

The primary responsibility for the prevention, detection and deterrence of fraud, corruption or anti money laundering activity lies with the Managers / Heads of Service. This responsibility includes ensuring that staff and partners are aware of both the implications of fraud and money laundering and the risks of fraud and money laundering across their service area. The responsibility for the investigation of any suspected fraud, corruption or money laundering activity found in a service area lies with the CAFT.

Policies and guidance	Counter Fraud Framework (CFF) new Bribery Policy Statement and Procedure agreed at Audit Committee in April 2012. CAFT will revise and update the CFF in coordination with the CIPFA published expected new good practice guidance in Q3/4 2012/13
Governance arrangements	Bi Annual Reporting to Audit Committee and Quarterly reporting to the Council's Statutory Officers
Action / Work plans	1. Joint Pro-Active Fraud Plan with Internal Audit (IA) and Risk Management (RM) 2012-13 2. CAFT Strategy 2012-13

Section 1: Joint Pro Active Fraud Plan with IA and RM

Proactive Anti-Fraud work - The level of proactive anti-fraud work will be dependent on how much reactive work is received by the CAFT. As a result not all areas may be reviewed in 2012-13. Any areas that are still relevant will be carried forward to 2013-14. The continuous anti fraud work / reviews element of this plan are incorporated within the work streams of the CAFT strategy.

Area of review	Description of Work	Status
Self Directed Support (Direct Payments)	Follow up previous anti-fraud recommendations in this area and work collaboratively to review anti fraud arrangements in relation to the new payment cards system. CAFT instructed PWC specialist anti-fraud / direct payment specialists to undertake this audit to ensure the arrangements for direct payments are fit for purpose, in relation to anti fraud measures. Report issued in 2011/12 and recommendations agreed.	In progress: Several meetings have taken place with the Service in order to ensure anti fraud arrangements are embedded with the implementation of pre-paid cards and new processes from previous recommendations. A full follow up review is planned for Q3/Q4
Purchase Cards	Pro-Active anti-fraud exercise to ensure that the Council's anti-fraud arrangements around purchase cards are fit for purpose.	In progress: Scoping has been agreed and initial background work has been conducted. Currently put on hold due to level of referrals and ongoing investigations.
Registration and Nationality Service	Pro-Active joint working with UK Border Agency (UKBA) embedded officer to prevent, deter and identify persons who are looking to exploit council's services illegally.	This is anticipated to begin in Q4 due to UKBA resources.
Council Tax and National Non Domestic Rates (NDR) and Electoral Registration	Pro-Active exercise and targeted anti fraud work in this area to ensure that the anti-fraud measures are fit for purpose and robustly complied with and that any exemptions and discounts given are valid and appropriate.	In progress: At the end Q2, we have investigated 177 Single Person Discounts (SPD): as a result of these investigations so far 46 SPD have been removed with savings / additional income identified as £31,861.93 and 71 investigations closed as discounts validated. 60 ongoing investigations

Section 2: CAFT Strategy 2012-13 demonstrates how the council is committed at the highest level to a zero tolerance approach to fraud, corruption, bribery and other irregularity including any Money Laundering activity. This strategy also incorporates the CAFT's response to the fraud risks and good practice detailed within the publications CIPFA's 'Managing the Risk of Fraud', the Audit Commission's 'Protecting the Public Purse', the Department for Communities and Local Government 'ten point plan for tackling fraud in the local authorities' and the National Fraud Authority 'Fighting Fraud Locally' document.

Objective	Work stream	Status
<p>To provide an efficient value for money anti fraud activity, that is able to effectively investigate all referrals that are passed to us to a high professional standard with the appropriate investigation/prosecution outcome.</p>	<p>Ensure that all investigation staff are fully qualified and that internal investigation procedures are effective and compliant with legislation</p>	<p>All investigation staff are fully qualified and there is an ongoing professional development training plan.</p> <p>Review of internal procedures is continuous in response to changing practice and legislative changes.</p>
	<p>Review and devise an updated Counter Fraud Framework in accordance with good practice and change agenda within the Council.</p>	<p>Plans to revise CFF once new guidance published by CIPFA – expected Q3/Q4 2012/13.</p>
	<p>Review and ensure that the team has sufficient resources to respond to demand: investigating all suspected frauds</p>	<p>Budget reviewed annually in accordance with Council business planning.</p>
	<p>Provide assurance reports to Statutory Officers and Annual and Interim reports to the Council Directors and the Audit Committee</p>	<p>Reporting schedules in place.</p>
<p>To effectively deal with the prevention, detection, deterrence and investigation (and prosecution where appropriate) of all Housing and Council Tax Benefit Fraud and Error, in partnership and in accordance with the Department of Work and Pensions (DWP) guidelines and Fraud and Error Strategy.</p>	<p>Ensure that the Benefit and compliance Investigation Teams staff are fully qualified and that internal investigation procedures are effective and compliant with legislation</p>	<p>All investigation staff are fully qualified and there is an ongoing professional development training plan.</p> <p>Review of internal procedures is continuous in response to changing practice and legislative changes.</p>
	<p>Set internal performance measures.</p>	<p>Performance measures set and monitored internally.</p> <p>As at the end of September 2012, we have achieved 39 (2011/12 mid year: 39) sanctions.</p> <p>We also have a further 250 open cases of Housing and Council Tax Benefit Fraud and Error, of which 178 are ongoing investigations, 38 are joint investigations with the DWP, 17 investigations are with the shared Legal Service for prosecution action and a further 17 with DWP's legal team for prosecution action.</p> <p>Benchmarking figures for London place Barnet's CAFT within the top quartile for overall sanctions per Investigation Officer</p>

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Objective	Work stream	Status
		and in top the quartile for overall number of sanctions, this is consistent with the team's performance over the past three years. This highlights that our working practices and procedures are effective and offering good value for money.
	Provide statistics on a quarterly basis to the DWP as required	All statistics provided on a timely basis to DWP.
	Effectively deal with all benefit related data matches that are received	<p>So far this year we have received 1703 housing benefit related data matches (2011/12 mid year: 1987).</p> <p>So far these matches have resulted in the team identifying approximately £721,846 worth of fraud and error in the benefits system, (2011/12 mid year: £1,101,900).</p> <p>This year the DWP have run the data matches on a more frequent basis so this has reduced the length of overpayments and they have also introduced new credit check matches which in most cases have not resulted in change of benefit.</p> <p>It is worth noting that the overpayment figures fluctuate throughout the year and is quite dependent on the type of matches received from the DWP. It is therefore not an indication at this point that there has been less fraud and error identified in the system.</p>
	Ensure that we keep updated and respond appropriately to the planned changes in respect of the DWP single fraud investigation service and implementation of universal credit.	The Benefit Fraud Manager is nominated lead officer. Changes due to universal credit have so far had minimal impact to current investigation process. Further changes expected in 2013.
To encourage all Council Services and the LATC to acknowledge fraud risks, and for CAFT to provide anti fraud control recommendations, as well as continuous anti fraud reviews, audits and compliance work in relation to identified high risk areas in order to prevent fraud.	Develop and deliver a Joint Risk Based Annual Plan between CAFT, Internal Audit and Risk Management	The Joint Plan is approved, in place and on target – detail on the CAFT pro-active exercises are included in section 1 of this report. There is continuous ongoing input and liaison with Internal Audit on fraud cases and vice versa on internal audits where necessary.
	Continue to build on the work of the Fraud and Risk Forums– provide guidance and challenge and ensure that fraud risks are considered and identified on service risk registers / JCAD.	Ongoing. These Forums take place quarterly and have been effective in increasing the awareness of fraud risks across the Council.

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	<p>Collaborative working with partners and the LATC and partners to ensure that anti fraud controls are appropriate and fit for purpose on all aspects of fraud risk.</p>	<p>We have developed a good working relationship with the LATC - Barnet Group (BG). Liaison meetings and process in place for CAFT and Internal Audit to have sight of Barnet Group audit committee reports and papers for discussion with senior officers. CAFT have worked with BG on a number of fraud issues and have received a number of fraud referrals from them.</p>
	<p>Continue to provide Fraud Awareness training via the e-learning package</p>	<p>Ongoing. This has been a successful training package reflected in the increased amount of contact with the team and advice and assistance CAFT are providing to staff across all services. There are plans to redesign and re-launch in 2013 in accordance with new Council structure and Assurance Group.</p>
<p>Deter Fraudsters from committing fraud within or against the Council.</p>	<p>Have an aggressive publicity campaign in relation to all prosecutions</p>	<p>Ongoing. We have had a "First Team" article on work of team published, had various press releases issued and investigations covered in the local press.</p>
	<p>Ensure that Fraud Awareness training via the e-learning package is kept updated and relevant with examples of CAFT investigations</p>	<p>Ongoing. This has been a successful training package reflected in the increased amount of contact with the team and advice and assistance CAFT are providing to staff across all services/organisations. There are plans to redesign and re-launch in 2013 in accordance with new Council structure and Assurance Group.</p>
	<p>Having a communications plan in relation to raising awareness of the work of the team and the Council's counter fraud framework</p>	<p>Ongoing. We have had a "First Team" article on work of team published, had various press releases issued and investigations covered in the local press.</p>
	<p>Launching and publicising an online fraud reporting form and new web page</p>	<p>Completed. New webpage on fraud investigation along with online reporting form launched with new website in April 2012.</p>
	<p>Publicising the Council's Whistle blowing policy</p>	<p>This will now be revised along with Counter Fraud Framework once CIPFA new guidance published which is expected Q3/Q4 2012/13. Once this is completed then will be publicised and communicated as part of the new Assurance Group.</p>

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<p>Pursue fraudsters and seek redress.</p>	<p>Seek appropriate penalties for fraudsters and recover any losses and obtain compensation by utilising our in house financial investigation Officers</p>	<p>So far this year we have received 75 new internal referrals (2011/12: mid year 46). Referrals into CAFT range from fraud referrals to requests for advice and assistance (such as disciplinary matters and control issues) hotline and whistle blowing referrals and joint working UKBA operational referrals. Initial investigation work takes place on all referrals before a decision is made whether to initiate a criminal investigation or pass to a relevant service / body where our advice, assistance and support is given to resolve matters.</p> <p>Of the 75 new referrals (plus 25 carried fwd from 2011/12) 41 are still open as ongoing investigations, 8 have been closed as fraud proven, 11 closed as insufficient evidence to continue with investigation, 19 closed as no fraud was found, 16 were advice, assistance and support given to other services, 5 referred to other services / organisations to investigate.</p> <p>Within the 41 ongoing investigations there are 17 financial investigations with a number of confiscation proceedings scheduled for hearing or payment in 2012/13 – if confiscation orders are awarded this would generate income for the Council and help recoup some of the costs incurred on investigation/prosecution.</p>
	<p>Liaise with relevant Services to raise awareness in relation to Proceeds of Crime legislation / investigation</p>	<p>Ongoing. Good liaison in place with other departments which has resulted in a number of referrals.</p>
	<p>Ensure consideration is given to financial investigation in all CAFT investigations in order to maximise recovery of losses and income for the Council.</p>	<p>Complete. Process in place to ensure this happens.</p>
	<p>Ensure that financial investigation staff meet the requirements of their continuous professional development and their accreditation</p>	<p>All relevant staff are fully accredited and continue to meet the requirements of the NPIA. This is monitored internally by Head of CAFT in role as NPIA Senior Authorising Officer.</p>
<p>Apply appropriate sanctions– we will take action against any one who commits fraud whether they are members of staff or members of the</p>	<p>Ensure that the Council's approved Counter Fraud and Anti-Money Laundering Frameworks are reviewed and updated in response to the changing environment of the council and good practice</p>	<p>Planned for Q3/Q4 2012/13.</p>

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public.	Ensure that all investigations are carried out in compliance with our policies and appropriate legislation, consistently applying our “Zero Tolerance” approach	<p>Procedure in place to ensure that this is reviewed by CAFT management on the conclusion of each investigation before case closure.</p> <p>There have been no requests or authorisations under the Regulation of Investigatory Powers Act during the period April 2012 – September 2012.</p>
	Communicate updates / new polices to all staff	Completed as part of staff one to ones and team meetings and posted on the intranet for all staff to observe council-wide.
	Ensure that there is a system in place to review compliance checking against policies	The framework is in place and managers are responsible for ensuring compliance with all council policies. CAFT and Internal Audit review cases where appropriate where internal controls are lacking, providing recommendations for improvement.
Strengthen existing partnerships – develop new partnerships.	Build on existing UKBA Partnership where UKBA have an embedded officer within the CAFT office ensuring that only those eligible (i) to work and/or reside in the UK (ii) receive services and benefits from the Council, do so	<p>UKBA partnership ongoing and effective.</p> <p>CAFT have pro-active joint operation with UKBA: Operation Sun: we are currently vetting over 3,019 employees to ensure they have the right to work in the UK. 10% check conducted so far. As a result of this 4 employees have now been dismissed as they had no right to work.</p> <p>CAFT also worked closely with HR in relation to a new recruitment and selection policy including enhanced vetting and revising the code of conduct to ensure implications of the Bribery Act are built into procedures.</p>
	Further strengthen the existing partnerships and liaison with Police within Barnet alongside continued working with our local “crime payback unit” ensuring that criminals we are investigating within the borough do not profit from the proceeds of crime.	Ongoing. Excellent liaison, support and working relationships with local police and crime payback unit.
	Continue to work in partnership with the DWP in relation to Housing and Council Tax Benefit Fraud and Error.	Ongoing. Effective liaison and joint working process with DWP fraud team. This is demonstrated by the overall benefit sanction figures of which 38 are joint investigations. Of these, 17 are with DWP’s legal team being considered for Joint Prosecution.

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	<p>The London Fraud Hub – build on collaborative working with other local-authorities in West London to use data analytics to track cross boundary fraud.</p>	<p>All data sets have been submitted, awaiting outcome of legal process on data protection issues. West London fraud managers group has had several partnership meetings – awaiting first set of matches – due Q3/Q4.</p>
	<p>Develop arrangements with new partners in accordance with the Council's strategic objectives</p>	<p>In progress: We have developed a good working relationship with the LATC - Barnet Group (BG). Liaison meetings and process in place for CAFT and Internal Audit to have sight of audit committee reports and papers. CAFT have worked with BG on a number of fraud issues and have received a number of fraud referrals from them.</p>