

Internal Audit and Anti-Fraud Strategy and Annual plan 2024-2025

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Introduction - April 2024

By year end in 2023/24, we were able to confirm that we have delivered 94% of the planned work programme, against the target of 95% by 31st March.

The plan for 2024/25 incorporates:

- Completion of ongoing work on the 2023/24 audit plan (estimated at 55 audit days)
- Follow-up of previous audit actions (100 days)
- Contingency (180 days)
- 2024/25 planned audits (estimated remaining available allocation of 465 audit days)

The number of audit days available in total (800) has reduced compared to the prior year (1000 days) due to two factors:

- Internal Audit service MTFs saving via the deletion of one vacant Audit Executive post
- Reduction in Council services delivered by Capita. Audits of Capita services are funded by them, which previously meant that more audit days were available overall.

Via the London Audit Group (LAG), a benchmarking exercise was undertaken over London Borough internal audit provision. This confirmed that Barnet's number of audit days remains above average, despite this decrease.

As in previous years, we have included contingency days in the plan to enable us to be responsive to changes in risks throughout the period, offering responsive advice and support to other services when they need it.

In particular in 2024/25, we will need to have a flexible approach to how we provide independent assurance over the Council's challenging MTFs position. We will also continue to respond to the outcome of the decision to end the Capita contracts and changes to how Council services are delivered.

In line with the Council's Corporate Plan 2023-2026, '**Caring for people, our places and the planet**', our reviews will consider whether council services are easily accessible to all and that every time residents contact the council they have a good experience. This will be a theme underpinning the plan and will be picked up as a scope area in appropriate audits throughout the year.

In line with the requirements of the Public Sector Internal Audit Standards (PSIAS), I confirm that in my view I have sufficient resources available to deliver an appropriate risk-based Internal Audit plan to inform the Head of Internal Audit Annual Opinion.

Caroline Glitre

Head of Internal Audit

April 2024

Completion of 2023/24 plan

Directorate	Status at end of Q4 2023/24	Audit Title	Joint with CAFT?	Est. days to completion*
Completion of all audits that were underway as at the end of Q4 of 2023/24.				
*Audits marked with an asterisk are being delivered by our co-sourced partners. In those cases the substantive audit days are covered by the 2023/24 budget and therefore only the LBB internal review days are included as part of the carry forward calculation				
Communities, Adults & Health	Draft Report	Direct Payments 18-25	Y	2
Assurance & Public Protection	Fieldwork	Community Safety		5
Children & Families	Fieldwork	Children's Direct Payments	Y	4
Customer & Place	Draft Report	Parking Contract Monitoring		2
Customer & Place	Planning	Private Sector Landlords - Licensing of HMOs		15
Customer & Place	Planning	Community Infrastructure Levy (CIL) & S106 income	Y	10
Customer & Place	Fieldwork	Temporary Accommodation*		1
Customer & Place	Draft Report	Procurement Reform Readiness*		1
Customer & Place	Draft Report	Salix - PSDS3 Lessons Learnt memo		1
Strategy & Resources	Fieldwork	Purchase Card Policy Compliance	Y	3
Strategy & Resources	Fieldwork	Housing Benefits	Y	3
Strategy & Resources	Draft Report	Treasury Management*		1

Completion of 2023/24 plan cont.

Directorate	Status at end of Q4 2023/24	Audit Title	Joint with CAFT?	Est. days to completion*
Completion of all audits that were underway as at the end of Q4 of 2023/24. *Audits marked with an asterisk are being delivered by our co-sourced partners. In those cases the substantive audit days are covered by the 2023/24 budget and therefore only the LBB internal review days are included as part of the carry forward calculation				
Cross Cutting	Draft Report	Mandatory Training		1
Cross Cutting	Draft Report	Risk Management*		1
Cross Cutting	Draft Report	Transformation Programme - review of sample of projects / workstreams*		1
Cross Cutting	Planning	Capital Programme - business case / benefits*		1
Cross Cutting	Fieldwork	Grant Funding Audit		3
TOTAL				55

2024/25 plan

Directorate	Provisional Audit Title	Risk Register reference if applicable*	Joint with CAFT?	Provisional timing	Provisional audit days
Communities, Adults & Health	Key financial risks: <ul style="list-style-type: none"> Client Affairs Direct Payments 	AD012 – Adults Fraud	Y	Q3 and Q4	20
Communities, Adults & Health	Changing Places (Toilets) Grant	<i>N/A – required grant review</i>		Q2	5
Communities, Adults & Health	Disabled Facilities Grant	<i>N/A – required grant review</i>		Q3	5
Assurance & Public Protection	Business Continuity Follow-Up	ASS021 – Council services disruption		Q2	15
Assurance & Public Protection	Consumer & Public Protection	ASS015 - Not using all enforcement powers ASS025 - Food or water borne disease outbreaks ASS026 - Statutory duties not fully completed by Barnet Enforcement Teams		Q4	15
Children & Families	Supporting Families - processes and quarterly Payment By Results review	STR006 – Strengthening Children’s safeguarding		Q1234	15
Children & Families	Secure Accommodation Project			Q2	15
Children & Families	Schools Audits	<i>N/A – required as per Scheme for Financing Schools</i>		Q1234	100

*Risk registers were reviewed as part of the process for pulling the Internal Audit plan together. In some cases, this is the rationale for why an audit is included in the plan. In other cases, it may be because the audit is of something that has not recently been included on the audit plan or there is a central government requirement to undertake the work.

2024/25 plan cont.

Directorate	Provisional Audit Title	Risk Register reference if applicable*	Joint with CAFT?	Provisional timing	Provisional audit days
Customer & Place	Sustainability Strategy Implementation	STR008 – Environmental sustainability STR031 – Cost of Net Zero C&P006 – Achieving net zero in new development		Q1	15
Customer & Place	Procurement: Follow-Up of Preparedness for Procurement Reform			Q3	15
Customer & Place	Bus Subsidy Grant	<i>N/A – required grant review</i>		Q2	2
Customer & Place	Electric Vehicles grant (Phase 2)	STR008 – Environmental sustainability		Q2	5
Customer & Place	Food Waste Collections grant	<i>N/A – required grant review</i>		Q4	5
Strategy & Resources	Oracle: Delivery of Outcomes	STR030 – Oracle implementation	Y	Q2-4	20
Strategy & Resources	Key Financial Systems: Accounts Payable	STR030 – Oracle implementation	Y	Q3	20
Strategy & Resources	Key Financial Systems: Accounts Receivable	STR030 – Oracle implementation	Y	Q3	20
Strategy & Resources	Council Tax	CSG011 – Revs & Bens Skills and business continuity CSG015 - Council Tax income sustainability	Y	Q2	15
Strategy & Resources	Pension Deductions	RCS014 - Poor administration of the pension fund		Q1	15
Strategy & Resources	Loans	RCS003 - Portfolio exposure RCS005 - Non-recovery of the Saracens loan		Q1	20

2024/25 plan cont.

Directorate	Provisional Audit Title	Risk Register reference if applicable*	Joint with CAFT?	Provisional timing	Provisional audit days
Cross-Cutting	MTFS - Review of a sample of savings proposals (service-specific)	STR017 - Revenue overspend AD001 - Increased overspend to meet statutory duties AD002 – MTFS savings delivery ES033 - Strain on SEN transport		Q2	20
Cross-Cutting	MTFS - cross-cutting savings proposals	As above		Q1	20
Cross-Cutting	MTFS - Review of in-year position / overspends	As above		Q3	20
Cross-Cutting	Equality, Diversity & Inclusion (EDI): Fairer Barnet	RCS016 - Compliance with Equality Duty		Q3	15
Cross-Cutting	IT service: Programme Governance of move away from Capita	STR013 - Cyber security - business continuity, staff training and governance		Q3	20
Cross-Cutting	Transitions			Q2	15
Cross-Cutting	Homes for Ukraine	RCS018 – Resettlement schemes RCS019 - Funding asylum seeker outreach support	Y	Q1	15

*Risk registers were reviewed as part of the process for pulling the Internal Audit plan together. In some cases, this is the rationale for why an audit is included in the plan. In other cases, it may be because the audit is of something that has not recently been included on the audit plan or there is a central government requirement to undertake the work.

2024/25 plan cont.

	Provisional audit days
Follow-Ups of previous audit actions	100
Contingency	180
Total Days Completion of 2023/24 plan	55
Total Days 2024/25 plan	465
TOTAL	800

Comparison to Strategic and High Level (15+) service risks

Risk Ref	Directorate	Short Description	Residual Risk Rating Q3	Internal Audit coverage
AD001	Adults	Increased overspend to meet statutory duties	20	MTFS audits
AD017	Adults	Shortage of community equipment	16	<i>Not included in plan due to complexities in delivery. 21 councils involved in a consortium contract</i>
AD027	Adults	Triage and allocation	16	<i>Not currently included on plan but potential to use contingency days e.g. for an audit of DOLs</i>
ASS018	Assurance	Audit actions not implemented	16	Internal Audit follow-ups undertaken and reported on every quarter
ES025	Children's	School budget pressures (quality of education)	16	DSG advisory review undertaken in 23/24. Ongoing attendance of Internal Audit at Schools Facing Financial Difficulty Panel
ES033	Children's	Strain on SEN transport	16	MTFS audits
STR008	Customer & Place	Environmental sustainability	16	Sustainability Strategy Implementation audit
C&P086	Customer & Place	Unsafe/ unhealthy living accommodation in private rented sector	16	Private Sector Landlords - Licensing of HMOs audit being completed from 2023/24 audit plan
TBG001	Customer & Place	Increased demand for temporary accommodation	16	Temporary Accommodation audit being completed in Q4 of 2023/24

Comparison to Strategic and High Level (15+) service risks

Risk Ref	Directorate	Short Description	Residual Risk Rating Q3	Internal Audit coverage
STR028	Customer & Place	Affordability of Capital Programme	20	Capital Programme - business case / benefits audit being completed in Q4 of 2023/24
C&P038	Customer & Place	Variations to budget for parking	16	Parking Contract Monitoring audit being completed in Q4 of 2023/24 and Parking PCN Cancellations audit completed in 21/22
TBG001	Customer & Place	Increased demand for temporary accommodation	16	Temporary Accommodation audit being completed in Q4 of 2023/24
TBG002	Customer & Place	Health, safety and compliance issues	15	<i>Covered by The Barnet Group's separate Internal Audit plan</i>
CSG003	Customer & Place	Cyber security - technical infrastructure	15	Audit of IT service: Programme Governance of move away from Capita. Continued follow-up of Cyber Security – Third Party Security audit actions.
STR013	Customer & Place	Cyber security - business continuity, staff training and governance	15	Audit of IT service: Programme Governance of move away from Capita. Continued follow-up of Cyber Security – Third Party Security audit actions.
C&P002	Customer & Place	Affordability of BXC (Brent Cross West and associated Critical Infrastructure project)	15	<i>2023/24 audit completed of Compliance with Grant Conditions. Not currently included on 2024/25 plan but potential to use contingency days</i>
STR017	Strategy & Resources	Revenue overspend	20	MTFS audits

2024/25 Joint Internal Audit & CAFT reviews - summary

The Internal Audit and CAFT teams have a close working relationship. When audits are undertaken that cover financial risks, CAFT are consulted on the scoping of the reviews to ensure that testing is targeted to provide assurance that the risk of fraud is being mitigated. When fraud referrals are received by CAFT, when appropriate the details of the fraud are shared with Internal Audit so that the design and operating effectiveness of controls in that area can be tested and improvements made where required. As new fraud types emerge in the wider public sector landscape, these are discussed and work is undertaken to provide assurance that those risks are being managed by the Council.

Directorate	Provisional Audit Title	Risk Register reference if applicable*	Joint with CAFT?	Provisional timing	Provisional audit days
Communities, Adults & Health	Key financial risks: <ul style="list-style-type: none"> Client Affairs Direct Payments 	AD012 – Adults Fraud	Y	Q2 and Q4	20
Strategy & Resources	Oracle: Delivery of Outcomes	STR030 – Oracle implementation	Y	Q2-4	20
Strategy & Resources	Key Financial Systems: Accounts Payable	STR030 – Oracle implementation	Y	Q3	20
Strategy & Resources	Key Financial Systems: Accounts Receivable	STR030 – Oracle implementation	Y	Q3	20
Strategy & Resources	Council Tax	CSG011 – Revs & Bens Skills and business continuity CSG015 - Council Tax income sustainability	Y	Q2	15
Cross-Cutting	Homes for Ukraine	RCS018 – Resettlement schemes RCS019 - Funding asylum seeker outreach support	Y	Q1	15

Anti-Fraud Strategy and Approach

Fraud remains the most common crime in England and Wales. It costs the UK hundreds of billions each year and generates countless amounts of misery for its victims. Our annual anti-fraud strategy remains aligned with the strategic approach as outlined in 'Fighting Fraud and Corruption Locally' ([Fighting Fraud and Corruption locally strategy](#)) and provides a blueprint for a tougher response to public sector tackle fraud.

The principles of our strategy remain the same as previous years including the six themes as detailed within the updated 2020 FFL (**Culture, Capability, Capacity, Competence, Communication and Collaboration**).

We have 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 London Borough of Barnet and 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 London Borough of Barnet, whether it be internally or externally.

We consider that all of the above fall into 5 key areas and each of these is vital in the delivery of a holistic anti-fraud strategy and an effective service delivery. These keys areas are **Govern, Acknowledge, Prevent, Pursue and Protect** and are expanded on in the next page.

Anti-Fraud Strategy and Approach cont...

Govern	Acknowledge	Prevent	Pursue	Protect
<p>Having a zero tolerance culture throughout the Council</p>	<p>Acknowledging and understanding fraud risks</p>	<p>Preventing and detecting fraud to protect the Council's resources</p>	<p>Being stronger in punishing fraud and recovering losses</p>	<p>Protecting the Council and its residents</p>
<p>↓</p> <ul style="list-style-type: none"> Having robust arrangements and Executive Support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation 	<p>↓</p> <ul style="list-style-type: none"> Assessing and understanding fraud risks Committing support and resource to tackling fraud and corruption Demonstrating a robust anti-fraud response Communicating the risk to those involved with Governance 	<p>↓</p> <ul style="list-style-type: none"> Making the best use of information and technology Enhancing fraud controls Developing a more effective anti-fraud culture Communicating CAFT activity and its successes 	<p>↓</p> <ul style="list-style-type: none"> Prioritising fraud recovery and the use of civil sanctions Developing capability and capacity to punish offenders Collaborating across geographical and sectoral boundaries Learning lessons and closing the gaps Conduct a borough wide key amnesty to raise awareness of offences, to seek referrals and to recover social housing in the wrong hands 	<p>↓</p> <ul style="list-style-type: none"> Recognising the harm that fraud can cause in the community protecting public funds, protecting the council from fraud and cyber-crime and also protecting the council from future frauds Working in partnership with National Fraud Intelligence Bureau to communicate up to date Fraud risks and themes

Anti-Fraud Communications Strategy

This year we continue to build upon our communications strategy 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'.

Our communications strategy 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.

Assessing 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 risk awareness** sessions aim to increase fraud understanding between staff and their ability to detect fraud. In addition, it is important to emphasise their responsibility as council employees/partner employees regarding reporting fraud and abide with the new fraud policies. This will also include relaunching and a phased delivery of e-learning campaign.

- The **external campaign** will be targeted to residents across the council and will aim to increase awareness around fraud and the different ways they can report any concerns. Specific themes of communication around fraud risks will be promoted throughout the year.

Preventing and detecting fraud – A close relationship is being established between CAFT and the National Fraud Intelligence Bureau to enable key word searching to identify fraud offences targeting the public purse in Barnet that have been reported to Action Fraud but not disseminated to LBB. This will also enable the raising of awareness to the residents and businesses in Barnet through external communication. More efficient use of the NFI Hub will identify fraud related offending without waiting for the NFI every second year.

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 our ability and 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 will devise a detailed targeted delivery plan for the year.

CAFT work streams

Description of work

Corporate Fraud

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. This covers staff fraud investigations (including where appropriate working closely with HR to support disciplinary offences) and also external fraud attacks on council services and finances. We continue to offer advice and assistance to colleagues and other services, on particular issues and/or fraud awareness and deliver fraud awareness training to service areas across the council, especially in higher risk areas.

Internal Audit and CAFT are committed to the managed audit approach, which is demonstrated through the number of joint Audit and Fraud reviews listed throughout the workplan. Additionally, any suspected or significant controls weaknesses or fraud risks that are identified throughout the year (and/or as a result of a fraud investigation) are added to the plan as a joint review.

Tenancy Fraud

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. Further to that, CAFT will aim to recover all available costs and losses suffered by the council due to tenancy fraud. This includes funds recovered via Proceeds of Crime with a view to replenishing the HRA with these funds

We will deliver intelligence led pro-active anti-fraud drives as well as work to support Barnet Homes exercises throughout the year. with the aim to tackle tenancy fraud issues in our borough, this will include a key amnesty and data matching exercises with Barnet Homes

CAFT will plan and conduct a key amnesty to encourage the return of properties that may no longer be required or are being left empty or rented out to tackle the increasing pressures of homelessness in the Borough and highlight and raise awareness of the criminal offences related social housing.

Concessionary Travel Fraud

To investigate all suspected frauds relating to Concessionary Travel including, Blue Badge misuse, Freedom pass fraud, Resident Parking and all frauds relating to applications for these concessions which are committed against the Council and effectively pursue the fraudsters.

We will deliver intelligence led joint (with the Met Police and NSL parking) street operations as well as other on-going intelligence led pro-active work to tackle Blue Badge Misuse / Fraud in our Borough. These will be spread across the year to identify trends in these fraud types and enable successful intelligence pictures to be developed.

CAFT work streams continued

Description of review

Financial Investigations

To initiate Financial investigations under the Proceeds of Crime Act in relation to all frauds (where appropriate) to ensure that any persons subject to a criminal investigation by Barnet do not profit from their criminal action. We will also continue to provide this service to other local authorities on a commercial basis.

Cabinet Office - National Fraud Initiative (NFI)

The NFI is a national public sector data matching exercise which requires the upload of council data on a two-year cycle. Data uploads will take place in October 2024 with matches being released for investigation in February 2025.

CAFT will co-ordinate this exercise for the Council and investigate related referrals. Data sets include areas such as Disabled Blue Badge, Parking Permits, Procurement data, Pensions and Payroll as well as data from Barnet Homes.

Access and training has been secured to the NFI Fraud Hub to enable regular data matching across numerous fields to identify fraud without waiting for the biannual NFI. CAFT will work with other councils who are members of the Fraud Hub to identify new trends and develop preventative measures and pro-active exercises through the Fraud Hub on at least a quarterly basis identifying fraud and error.

Disabled Blue Badge Appeals

CAFT will continue to review all parking appeals that have been made with the inclusion of a blue badge on a weekly basis, with the view to identifying fraudulent appeals where blue misuse has occurred or a badge with an invalid status has been used in support of a representation to cancel a Penalty Charge Notice.

CAFT work streams continued

Description of review

Internal data matching and use of analytics

To initiate internal data matching in order to develop more data led pro-active investigations and allow CAFT to have a greater ability to investigate and adopt a preventative measures approach to a number of council services. To make use of already or intended procured data software across the organisation to gain an insight into trends and potential high risk areas including making use of expertise within our Insight and Intelligence team.

Fraud Awareness Training

CAFT will provide a council wide, service bespoke, fraud awareness training package which allows both the ability to add to the council's zero tolerance culture and also raises the profile of the department across the organisation allowing for a more effective and wide ranging variety of investigations to be undertaken. Over the last year the spread of fraud across different council services has increased, more services are highlighting possible fraud than they did previously. The training will build on this awareness.

CAFT will work with service areas to identify fraud risk and then develop training to enable staff to highlight potential fraud and bribery & corruption at an early stage. Each service area will receive a number of training sessions at different times throughout the year to ensure that there are opportunities for all staff to attend.

The training will use real-life case studies of fraud within Barnet and other local authorities to show how fraud can occur and how to find red flags using an ethos of 'Spot It, Report It, Stop It'.

This coming year CAFT will aim to raise awareness in schools and provide bespoke training sessions around the fraud risks identified and ensure the reporting lines to report fraud, corruption and whistleblowing are included in the weekly 'schools circular'.

Background - General

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 2023-2026, '**Caring for people, our places and the planet**', identifies three pillars:

- **People** (Tackling inequalities; Reducing poverty; Family Friendly; Living well)
- **Places** (Safe, attractive neighbourhoods and town centres; Quality, affordable homes; Borough of Fun)
- **Planet** (Journey to Net Zero; Enhancing the local environment; Enhancing green spaces)

Underpinned by a foundation of an:

- **Engaged and Effective Council** (Community participation; Neighbourhood working; Improving access to services; A great place to work; Working in partnership; Financially responsible)

These priorities and considerations will be supported by each audit and all CAFT work, as applicable.

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; &
- 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.

Background - Internal Audit

Internal Audit

Internal Audit provide independent and objective assurance to the Council, its Members, the Council Management Team (including the S151 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 two external providers, currently PwC and 180 Advisory.

Barnet is the lead borough on the Cross Council Assurance Service (CCAS), having run the procurement exercise to award the CCAS Framework contract from 1st April 2020 for the provision of internal audit, risk management, anti-fraud and advisory services. We work closely with numerous other London Boroughs (including Barking & Dagenham, Enfield, Greenwich, Hammersmith & Fulham, Royal Borough of Kensington & Chelsea, Lambeth, Waltham Forest and Westminster), as well as other authorities nationally.

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 and public sector bodies nationally, sharing expertise, knowledge and working practices to further enhance the efficiency and effectiveness of the service;
- develop an Internal Audit Pathway, recruiting new apprentices into our teams and providing training and career development support for our current team members;
- develop a platform 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;
- develop our Data Analysis skills; and
- provide income to Barnet via a 1% contract management fee.

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

Background – CAFT

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 Finance Officer **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.

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. Throughout the past 12 months the Council has had to adapt the way that its employees work and this present an opportunity to strengthen the anti fraud culture, and we aim to progress this with anti fraud awareness and communications campaigns, including the relaunch of our e-learning programme as well as bespoke face to face fraud risk workshops, in addition we will continue to work jointly with relevant services including internal audit on improving internal controls.

We remain committed to closer collaboration with Internal Audit as demonstrated through this plan, including conducting joint reviews, through intelligence and utilising data from the National Fraud Initiative exercise, to ensure that we have a risk based approach to inform audit reviews and targeted sampling.

Work processes are designed for compliance with legislation and best practice as well as maximum efficiency.

The team is structured so as to support the following work streams:- **Corporate Fraud** (which includes Staff Fraud as well attacks on the public purse from external sources), **Concessionary Travel Fraud** (which includes Application fraud, Blue Badge Fraud and Misuse as well as Freedom Pass Fraud Investigations), **Tenancy Fraud** (which includes Housing Needs, Subletting, Right to Buy and Succession fraud) and **Financial Investigations** in accordance with the **Proceeds of Crime Act**. 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.

We believe that 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 also 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 or asset recovery are taken. It is this element of the work of CAFT that is hard to quantify statistically.

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 At least 95% of audit plan to be delivered by 31 st March and 100% to be finalised by 30 th April to be included in the Head of Internal Audit Annual Opinion	Based on 95% complete of those due in quarter	Quarterly
Verification that Critical, High and Medium Risks have been mitigated by management at the time of follow up	90%	Quarterly
% of reports year to date achieving: <ul style="list-style-type: none"> • Substantial • Reasonable • Limited • No Assurance 	N/A	Quarterly
Average customer satisfaction score for year to meet or exceed acceptable level for at least 85% of completed surveys	85%	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 Governance, Audit, Risk Management and Standards Committee on a half yearly basis as well as details of outcomes on noteworthy concluded investigations, outcomes of pro-active exercises and joint audit /CAFT reviews.

Corporate Investigation Team	Concessionary Travel Fraud Team	Tenancy Fraud Team
Number of Fraud investigations (opened and closed) including summary breakdown of service area and Fraud type.	Number of Disabled Blue Badge Fraud investigations (opened and closed) including summary breakdown fraud type	Number of Tenancy Fraud investigations (opened and closed) including summary breakdown by fraud type
Number of Prosecutions or other Sanction for each category.	Number of Prosecutions or other Sanction for each category including the amount of costs recovered	Number of Prosecutions or other Sanction for each category
Number of Dismissals / staff no longer employed as a result of CAFT intervention.	Number of Blue Badges seized as a result of misuse, lost, stolen, forged, counterfeits being identified	Number of Properties recovered as well as the Number of Right to Buy and Housing applications denied as a result of CAFT intervention.
Financial Investigations Team		
Number of Financial investigations (under Proceeds of Crime Act) opened and closed including summary breakdown of service area as well as the amounts recovered.		
Other information reported as per Policy requirements		
Whistleblowing referrals - number received (and a summary detailed on closed cases where appropriate).	Number of Surveillance requests / authorisations in accordance with the Regulation of Investigatory Powers Act (RIPA) 2000 (and summary detailed provided on concluded investigations if proven).	