

Appendix B

**CORPORATE ANTI-FRAUD TEAM
PROACTIVE PLAN
2023 - 24**

**LONDON BOROUGH OF
WALTHAM FOREST**

ANTI-FRAUD AND CORRUPTION FRAMEWORK

Version	1
Approved by Director, Internal Audit & Anti-Fraud Shared Service	Gemma Young
Noted by Audit & Governance Committee	01 February 2023
Effective From	1 April 2023
This plan supersedes all previous plans	

1 Introduction

1.1 The Corporate Anti-Fraud Team (CAFT) pro-active plan is developed annually based upon key fraud risks, and through necessity remains fluid to reflect the continuous changes derived from the changing fraud landscape, and fraud risks identified from reactive investigations as they arise.

1.2 Fighting Fraud and Corruption Locally (FFL) 2020 recommended a five-strand approach to countering fraud under the following headings:

- **Govern:** having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the Council.
- **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 recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters and developing a more collaborative and supportive law enforcement response.
- **Protect:** Protect the Council and its residents from fraud and recognising the harm that fraud can cause in the community.

1.3 In order to respond to the increased threat of fraud, performance will also be measured against six themes identified in the strategy:

- **Culture:** creating a culture in which beating fraud and corruption is part of daily business.
- **Capability:** ensuring that the range of counter fraud measures deployed is appropriate to the range of fraud risks.
- **Capacity:** deploying the right level of resources to deal with the level of fraud risk.
- **Competence:** having the right skills and standards.
- **Communication:** raising awareness, deterring fraudsters, sharing information, celebrating successes.
- **Collaboration:** working together across internal and external boundaries: with colleagues, with other local authorities, and with other agencies; sharing resources, skills and learning, good practice and innovation, and information.

2 Summary of proactive, reactive and COVID-19 response plan areas and resource allocation.

2.1 The plan covers two key areas:

- Soft measures, which are related to strategy and policy to help set the tone of the organisational culture for the prevention and detection of fraud.
- Hard measures, which are controls and processes designed to identify fraud and develop prevention measures for services going forward.

Proactive Soft Measures			
Project Description	Tasks	Days	Quarter
1) Anti-fraud awareness	International Fraud Awareness: To plan and arrange Internal Fraud Awareness Sessions and publicity to promote International Fraud Awareness Week 12-18 November 2023.	15	Q3
	Communication: New CEO and Leader to sign Fraud Strategy and Work Plan and Communications to publicise.	1	Q4
	Attendance at the school's forums to publicise and promote the team	2	All
	Regular Communication about successful cases and outcomes in internal and external news forums including Senior Management Team meetings, Management Board and Audit and Governance Committee.	8	All
	Promoting our successes on our external website.	2	All
	Housing Fraud Awareness Campaign: Promote fraud awareness to our residents, what is housing fraud, who to report it to and publicise the successes of the team	6	All
2) Bespoke anti-fraud training	Bespoke general anti-fraud awareness training to be delivered across the following service area's: New staff and refresher training for Housing Teams: <ul style="list-style-type: none"> • Housing Management • Housing Solutions • Rents • Repairs • Caretakers • Surveyors Families: <ul style="list-style-type: none"> • Adult Services • Social Services • Brokerage Finance & Governance: <ul style="list-style-type: none"> • Business Support • Finance • HR 	15	All

Proactive Soft Measures			
	<ul style="list-style-type: none"> Accounts Payable 		
3) Transparency	To report on the Department for Communities and Local Government (DCLG) transparency requirements Fair Processing Notices to be reviewed and updated.	2	1
4) Anti-Fraud Policies Review	To conduct an annual review of all fraud policies and procedure documents.	2	3
5) Corporate policy	To review organisational policies to help identify changes in circumstances which may increase fraud risks, with a view to embedding requests for anti-fraud input. To review and strengthen the working practices, policies and procedures between HR/civil/management action and criminal action. To respond to requests for advice following implementation of processes for embedding anti-fraud input. This may also lead to requests for other projects, which will be considered separately.	15	All All All
6) Publicity	To continue to publicise the work of CAFT, including successful prosecutions and tenancy fraud by using posters on the properties themselves, Home Matters (resident newsletter), Internal Communication, external media including local and national press and television programmes where possible.	5	All
7) Building Relationships	Strategy meetings and attendance at team meetings with other internal departments such as Communications, Human Resources, Procurement, Housing, Legal, Social Services and School Admissions.	15	All
8) Fraud Risks and Fraud Risk Register	Ensure that the Fraud Risk Register is up to date and regularly reviewed to capture new and emerging fraud risks and that its aligned to the council's risk management strategy. Fraud Risks to be reviewed quarterly and reported to the Risk Management Group.	5	All
Total days		93	

Proactive Hard Measures				
Project Description	Tasks	Days	Quarter	Sponsor
9)	Provide monthly usage reports for document verification.	10	All	Heads of Service for Housing/

Proactive Hard Measures				
Advanced verification	To identify additional areas across the Council for possible credit checks or passport vetting.			Business Support/HR
10) National Fraud Initiative (NFI) and London Fraud Hub	<p>NFI (biannual exercise):</p> <p>To act as the key contact for both internal and external matches and ensuring that matches are validated in a timely manner.</p> <p>To continue validation of NFI Matches for reports that CAFT are responsible for.</p> <p>To investigate cases until sanction outcome achieved (including staff investigations).</p> <p>To oversee the recovery of identified overpayments.</p> <p>NFI Pilot Projects: To assist NFI with pilot projects.</p> <p>Fraud Hub: In conjunction with the other members of the London Fraud Hub devise a Project Plan for proactive projects.</p> <p>To act as the London Lead for the Fraud Hub coordinating data submissions to maximise return on investment.</p> <p>To ensure that internal stakeholders check matches in a timely manner.</p> <p>To ensure CAFT check matches that they are responsible for in a timely manner and that areas under consideration for matching are checked in priority order.</p> <p>Reporting: To report outcomes to NFI, the Audit & Governance Committee, Management Board and provide progress updates at Senior Management Team meetings.</p>	<p>5</p> <p>50</p> <p>150</p> <p>10</p> <p>15</p> <p>3</p> <p>30</p> <p>5</p> <p>80</p> <p>20</p>	<p>All</p> <p>Q1 & Q2</p> <p>All</p> <p>All</p> <p>All</p> <p>Q1</p> <p>All</p> <p>All</p> <p>All</p>	Director – Internal Audit & Anti-Fraud Shared Service

Proactive Hard Measures				
11) CIFAS	National Fraud Database: To use CIFAS Fraud matching service for data matching as part of maximising the effectiveness of full membership to CIFAS.	20	All	Director – Internal Audit & Anti-Fraud Shared Service
	To upload proven frauds	2	All	
	To conduct bulk data matching to assist proactive projects	18		
	Internal Fraud Database: To complete Internal Fraud Database recruitment vetting and staff screening checks on all new permanent and temporary staff in partnership with Business Support	45		
	To lead on matches identified for investigation in partnership with HR.	20	All	
	Bank Checks: To use the bank checking service provided as part of the membership on RTB's and Grant cases.	20	All	
CIFAS Strategic Intelligence Assessment: To complete the CIFAS Strategic Intelligence Assessment (SIA).	1	Q2		
12) Tenancy Assurance	Block Audits: To undertake a programme of block audit visits to potential hotspot areas/streets/blocks of flats in order to verify tenancies and identify fraud or error in partnership with Housing Management.	5	All	Divisional Director Housing Operations
	Unnotified Visits: To undertake unnotified visits on cases where tenancy fraud is suspected.	60	All	
	Gas Forced Entries: To run fraud checks on all properties where legal action has been required to enforce access to conduct the mandatory annual service to identify and investigate potential cases of fraud and abandonment.	30	All	

Proactive Hard Measures				
	To conduct investigations into suspected fraudulent cases.			
13) Right to Buy and Anti-Money Laundering	<p>To complement the current verification of right to buy applications by conducting additional Anti-Money Laundering checks to ensure that the council is not part of a financial transaction that could amount to handling the proceeds of crime (money laundering).</p> <p>To conduct due diligence verification checks with banks via CIFAS on cases under suspicion.</p> <p>To undertake unnotified visits on RTB's where Housing do not have the capacity to complete the visit in timely manner to ensure statutory deadlines are met.</p> <p>To investigate cases of potential subletting</p>	80	All	Divisional Director Housing Operations
14) Proactive Data-matching and Fraud Risk Projects	<p>To carry out proactive projects to identify fraud and error in the following areas:</p> <p>SEN Transport To conduct a review of SEN Transport to looking at the following areas:</p> <ul style="list-style-type: none"> • DBS • Contracts • Looking at home to school transport across the council. • Investigate cases identified as a result of the review. 	28	Q3	Director – Internal Audit & Anti-Fraud Shared Service
Total days		707		

Core business activities				
Project Description	Tasks	Days	Quarter	Sponsor
15) Reactive Fraud Investigation	<p>Conduct investigation into allegations received via the Fraud Hotline, Council Website or internal & external partners</p> <p>The fraud team will lead on all reactive fraud investigations reported to the council and including staff frauds.</p> <p>Respond to DPA Enquires in a timely manner.</p> <p>The fraud team will lead on Whistleblowing allegation investigations which are related to fraud.</p> <p>Note: Reactive Corporate Case work will take priority over other reactive investigations and proactive work.</p>	1200	All	Director of Internal Audit & Anti-Fraud Shared Service
Total		1200		

Covid-19 Anti-Fraud Response Measures				
Project Description	Tasks	Days	Quarter	Sponsor
16) Employees Data Matching with other Fraud Hub LA's:	<p>To identify employee and agency staff who have been working for two or more organisations at the same time and have failed to declare this as a Declaration of potential conflict of Interest.</p> <p>Working in partnership with HR and Service Managers.</p>	30	Q1	Director of Internal Audit & Anti-Fraud Shared Service
17) Housing Cash Incentive Data Matching	<p>To identify applicants and landlords' who have made or received multiple applications and payments matched against other Local Authorities within the London Fraud Hub.</p>	20	Q1	Director of Internal Audit & Anti-Fraud Shared Service

Covid-19 Anti-Fraud Response Measures				
18) Business Rates Grant Assurance Project	To conduct sample compliance testing for the grants paid in 2021-2022 to ensure process was followed and to identify cases for further investigation	20	Q3	
Total		70		