Norfolk County Council

Anti-Fraud, Bribery and Corruption Annual Activity Plan 2017-18

(1 October 2017 - 31 March 2018 Period)

Approved by the Chief Internal Auditor on: 11 September 2017

Presented at the Audit Committee meeting of: 21 September 2017

Investigative Auditor (Accountable Person) : Andrew Reeve, Accredited Counter fraud Specialist (ACFS)

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Development of the activity plan

Introduction

Norfolk Audit Service (NAS) has developed this activity plan following the production of the NCC Anti-Fraud, Bribery and Corruption Operational Strategy (v2017).

The activity plan is focused on identifying and targeting areas within NCC which are vulnerable to the risk of fraud, bribery and corruption and; to raise awareness and contribute towards a robust anti-fraud, bribery and corruption culture to the council's members, employees, consultants, suppliers, contractors, outside agencies, their employees and any other party that NCC is in a formal partnership relationship with, including the wholly owned companies

The activity plan has been developed to reflect both the NCC Policy, Strategy, and the national 'Local government counter fraud and corruption strategy 2016 – Fighting Fraud and Corruption Locally' (FFCL). In doing so the activity plan has been divided into four strategic areas as follows:

Govern: Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout NCC.

Acknowledge: acknowledging and understanding fraud risks and committing support and resource to tackling fraud in order to maintain a robust anti-fraud response.

Prevent: preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes and developing a more effective anti-fraud culture.

Pursue: punishing fraudsters and prioritising the recovery of losses via a triple track approach (Civil, Criminal or Disciplinary), developing capability and capacity to investigate fraudsters and developing a more collaborative and supportive law enforcement response.

For 2017, the work programmed within this activity plan has been prioritised to focus on raising awareness and assessing risk and therefore, it may not be possible to cover all of the operational criteria detailed within the NCC strategy during the activity plan period of 6 months. Furthermore, some of the activities planned may be delayed due to operational investigation priorities and carried forward to subsequent activity plans.

The activity plan provides a clear and measurable standard to be agreed, delivered and reported to ensure accountability and to highlight exceptions.

Fraud Risk Assessment

A strategic fraud risk assessment will be undertaken as a priority to assess NCC's overarching approach to tackling fraud and corruption.

The assessment will adopt the principles as described in the FFCL and the Chartered Institute of Public Finance and Accountancy (CIPFA) code of practice on managing the risk of fraud and corruption, as well as taking into account relevant legislation and industry best practice.

It is intended that the assessment will identify areas of good practice as well as areas where further controls may require implementation to improve fraud resilience.

Any significant findings will be reported to CLT and the Audit Committee through the normal quarterly reporting process.

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Anti-Fraud, Bribery and Corruption
Annual Activity plan 2017-2018 (covering 6 months to 31 March 2018)

The below tables list the activities planned to be undertaken between 1 October 2017 and 31 March 2018

In the left column, the numbers provide an explanation of how each activity is linked to the NCC Operational Strategy with the corresponding value.

Govern: Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout NCC.

Operational Criteria no.	Theme	Activity plan task
1 and 6	Communication / Collaboration working Protocols	Implementing internal fraud or bribery reporting protocols with the following key departments; • Procurement • Human Resources • Payroll • Security Services • Complaints Protocols to be circulated to relevant staff providing examples of reportable incidents along with the reporting lines. Success measure: Service Heads to confirm awareness and agreement
1 and 6	Collaboration Key Meetings	The Investigative Auditor will meet with key personnel throughout NCC to discuss fraud, bribery and corruption issues. The purpose of the meetings is to enhance NCC's counter fraud culture, promote the reporting lines for raising concerns and identify areas for further counter fraud activity. Success measure: Service Heads to confirm awareness and agreement
2	Capability Risk Assessment	A strategic fraud risk assessment will be undertaken to assess NCC's overarching approach to tackling fraud and corruption.

Operational Criteria no.	Theme	Activity plan task
		The assessment will adopt the principles as described in the FFCL and the CIPFA code of practice on managing the risk of fraud and corruption, as well as taking into account legislation and industry best practice. Success measure: Report to CLT and Audit Committee
3	Communication Reporting	Completion and submission and attendance of reports for CLT and Audit Committee inclusive of; • 2018/2019 full year anti-fraud Activity plan *(to be presented at the (March?) audit committee 2018). • Anti-Fraud, Bribery and Corruption annual report *(Due (June) 2018). Success measure: Meeting deadlines for publication.

Acknowledge - Acknowledging and understanding fraud risks and committing support and resource to tackling fraud in order to maintain a robust anti-fraud response.

Operational Criteria no.	Theme	Activity plan task
8	Communication Awareness	Review and update of the anti-fraud, bribery and corruption awareness modules on the NCC intranet inclusive of updating modules for key employees as well as agreeing which employees will be mandatory, and levels of training required. Success measure: Positive feedback and demonstrable take-up of the e-learning (particularly new learners) for designated group.
8	Communication Bespoke presentations	Preparation and attendance at Norfolk school finance training days throughout the year. Presentation to include: Fraud Act 2006 Bribery Act 2010 Scam emails and calls

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Operational Criteria no.	Theme	Activity plan task
		Case studies Promoting the CF&B policy Reporting concerns / advice Success measure: Service Heads to confirm satisfaction
8	Communication Bespoke presentations	Preparation and attendance at internal meetings following key personnel meetings where required. Presentation to include: Fraud Act 2006 Bribery Act 2010 Scam emails and calls Case studies Promoting the CF&B policy Reporting concerns / advice Meeting attendance to be focussed on and prioritised to key risk areas. Success measure: Service Heads to confirm satisfaction
8	Communication Newsletters	Quarterly newsletter to be developed to highlight fraud, bribery and corruption risks and communicated throughout NCC and associated stakeholders. Success measure: Service Heads to confirm satisfaction
8	Communication Social media	Research and development of counter fraud communications through alternative awareness platforms such as twitter. Success measure: Service Heads to confirm satisfaction
8	Communication/ Culture National Fraud Awareness Week	Undertaking of international fraud awareness week (November 2017) including suitable promotional activity to raise awareness of the event. Success measure: Service Heads to confirm satisfaction

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Operational Criteria no.	Theme	Activity plan task
10	Culture/ Capability Policy Reviews	Reviews of new and existing policies following updates to the anti-fraud, bribery and corruption policy and strategy to ensure continuity. In addition, to ensure that the appropriate links and counter fraud messages are communicated throughout NCC's policies Success measure: Service Heads to confirm satisfaction
11	Culture/ Capability Whistleblowing	Review and development of the Council's whistleblowing policy and reporting procedures. Success measure: Report to January 2018 Audit Committee
12	Culture/ Communication Code of Conduct Conflicts of Interest / Gifts and Hospitality	Review and development of the procedures in place for the reporting of Gifts, Hospitality and Conflicts of Interest. Success measure: Service Heads to confirm satisfaction

Prevent – preventing, deterring and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes and developing a more effective anti-fraud culture.

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Operational Criteria no.	Theme	Activity plan task
13	Capability Staff Surveys	Development of an annual staff survey to test and measure the awareness of employees in respect of what constitutes fraud, bribery and corruption, and how to report concerns. Success measure: Service Heads to confirm satisfaction
14	Collaboration/ Communication Emerging Risks	Research and development of an emerging risks database including a system of communication, follow up and review. Success measure: Report to Audit Committee
16	Capability Pre Contract Procurement	A review of the procedures in place at the council for the prevention and detection of fraud, bribery and corruption in the area of pre contract procurement. Success measure: Report to Audit Committee
17	Capability Banking Control and Invoice Fraud	A review of the procedures in place at the council for the prevention and detection of fraud, bribery and corruption in the area of invoice fraud and banking control Success measure: Report to Audit Committee
18	Capability Recruitment Fraud	A review of the procedures in place at the council for the prevention and detection of fraud, bribery and corruption in the area of recruitment and identity checks. Success measure: Report to Audit Committee
19	Collaboration Cyber Crime	Undertake liaison with those charged with preventing cyber related frauds e.g. Email scams, spoof emails etc. Research methods for a more collaborative response to tackling cyber issues across NCC. Success measure: Report to Audit Committee

Pursue - punishing fraudsters and prioritising the recovery of losses via a triple track approach (Civil, Criminal or Disciplinary), developing capability and capacity

to investigate fraudsters and developing a more collaborative and supportive law enforcement response.

Operational Criteria no.	Theme	Activity plan task
21	Capability/ Collaboration Protecting the Vulnerable	Research and development of IT systems promoted by CIFAS for the detection of fraudulent credit applications in the names of vulnerable members of the community. Success measure: Report to Audit Committee
21	Capability/ Collaboration National Fraud Initiative (NFI)	Review of the 2016/2017 NFI match outcomes for quality and consistency: NAS will select sample matches based on value and risk and undertake follow up work to provide assurance that NFI matches are being investigated robustly and to the correct outcome. Success measure: Report to Audit Committee
21	Capability/ Collaboration National Fraud Initiative (NFI)	Review of the 2016/2017 NFI payroll matches against the following internal records: • Absence Records • Secondary Employment Declarations All payroll matches will be reviewed against the above internal records to identify potential secondary working concerns. Success measure: Report to Audit Committee

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