issues . The CAFT have worked closely with the Benefits service in ensuring that forms and leaflets have been modified and adapted so that all members of the community, especially vulnerable groups, have an understanding of the services provided and reduce the likelihood of intentional or other fraud being committed.

6. FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS

- 6.1 None.

7. LEGAL ISSUES

- 7.1 None.

8. CONSTITUTIONAL POWERS

- 8.1 The Constitution, Part 3, Paragraph 2, details the functions of the Audit Committee including, "To monitor Council policies on Raising Concerns at Work" and the anti-fraud and anti-corruption strategy and the Council's complaints process".

9 BACKGROUND INFORMATION

- 9.1 The CAFT consists of ;
- Visiting / HBMS Team
 - Intelligence Team
 - Investigation Team
 - Support Team
- 9.2 The team continues to operate within the Counter Fraud Framework. The Framework consists of a set of comprehensive documents which details the Council's Fraud Response Plan, Fraud Reporting Toolkit, Prosecution Policy and the Whistleblowing Policy.
- 9.3 Both the authority's internal and external auditors have expressed positive feedback, particularly in relation to the introduction of the Counter Fraud Framework.
- 9.4 The CAFT work plan for 2007-08 sets out the key objectives for the year.

10. LIST OF BACKGROUND PAPERS

- 10.1 None.

Legal: JL
CFO: CM

Corporate Anti-Fraud Team

**Annual Workplan
2007-2008**

1. Background Information	
1.1 Organisational Vision	<p>The Council is committed to demonstrating that services represent value for money and that there is a continuous drive to improve quality, efficiency and effectiveness of services. The work of the CAFT supports this whilst delivering a ZERO tolerance agenda on Fraud and Corruption within the London Borough Barnet.</p> <p>The aim and objectives of CAFT is to provide a specialist investigation service to the council as well as giving advice and assistance, and providing a comprehensive training programme throughout the organisation.</p> <p>CAFT continually strives to develop partnership links and protocols with other agencies and the community in the area of Fraud Awareness, prevention and detection</p>
1.2 Description of Theme Services	<p>Investigation of Internal fraud and corruption.</p> <p>Investigation of Housing and Council Tax Benefit fraud.</p> <p>The assistance in the reduction of incorrect Housing and Council Tax Benefit awards</p> <p>The participation and co-ordination of the Audit Commissions National Fraud Initiative (NFI)</p> <p>The administration of the Housing Benefit Data Matching Service (HBMS)</p> <p>Delivery of a comprehensive Fraud Awareness and Education Programme.</p>
1.3 Division Description & Structure Diagram	See Appendix A for current CAFT structure chart.
2. Key Priority Plans 2007/8	
2.1 Key Objective	Compliance with the KPP in relation to the number of cases referred for sanction.
3. Meeting Key Service Objectives 2007/8	
3.1 Key Themes Objectives	Objective
	Review Counter Fraud Framework
	Review and engage all existing internal & external Key Partner Protocols
	Develop and deliver a new Fraud Awareness & Induction programme.
	Develop and deliver bespoke Fraud Awareness training to individual services within the Council.
	Develop the CAFT internet & intranet sites

3.2 Priority Improvement Initiatives	Develop & Implement a CAFT communications strategy			
	Successful Corporate Performance Assessment (CPA)			
	Implementation of new database – INTEC			
	Initiative	Target Date	Completion Date	Lead
	Review Counter Fraud Framework			
	Although the review of the Counter Fraud Framework was completed in 06/07, the recent move of CAFT to the new Corporate Governance Directorate has resulted in a further review being required.	Quarter 1 (Dependent on the final structure of the new Corporate Governance Directorate)	Ongoing	CAFT Management Team (CMT)
	Initiative	Target Date	Completion Date	Lead
	Review and engage all existing internal & external Key Partner Protocols			
	Although the review of the Key Partner Protocols was completed in 06/07, the recent move of CAFT to the new Corporate Governance Directorate has resulted in a further review being required.	Quarter 1 (Dependent on the final structure of the new Corporate Governance Directorate)	Ongoing	CMT
	In addition to this, the	Quarter 1	Ongoing	CMT

	CAFT are always looking to develop further Key Partner Protocols. e.g. HMRC & Met Police.	(Dependent on the final structure of the new Corporate Governance Directorate)		
	Initiative	Target Date	Completion Date	Lead
	Develop and deliver a new Fraud Awareness & Induction programme.			
	The Fraud Awareness & Education Programme requires an annual review.	Quarter 2	Ongoing	CMT
	A delivery plan identifying key risk areas will be produced.	Quarter 2	Ongoing	CMT
	Initiative	Target Date	Completion Date	Lead
	Develop and deliver bespoke Fraud Awareness training to individual services within the Council.			
	Promote and raise awareness of this facility in CAFT. This will be delivered on an individual requirement basis.	As & when required	Ongoing	CMT
	Initiative	Target Date	Completion Date	Lead

	Develop the CAFT internet & intranet sites			
	<p>Continue to build awareness of the objectives and existence of the Corporate Governance Directorate, and how the CAFT assists towards this.</p> <p>The main objective is promoting 'the legal, constitutional, and ethical responsibilities of members and officers, enhancing transparency, clarity and probity of decision making and promoting best governance.'</p>	Ongoing and in continuation with the 06/07 initiative.	Ongoing	Jeff Lustig, Dorne Kanareck & Ann Rafferty.
	Initiative	Target Date	Completion Date	Lead
	Develop and Implement a CAFT Communications Strategy.			
	<p>Joint working with the Communications Team to develop a strategy for publicising the CAFT and its role within the Council community and with its partners.</p>	<p>Quarter 2</p> <p>Quarter 2/3</p>	<p>Ongoing</p> <p>Ongoing</p>	<p>CMT</p> <p>CMT</p>

	Review of current media, leaflets, posters, advertising etc.	Quarter 3	Ongoing	CMT
	Organisation of Staff Open Day for 07-08.	Quarter 2/3	Ongoing	CMT
	Promotion of the Whistleblowing and Fraud Hotline facility.			
	Initiative	Target Date	Completion Date	Lead
	CPA			
	Ensure CAFT meet all the criteria under the new 07/08 CPA (Performance Measures and Enablers). Ensure that resources continue to be allocated to activities which reduce, prevent, detect fraud and error and inaccuracies within the benefits system. To ensure that all evidence is documented.	31/3/08	Ongoing	CMT & Benefits Management Team
	Initiative	Target Date	Completion Date	Lead

	Implementation of new database - INTEC					
	<p>To implement a new bespoke dedicated Fraud Management System – INTEC.</p> <p>This system provides the facility to gather and record Intelligence, record data & evidence and actively assist in Corporate & Benefit Fraud Investigations.</p> <p>The system will profile and identify current fraud trends and hotspots.</p>	Quarter 1	Ongoing		Ann Rafferty	
3.3 Risk	Local Objective	Risk	Likelihood (H, M, L)	Impact (H, M, L)	Mitigating Action	Lead Officer
	Priority Improvement Initiative Risks					
	Delivery of Fraud Awareness and Education Programme.	Inability to provide the training programme across the Authority due to lack of resources and skills.	H	H	Develop skills within the team to increase the number of facilitators who can deliver the training.	Clair Green
	Retain trained staff within the CAFT.	Workloads, Stress, Pay, Poor conditions of service	M	H	Training Plan, Recruitment	CMT

	Recruit additional qualified staff as & when required.	Inadequate training. Market conditions, Unfilled posts.			Strategy.	
	Reduce sickness levels	Impact on workloads, targets and possible CPA score.	M	H	Corporate procedure in place. Managers to be proactive and aware of proper procedures. To be addressed during staff 1-2-1's and at CMT	CMT
	Mitigate delay and non-compliance with procedures and external returns	Council's position or reputation compromised by poor performance, negligent or incorrect advice.	M	H	Regular reviews of casework, monitoring at appraisals. I21s, effective training plans.	CMT
	Health and Safety of staff	Abusive and / or violent behaviour towards staff.	L	M	Procedures in place and regularly tested.	CMT
	New database not implemented	Inability to introduce new Fraud Management System – Inability to record statistics, management information. Work within Criminal Procedures and Investigation Act law. Inability to gather	L	H	Implementation Plan drawn up with deliverables defined. Contingency plan and specific ICT support to be identified Regular monitoring of the above with	Ann Rafferty

		intelligence for proactive and operational working.			feedback from the supplier.	
	Effective Training	Learning development not maintained. Changes in legislation and investigative working practices not recognised leading to possible inappropriate / illegal action taken on case work	M	H	Training and development plan. Regular case reviews Performance monitoring, PIs and appraisals.	CMT
	Adequate resources in the CAFT	Inability to carry out functions due to lack of staffing / financial resources. Financial loss to the authority as fraud goes undetected	L	H	Management to be aware of future changes to enable service to make appropriate bids for funding. Monitoring by management, liaison with other services. All internal corporate investigation are considered for recharge.	CMT
	Meeting objectives/targets	Failure to meet targets, performance indicators,	M	H	Risk assessment & intelligence grading	CMT

		<p>objectives and CPA score. Therefore damaging service delivery, reputation of LBB and CPA score.</p> <p>Financial loss to the authority as fraud goes undetected</p>			<p>of all referrals to prioritise workload.</p> <p>Accurate capture of data on monthly PIs</p> <p>Monthly CMT to identify issues & take remedial action</p>	
	Planned proactive investigations	Inability to undertake planned proactive investigations due to the high level of reactive investigations.	H	H	<p>Assessment of referrals via INTEC will identify specific areas for proactive investigations by identifying trends/hotspots through intelligence gathering.</p> <p>All investigations are graded using the 5x5x5 National Intelligence Model</p> <p>To be discussed by Intel Manager at each 121 and at CMT.</p>	CMT

4.1 Learning & Development	<p>CAFT have a service specific Learning & Development Plan that links into the Corporate Governance Training Plan.</p> <p>CAFT are developing bespoke training for specific service area requirements</p> <p>CAFT will continue to deliver the Fraud Awareness and Education programme through the authority and to its partners.</p>
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CAFT Organisation Chart – April 2007

