

# INTERNAL AUDIT AND ANTI-FRAUD STRATEGY AND ANNUAL PLAN 2016-17

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# INTRODUCTION

## Internal Audit

Internal Audit provide independent and objective assurance to the Council, its Members, the Strategic Commissioning Board (including the Chief Operating Officer) to support them in discharging their responsibilities under S151 of the Local Government Act 1972, relating to the proper administration of the Council's financial affairs.

Internal Audit ensure a positive culture of internal control improvement, effective risk management and good governance. The purpose, authority and responsibility of the internal audit activity are formally defined in the Internal Audit Charter, which will be periodically reviewed and presented to senior management and the Audit Committee for approval. Internal audit will be delivered and developed in accordance with this Charter.

## Internal Audit Service Provision

The Internal Audit service is delivered through a mixed economy model, which includes an in house team and external provider, currently PwC. We work closely with 5 other London Boroughs (Islington, Camden, Enfield, Lambeth and Harrow) under a framework contract with PwC for the provision of internal audit, risk management, investigation and advisory services. Collectively we are the Cross Council Assurance Service (CCAS).

The vision for CCAS is to support participating boroughs in creating an optimised assurance service that enables each organisation to manage risk more effectively, improve service agility and the ability to deliver more for less.

Being a part of this framework enables us to:

- work more closely with a number of other London Boroughs, sharing expertise, knowledge and working practices to further enhance the efficiency and effectiveness of the service; and
- develop a platform, with a lead external partner, to harmonise working practices and audit processes and enhance the skills and capacity of the in house teams to deliver a greater proportion of internal audit work and to share audit activity and resource planning.

## Managed Audit Approach

Internal Audit and CAFT are committed to the managed audit approach, which ensures joining up with External Audit to make the best use of resources and to avoid duplication of effort. We liaised with External Audit during the preparation of this Annual Plan thereby ensuring coverage of the corporate risks.

# INTRODUCTION

## Risk-Based Plan

The risk-based plan has been formulated in line with the requirements of the Public Sector Internal Audit Standards. The Institute of Internal Auditors (IIA) describes assurance mapping as “a tool to ensure key risks are assured across your organisation – driving out gaps and overlaps in the assurance jigsaw”. We have used this approach to help inform where internal audit resource should be directed in 2016/17 to ensure that duplications of assurance activities or gaps in coverage are identified as follows:

- Updating our understanding of the Council’s services to define its ‘Auditable Units’ - key activities performed by the Council which could be audited by internal audit;
- Reviewing the corporate risk register;
- Discussing each auditable unit with the appropriate Commissioning Director, Delivery Unit Director and / or Assistant Director and their wider team to identify other sources of assurance and emerging risks;
- Undertaking a workshop between Internal Audit, Risk Management and CAFT colleagues to challenge areas for review;
- Applying an ‘Audit Requirement Rating’ to each auditable unit. This is made up of the following:

**Inherent Risk Rating - a judgement based on assessed Impact and Likelihood of risk events happening in that unit**

**Control Environment Indicator – a judgement based on our knowledge of the controls in operation in that unit, and consideration of other sources of Assurance over that unit.**

- Prioritising the auditable units with the highest Audit Requirement Ratings to design a plan that makes the best use of the resources available.
- Seeking agreement of the plan by SCB and the Audit Committee to ensure coverage of the core aspects of the Council’s governance and control environment.

In addition, the draft plan includes Schools audits (which are conducted in accordance with a risk-based cycle) and a number of grant claim / statutory return reviews.

The Assurance Map is a live document and is refreshed throughout the year, through discussions with senior management, Members and stakeholders. We will use the map to inform and support any changes to the audit plan that are required.

## Emerging issues

There is a contingency in place to enable this plan to be responsive to changes in risks throughout the year. The Council is undergoing numerous significant change projects. The contingency will allow internal audit and anti-fraud to respond as required.

During the year, if changes are required to the plan in response to this or any new local or national risks, this will be communicated to the Audit Committee in a timely manner.

# INTRODUCTION

## Corporate Objectives

This strategy and plan demonstrate how Internal Audit and the Corporate Anti-Fraud Team (CAFT) support the Council in achieving its overall aims and objectives whilst maintaining the necessary professional standards.

The Council's Corporate Plan 2015-2020 identifies a set of strategic objectives which have been based on consultation with residents:

***The Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:***

- 1. Of opportunity, where people can further their quality of life...***
- 2. Where people are helped to help themselves, recognising that prevention is better than cure...***
- 3. Where responsibility is shared, fairly...***
- 4. Where services are delivered efficiently to get value for money for the taxpayer.***

These objectives will be reviewed as part of each audit, as applicable.

The Internal Audit and CAFT functions are organisationally independent from the Strategic Commissioning Board and other Council officers.

## Officer and Management Responsibilities

For Internal Audit and CAFT to contribute to the Council's overall achievement of its objectives, it is essential that officers and management play a full role in the assurance work undertaken. The expectations from management are:

- Strategic level involvement to inform the annual plan;
- Operational level involvement with individual reviews;
- Being open and honest with audit and CAFT staff;
- Making staff and records available when requested;
- Responding to draft reports in the agreed timescale;
- Only accepting recommendations with which they agree, and providing timescales for implementation that are achievable;
- If recommendations are not accepted, suggesting suitable alternatives that address the identified risks; and
- Implementing the agreed actions (by the agreed date) arising from the reviews.

The responsibility for a sound system of internal control and the prevention and detection of fraud rests with management. Work performed by Internal Audit and CAFT should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Those risks identified and recommendations raised should be considered in line with the Council's current Risk Management Framework.

# INTRODUCTION

## Corporate Anti-Fraud Team (CAFT)

All CAFT work is conducted within the appropriate legislation and through the powers and responsibilities as set out within the financial regulations section of the Council's constitution. CAFT supports the Chief Operating Officer in fulfilling his statutory obligation under section 151 of the Local Government Act 1972 to ensure the protection of public funds and to have an effective system of prevention and detection of fraud and corruption. It supports the Council's commitment to a zero tolerance approach to fraud, corruption, bribery and other irregularity including any Money Laundering activity.

Work processes in the team are designed for maximum efficiency and as such all functions are intrinsically linked and are dependent on each other in order to ensure CAFT continue to provide an efficient value for money counter fraud service and that is able to investigate all referrals or data matches to an appropriate outcome. CAFT provide advice and support to every aspect of the organisation including its partners and contractors. This advice varies between fraud risk, prevention and detection, money laundering and other criminal activity as well as misconduct and misuse of public funds. Some of the matters will progress to criminal investigation and others will not, but in all cases appropriate actions, such as disciplinary are taken. It is this element of the work of CAFT that is hard to quantify statistically.

The Council has a responsibility to protect the public purse through proper administration and control of the public funds and assets to which it has been entrusted. The work of the CAFT over the years means that there is a much stronger anti-fraud culture within the Council, however, we recognise that we must continue to further develop this culture with awareness and media campaigns, new and innovative, streamlined, best value working practices and the strengthening of our skills and partnership work.

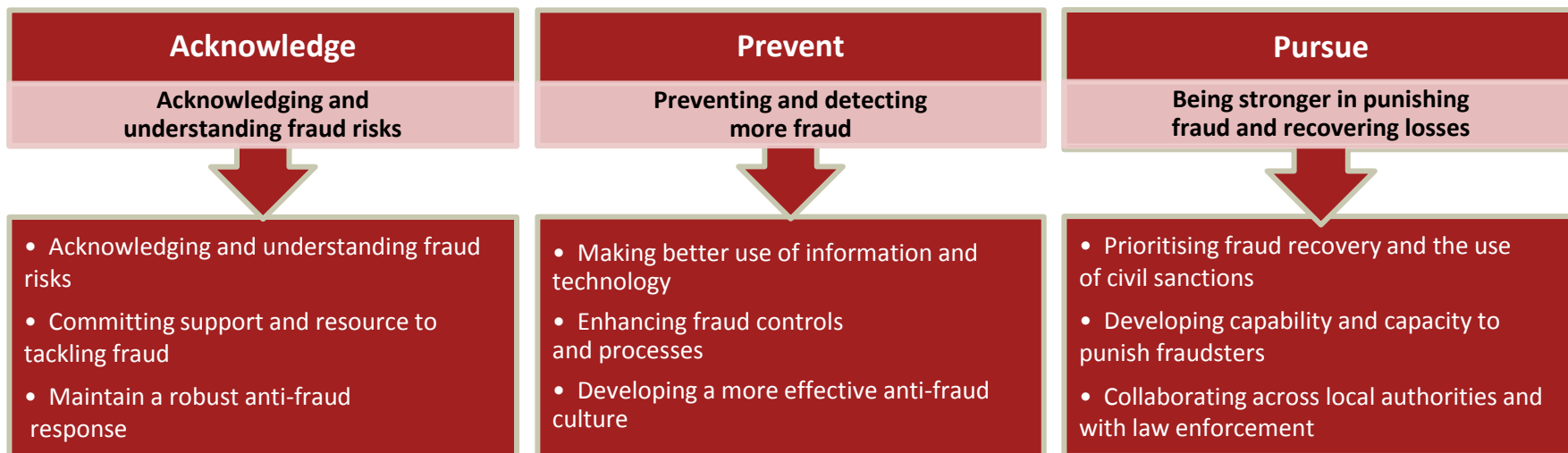
Nationally there has been a changing fraud landscape over the last few years in local government fraud investigation, specifically the national transition to a Single Fraud Investigation Service (SFIS) for all welfare benefit fraud investigations. Barnet transferred on 1st July 2015 and this means that since that time we have no have authority to investigate benefit fraud matters. In March 2016 we restructured CAFT to support our strategy, priorities and work plan and therefore, from April 2016, liaison with SFIS will be no longer delivered by CAFT but by the Council's Revenue and Benefits Service.

The team is structured to support the two teams within CAFT: **Corporate Fraud** and **Tenancy Fraud**. We continue to review all fraud related policies, working procedures and processes to ensure that they reflect best practice and legislative requirements, whilst contributing to the to the overall objectives of the team and that we are efficient, effective and provide value for money.

# ANTI FRAUD STRATEGY AND APPROACH

Our annual anti-fraud strategy is aligned with the strategic approach as outlined in 'Fighting Fraud Locally' ( FFL – the Local Government Fraud Strategy 2016) and provides a blueprint for a tougher response to public sector tackle fraud. The principles of our strategy remain the same as previous years but we have also considered and incorporated the new six themes as detailed within the 2016 FFL (**Culture, Capability, Capacity, Competence, Communication and Collaboration**) and as such have further adapted our strategy and approach to incorporate a response to these themes as well as consideration of local fraud risks facing the Council alongside horizon scanning on emerging national fraud risks and relevant good practice guidance. Our strategy further demonstrates and supports the Council's commitment to a zero tolerance approach to fraud, corruption, bribery and other irregularity including any Money Laundering activity.

Our strategy and approach is underpinned by the Counter Fraud Framework Manual documents and the work of the CAFT as set out in this annual work plan. It remains the policy of this Council that only the CAFT may investigate allegations or suspicions of fraud, corruption or bribery committed against the Council and its subsidiary holdings such as Barnet Group. Additionally CAFT are the only authorised Council service to conduct financial investigations under the Proceeds of Crime Act on behalf of all Council Services (and subsidiary holdings) and to further investigate individuals who are suspected of money laundering against the Council, whether it be internally or externally.



# ANTI FRAUD COMMUNICATIONS STRATEGY

For 2016/17 we have developed a communications strategy and work plan which envisages increasing CAFT's impact and effectiveness by aligning with the strategic approach set out in the Local Government Fraud Strategy 'Fighting Fraud Locally'. The new communications strategy and plan is an essential instrument that we envisage will increase CAFT visibility across the organisation and the Borough. We aim to increase awareness around CAFT policies and channels through which concerns and incidents can be reported as well as emphasize the responsibility of staff on making reports and enable residents to report any suspicions or incidents of fraud or wrongdoing.

**Acknowledging and understanding fraud risks** - It is fundamental for staff and residents to understand the role of CAFT, different types of fraud and through which channels they can report any concerns or incidents of fraud.

- The **internal awareness campaign** and **face to face fraud awareness** sessions aim to increase fraud understanding between staff and their ability to detect fraud. In addition, it is important to emphasize their responsibility as council employees/partner employees regarding reporting fraud and abide with the new fraud policies.

- The **external campaign** will be targeted to residents across the Borough and will aim to increase awareness around fraud and the different ways they can report any concerns. Specific themes of communication around fraudulent school admission applications, blue badge misuse and tenancy fraud will be promoted depending on particular fraud risks attached to particular quarters throughout the financial year.

**Preventing and detecting fraud** – An increase of fraud awareness will help promote and strengthen an anti-fraud culture within the organisation and across the Borough. A clear message will be communicated to all stakeholders that fraud is not acceptable and will not be tolerated. Staff and residents will be more confident to report fraud incidents when they are aware of the consequences of fraud and when the organisation itself actively condemns fraud. This will result in a more effective way of preventing and detecting fraud.

**Being stronger in punishing fraud and recovering losses** – Through the campaign we will be able to deliver the message that fraud does not pay and that we will punish and recover losses within the full force of the law (where relevant), our policies and authority. By successfully getting staff and residents on board a stronger response to fraud will be delivered. Different stakeholders will support CAFT's work by understanding and identifying fraud and being more empowered to actively condemn fraud themselves through operating within an anti-fraud environment.

In order to support the communications strategy we have devised a detailed targeted deliver plan for the year.



# OVERALL SUMMARY

As summarised in the tables below Internal Audit and CAFT will deliver 1050 audit days and 2860 anti-fraud days in 2016-17. The following pages detail the assurance plan for each aspect of the Council.

The budget and resources allocated to the service are deemed sufficient to enable an annual audit opinion to be prepared and reported. In deriving this plan the resources have been considered in terms of the skills of both the in-house team and the strategic partner, PwC. During the course of the year, if the Head of Internal Audit believes that the level of agreed resources will impact adversely on the provision of the annual internal audit opinion, this will be brought to the attention of the Audit Committee.

Area	Days 2016/17	Days 2015/16
Cross-Cutting	90	202
Delivery Units *	450	444
Commissioning Group & CSG	240	159
Management, Follow-up and Reporting	170	145
Contingency	100	100
CAFT **	2860	3046
<b>Total Days</b>	<b>3910</b>	<b>4096</b>

\* Includes 100 days for schools audits

\*\* The reduction in CAFT days is due to the transfer of staff to the Department for Work and Pensions Single Fraud Investigation Service (SFIS) and recent restructure of the team

# CROSS-CUTTING REVIEWS

Provisional Audit Title	Provisional timing
<b>Transformation</b> <ul style="list-style-type: none"> <li>• Focus on IS / Estates</li> </ul>	Q1 / Q4
<b>Review of 'Special Project Initiation Requests' (SPIRs) process</b>	Q1
<b>Contract Management Toolkit compliance</b> Q1 – Parking and Mortuaries Q3 – TBC	Q1 / Q3
<b>Performance and Risk Management Framework</b>	Q4
<b>Various grant claims requiring Internal Audit input e.g:</b> <ul style="list-style-type: none"> <li>• Social Care Capital Grant</li> <li>• Pothole Fund</li> <li>• Bus Subsidy Grant</li> <li>• Disabled Facilities Grant</li> <li>• Other grants as required</li> </ul>	Various

# ADULTS & COMMUNITIES

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<b>SWIFT to Mosaic data migration</b>	<ul style="list-style-type: none"> <li>• Assessment &amp; Care Management - Adult Social Care</li> <li>• Data Security</li> <li>• Projects and Programmes</li> </ul>	Q1
<b>Adults payments / financial management (JOINT IA &amp; CAFT REVIEW)</b>	<ul style="list-style-type: none"> <li>• Personal Budgets</li> <li>• Direct Payments</li> <li>• Respite Care (vouchers issued)</li> <li>• Payments to service users and carers</li> </ul>	Q2
<b>Investing in IT</b> Lessons learnt from the project / Benefits Realisation	<ul style="list-style-type: none"> <li>• IT Acquisition and Development</li> <li>• Projects and Programmes</li> </ul>	Q3
<b>Residential care homes – provider sustainability</b>	<ul style="list-style-type: none"> <li>• Residential care homes</li> </ul>	Q3

# ADULTS & COMMUNITIES / FAMILY SERVICES JOINT REVIEWS

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<b>Supervision</b>	<ul style="list-style-type: none"> <li>• Assessment &amp; Care Management - Adult Social Care</li> <li>• Safeguarding Children</li> <li>• Looked After Children</li> <li>• Children in Need</li> </ul>	Q1
<b>Statutory complaints</b>	<ul style="list-style-type: none"> <li>• Statutory complaints</li> </ul>	Q3
<b>Safeguarding – Statutory responsibilities</b> Review to confirm protocol is being adhered to in practice	<ul style="list-style-type: none"> <li>• Safeguarding Adults</li> <li>• Safeguarding Children</li> </ul>	Q4
<b>No Recourse to Public Funds (JOINT IA &amp; CAFT REVIEW)</b>	<ul style="list-style-type: none"> <li>• Asylum Seekers - No Recourse to Public Funds</li> </ul>	Q4

# FAMILY SERVICES

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<b>Troubled Families - Payment by Results</b>	<ul style="list-style-type: none"><li>• Troubled Families</li></ul>	Q1, Q2 and Q3
<b>Looked After Children</b> Virtual Schools Head / Pupil Premium	<ul style="list-style-type: none"><li>• Looked After Children</li></ul>	Q2
<b>Nursery places – extended offered to 2 year olds</b> <b>(JOINT IA &amp; CAFT REVIEW)</b>	<ul style="list-style-type: none"><li>• Early Years</li></ul>	Q4

# EDUCATION AND SKILLS

Provisional Audit Title	Auditable Unit(s)	Provisional timing
Schools Traded Services – Catering (JOINT IA & CAFT REVIEW)	<ul style="list-style-type: none"> <li>Catering</li> </ul>	Q2
Education & Skills ADM – governance including contract management	<ul style="list-style-type: none"> <li>Schools monitoring (schools improvement and schools finance monitoring)</li> </ul>	Q3
<b>Individual audits of schools</b> Auditing of schools and Pupil Referral Units in accordance with risk cycle to ensure compliance with the financial regulations and to provide assurance over other key risks.	<ul style="list-style-type: none"> <li>Schools Audits</li> </ul>	Q1, Q2, Q3 and Q4
<b>CAFT Proactive Review</b>	<b>Schools Admissions</b> - Proactive targeted anti-fraud work in this area to ensure the safeguarding of school placements.	

# STREET SCENE

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<b>Street Scene Operational Review – Follow-up (JOINT IA &amp; CAFT REVIEW)</b>	<ul style="list-style-type: none"><li>• Trade/ Commercial waste</li><li>• Residential Waste</li><li>• Fleet Management</li></ul>	Q1
<b>Parks &amp; Green Spaces – Health &amp; Safety</b> Including play equipment	<ul style="list-style-type: none"><li>• Parks &amp; Open Spaces</li><li>• Health &amp; Safety</li></ul>	Q2

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<b>Re Operational Review – Phase 1</b> Confirm that appropriate policies and procedures in place <b>(JOINT IA &amp; CAFT REVIEW)</b>	Various including: <ul style="list-style-type: none"> <li>• Strategic Planning</li> <li>• Planning Applications and Permission</li> <li>• Building Control</li> <li>• Licensing</li> <li>• Trading Standards</li> <li>• Environmental Health</li> <li>• Disabled Facilities Grant</li> </ul>	Q1
<b>Highways Programme</b>	<ul style="list-style-type: none"> <li>• Highways</li> <li>• Projects and Programmes</li> </ul>	Q3
<b>Re Operational Review - Phase 2</b> Test compliance with Policies & Procedures	As per Phase 1	Q3
<b>Regeneration Programme / Capital Development Pipeline – at project level</b>	<ul style="list-style-type: none"> <li>• Regeneration</li> <li>• Projects and Programmes</li> <li>• Asset Management</li> </ul>	Q4



# BARNET HOMES

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<p><b>Review of Barnet Group Internal Audit plan and reports</b> - new provider (Mazars)</p> <p>To provide assurance over the whole delivery unit and to identify any gaps in assurance over key risks to the Council.</p>	Various – focus on Barnet Homes	Q1

# COMMISSIONING GROUP

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<b>Insurance</b>	<ul style="list-style-type: none"><li>• Finance</li></ul>	Q2
<b>Highways DLO</b> Operational review (as for Street Scene) <b>(JOINT IA &amp; CAFT REVIEW)</b>	<ul style="list-style-type: none"><li>• Highways</li></ul>	Q3
<b>Contest Framework</b>	<ul style="list-style-type: none"><li>• Prevent - Community Safety</li><li>• Protect and Prepare - Emergency Planning</li></ul>	Q4

# COMMISSIONING GROUP / CSG – FINANCE

Delivery Unit	Provisional Audit Title / Description	Auditable Unit(s)	Provisional timing
CSG – Finance – Key Financial Systems	Accounts Payable ( <b>JOINT IA &amp; CAFT REVIEW</b> )	• Accounts Payable	Q2
	Accounts Receivable	• Accounts Receivable	
	General Ledger	• General Ledger	
	Budget Monitoring	• Budgetary setting and monitoring	
	Treasury Management	• Treasury Management	
	Cash Management	• Cash & Bank	
	Payroll : <i>To include Overtime and Holiday pay</i> ( <b>JOINT IA &amp; CAFT REVIEW</b> )	• Payroll (Non-Schools and Schools)	
	Pensions Administration	• Pensions (including Teachers)	
CSG - Revenues & Benefits	Housing Benefits	• Housing Benefits	Q2
	Council Tax	• Council Tax	
	NNDR; <i>To include review of retention of NNDR</i>	• National Non-Domestic Rates	
CSG - Finance	Purchase Cards / Expenses policy ( <b>JOINT IA &amp; CAFT REVIEW</b> )	• Expenses and staff loans Corporate Credit Cards • Purchase Cards	Q1

# COMMISSIONING GROUP / CSG - IT

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<b>Disaster Recovery Plan follow-up</b>	<ul style="list-style-type: none"><li>• Business Continuity &amp; Emergency Planning</li><li>• Disaster Recovery</li><li>• Back Up</li></ul>	Q1
<b>IT Audit roadmap</b> Analysis of IT related risks and agreement of forward looking plan of Internal Audit activity	<ul style="list-style-type: none"><li>• Various</li></ul>	Q1
<b>IT Change Management follow-up</b>	<ul style="list-style-type: none"><li>• Change Management</li></ul>	Q3
<b>IT Strategy - Phase 2 – implementation</b>	<ul style="list-style-type: none"><li>• IT Strategy</li></ul>	Q3

# COMMISSIONING GROUP / CSG - HR

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<b>Establishment List follow-up</b> Review of Self-Service system pre implementation to confirm controls are appropriate	<ul style="list-style-type: none"><li>• Workforce Planning</li></ul>	Q2
<b>Staff Performance Management</b> Review of appraisal system in advance of the introduction of performance related pay	<ul style="list-style-type: none"><li>• Staff performance management</li></ul>	Q3

# COMMISSIONING GROUP / CSG - ESTATES

Provisional Audit Title	Auditable Unit(s)	Provisional timing
<b>Estates / Health &amp; Safety compliance</b>	<ul style="list-style-type: none"><li>• Health &amp; Safety</li><li>• Management of corporate Property and facilities (council buildings used by the council)</li><li>• Council leased property (non housing)</li></ul>	Q1
<b>CSG Estates</b> Subcontractor ordering processes <b>(JOINT IA &amp; CAFT REVIEW)</b>	<ul style="list-style-type: none"><li>• Management of corporate Property and facilities (council buildings used by the council)</li><li>• Council leased property (non housing)</li></ul>	Q4

# CAFT CONTINUOUS AND REACTIVE WORK STREAMS

This table details the continuous and re-active investigation work of the team. Resources within the team are directed as appropriate and necessary throughout the year in response to the level of risk and investigation work required.

Description of work
<p><b>Corporate Fraud</b></p>
<p>To investigate all suspected frauds committed against the Council and effectively pursue fraudsters, by risk assessing and reacting accordingly to all instances of internal and external fraud, corruption or bribery. This work will cover all Council services and subsidiary holdings such as Barnet Group.</p> <p>We will ensure that consistently seek appropriate penalties in accordance with the law , the Counter Fraud Framework and relevant Council policies whilst actively recovering any losses and obtaining compensation by utilising our in-house <b>Financial Investigation Officers</b></p>
<p><b>Tenancy Fraud</b></p>
<p>To effectively deal with the prevention, detection, deterrence and investigation (and prosecution where appropriate) of all aspects of Tenancy Fraud (application, sub letting, not resident, succession and right to buy fraud) including maximising the recovery of properties where Tenancy Fraud is proven with a target of <b>60</b> properties set for 2016/17. We also plan to deliver at least <b>four</b> pro-active anti fraud drives to help tackle tenancy fraud issues in our borough.</p> <p><i>Funding arrangements in relation to Social Housing Fraud responsibilities with have now been agreed with Barnet Homes which take effective from April 2016. These new arrangements see the transfer of funds directly from council's Housing Revenue Account and deducted from Barnet Homes Management fee.</i></p>
<p><b>Disabled Blue Badge Misuse and Fraud</b></p>
<p>To investigate and respond accordingly to all suspected frauds and/or misuse relating to Disabled Blue Bade committed within the Borough.</p> <p>We also plan to deliver at least <b>four</b> intelligence led joint (police and NSL parking ) street operations as well as on-going intelligence led pro-active work to tackle Blue Badge Misuse / Fraud in our Borough.</p>

# CAFT CROSS-CUTTING PRO-ACTIVE EXERCISES

Description of review
<b>Cabinet Office - National Fraud Initiative (NFI)</b>
<p>The NFI is a national public sector data matching exercise.</p> <p>Data uploads will take place in October 2016 and matches will be received by LBB for review and/or investigation in January 2017.</p> <p>CAFT co-ordinate this exercise for the Council and investigate related referrals.</p> <p>Data sets include areas such as Disabled Blue Badge, Parking Permits, Direct Payments, Procurement data, Pensions and Payroll</p>
<b>Chartered Institute of Public Finance and Accountancy (CIPFA) Counter Fraud Centre and BAE Systems - Counter Fraud Hub – Data Analytics Pilot</b>
<p>Barnet are working with CIPFA and BAE and three other local authorities to design and pilot a new Counter Fraud Hub, which in essence is a data analytics tool bringing public and private sector data together in order to proactively identify fraud and error.</p> <p>Priority areas for the pilot are Insider Fraud, Procurement Fraud and Tenancy Fraud . The pilot is expected to go live in summer 2016 and work will go on through the year.</p>



# PERFORMANCE INDICATORS – INTERNAL AUDIT

The service has a number of performance indicators in place to assess whether performance is effective and efficient.

Performance Indicator	Target	Reporting frequency
% of Plan delivered	Based on 95% complete of those due in quarter	Quarterly
Number of review due to commence vs. commenced in quarter	95%	Quarterly
% of reports year to date achieving: <ul style="list-style-type: none"> <li>• Substantial</li> <li>• Satisfactory</li> <li>• Limited</li> <li>• No Assurance</li> </ul>	N/A	Quarterly
Number / % of Priority 1 recommendations: <ul style="list-style-type: none"> <li>• Implemented</li> <li>• Partly implemented</li> <li>• Not implemented</li> </ul> in quarter when due	90%	Quarterly
Number / % of Priority 1 recommendations due / implemented year to date	90%	Annual
Staff with professional qualifications	70%	Annual
% of recommendations accepted	98%	Exception basis - if not met
Average client satisfaction score (above 3)	90%	Exception basis - if not met

# PERFORMANCE INDICATORS – CAFT

The service has a number of performance indicators in place to assess whether performance is effective and efficient. Performance against these indicators will be reported to the Audit Committee on a quarterly basis as well as details of outcomes on noteworthy concluded investigations.

Performance Indicator	
Corporate Investigation Team	Tenancy Fraud Team
Number of <b>Fraud investigations</b> (opened and closed) including summary breakdown of service area.	Number of <b>Tenancy Fraud investigations</b> (opened and closed).
Number of <b>Financial investigations</b> (under Proceeds of Crime Act) opened and closed including summary breakdown of service area.	Number of <b>Properties recovered</b> including summary detail of how recovered and type of fraud.
Number of <b>Prosecutions</b> (or other sanction).	Number of <b>Prosecutions</b> (or other sanction).
Number of <b>Dismissals / staff no longer employed</b> as a result of CAFT intervention.	Number of <b>Right to Buy</b> applications denied as a result of CAFT intervention.
<b>Whistleblowing referrals</b> - number received (and summary detailed provided on closed cases where appropriate).	Number of <b>Housing Applications</b> denied as a result of CAFT intervention.
Number of <b>Surveillance</b> requests / authorisations in accordance with the Regulation of Investigatory Powers Act (RIPA) 2000 (and summary detailed provided on concluded investigations if proven).	<b>Details of outcomes on various noteworthy concluded investigations and pro-active exercises</b>