



**Lincolnshire County Council
Draft Counter Fraud Work Plan
2013/14**

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Introduction

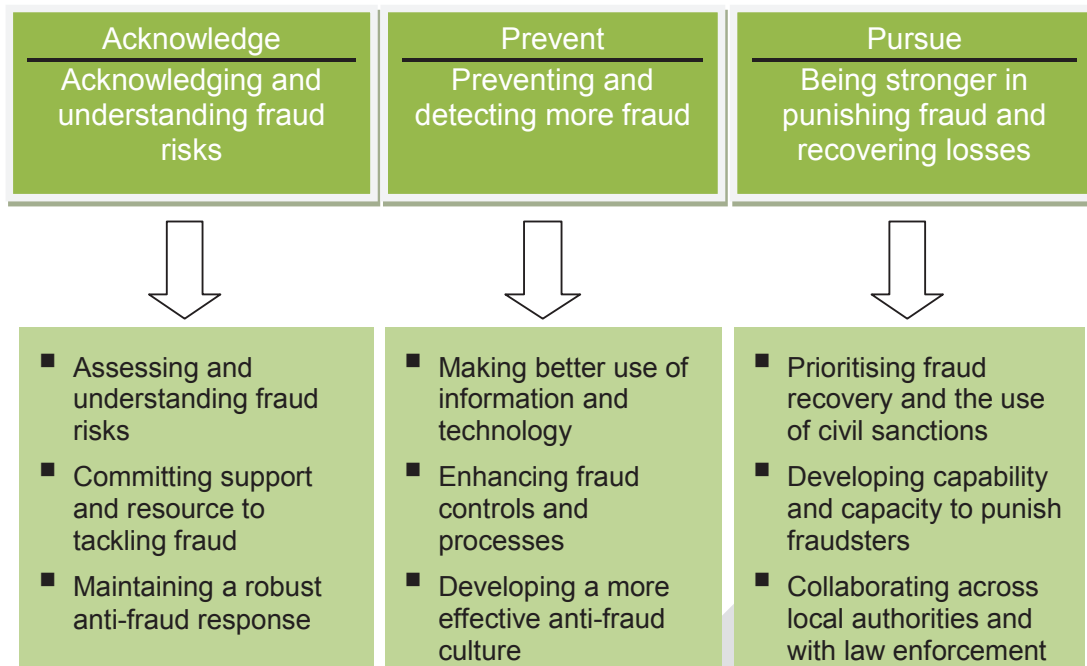
1. This report sets out the proposed work of the Council's Counter Fraud and Investigations Team 2013/14. The plan has been developed using information from:
 - the Council's Assurance Map
 - known national and local fraud risk areas
 - recommendations from the National Fraud Authority's "Fighting Fraud Locally 2012"
 - recommendations from Protecting the Public Purse 2012
2. The Counter Fraud and Investigation team provides an independent investigation service into suspected fraud, whistleblowing disclosures, stage 3 complaints and complex disciplinary matters. The team also carries out proactive work designed to identify fraud and error, raise awareness and improve fraud the Council's prevention and detection measures in high risk areas.

How we choose what to look at

3. Our 2013/14 work plan is informed by the following:
 - Due diligence activities – compliance and emerging risk issues identified and noted in this area of the Council's assurance map providing indicators to target future probity work
 - National fraud risks highlighted by the National Fraud Authority and the Audit Commission's annual "Protecting the Public Purse" publication 2012
 - Regional and local fraud risk areas identified through the Midland Counties Fraud Sub Group, together with local fraud intelligence and past risk assessments
 - Prevention and detection best practice recommended in the National Fraud Authority's "Fighting Fraud Locally" guidance and the Audit Commission's "Protecting the Public Purse".
4. The National Fraud Authority's (NFA) model is something we have been working to for a number of years as our Work Plan has been developed around the six strands:

Culture – Prevention – Detection – Investigation – Sanctions – Redress

The NFA's strategy requires local government to protect itself from fraud and corruption and provides an approach designed to encourage more collaboration to tackle the fraud threat – their focus is on three areas:

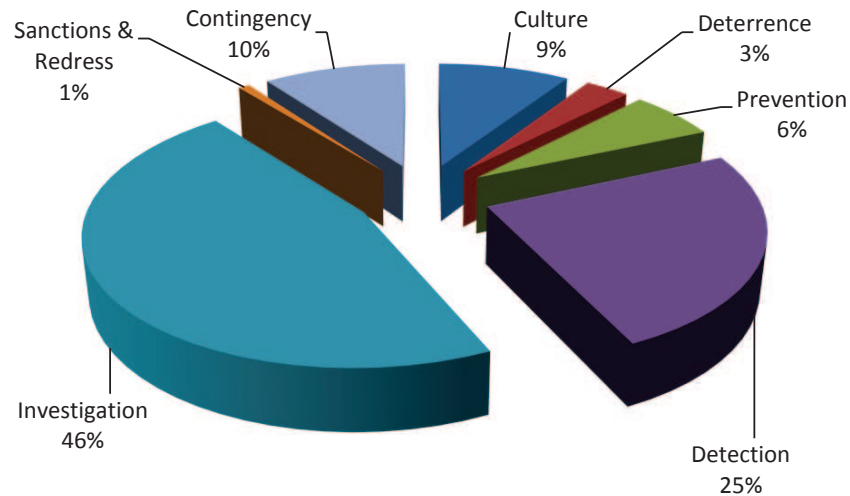


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5. The Council has a good understanding of its fraud risks and has maintained a robust response to tackling fraud since it created its dedicated Counter Fraud and Investigation team. The Council's fraud risk profile will be updated in the first quarter of 2013/14 with the results of the fraud risk assessment for each directorate.
6. The 2013/14 Work Plan will build on the data analytics development work completed in 2012/13 and apply the capability in more key areas of authority business e.g. payroll, expenses and procurement. This will improve the focus our proactive resource and complement the team's due diligence audit work throughout the year.
7. The Council already has strong anti-fraud policies – the level of investigation work is just one indicator of awareness levels within the Council. Referrals to the team have, over the years, originated from management, staff and whistle-blowers which provides some assurance around the effectiveness of reporting mechanisms. Whilst the activities of the team are reported routinely throughout the year the Council has not in recent years run a campaign dedicated to raising fraud awareness. The best fraud fighters are the staff and clients of the Council - we will allocate resources to re-launch and rejuvenate our fraud awareness activities throughout the year.
8. The Council has effective measures to recover identified losses due to fraud and error and will continue to focus on these areas. During 2013/14 the team will explore the scope to improve collaboration with other local authorities and law enforcement to improve, where possible, our ability to prosecute fraudsters.

9. Figure 1 shows the type of counter fraud activity planned for 2013/14 with the detailed work listed in Appendix A. Investigative work will proceed as required but a schedule of proactive work will be developed once the plan has been approved.

Figure 1 – Analysis of Counter Fraud Activities



Our Performance

10. Our effectiveness and performance is monitored through the Section 151 Officer and the Audit Committee.
11. The conflict between our planned proactive work and the investigation demand will remain – we do our best to balance this within our Work Plan and manage it throughout the year.
12. Over the year we will also access any national benchmarking data on counter fraud activity and use this, where possible, to assess the effectiveness of the Council's existing arrangements.

Appendix A – Draft Counter Fraud Work Plan 2013/14

Area	Indicative Scope	Planned Days
Culture		
Engagement and training	Briefings sessions / training for members, management, staff, key partners	
Website maintenance	Updates / warnings of emerging fraud risks, case summaries, results and prevention information	
Awareness Campaign	Posters, leaflets, e-learning tool to rejuvenate staff awareness	
Sub Total		60
Deterrence		
Publicity on counter fraud activities	<p>Linked to awareness campaign – programme of internal/external communications covering:</p> <ul style="list-style-type: none"> ▪ Counter fraud team ▪ Proactive work, including NFI ▪ Investigation outcomes / prosecutions ▪ Fraud prevention measures ▪ Counter fraud responsibilities 	
Sub Total		20
Prevention		
Organisational learning	Supplementary reports and actions plans and action plans arising out of investigation work	
Data analytics	<p>Further development / use of data analytics:</p> <ul style="list-style-type: none"> ▪ Creditors / Procurement ▪ Payroll ▪ Expenses, including credit cards and members allowances 	
Advice	Enhancing fraud controls and process – new and existing systems	
Sub Total		40
Detection		
Update Fraud Risk Profile	Incorporating emerging risk issues and results from local risk assessment	
Proactive fraud exercises	Based on national and local emerging risks	

Area	Indicative Scope	Planned Days
National Fraud Initiative 2012/13	Review and investigation of Council matches / responding to data requests from other public sector bodies	
Sub Total		160
Investigation		
Fraud Investigation	In line with investigation manual and recommended best practice	
Sub Total		300
Sanctions and Redress		
Pursue civil, disciplinary and/or criminal sanctions	Action taken during investigation process	
Identify and recover losses	Identified during investigation – recovery action through Proceeds of Crime Act, Insurance and legal means	
Sub Total		5
Contingency		
Advice & Liaison		
Sub Total		65
Grand Total		650

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