

Report Title: 'Raising Our Game' - Tackling Fraud in Wales

Issue date: July 2020

Council Response Form

Council action planned in response to the recommendations/proposals for improvement issued by the Wales Audit Office

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| R1 | <p>Leadership and Culture</p> <p>The Welsh Government should enhance its strategic leadership of counter-fraud across the public service in Wales, playing a coordinating role where it can, while recognising that individual bodies remain responsible for their own counter-fraud activities.</p> | Not Applicable – WELSH GOVERNMENT | N/A | N/A | N/A |
| R2 | All public bodies should champion the importance of a good anti-fraud culture and actively promote its importance to give confidence to staff and members of the public that fraud is not tolerated | <p>Carmarthenshire County Council's (CCC) Anti-Fraud and Anti-Corruption Strategy has been revised and was approved by the Audit Committee on 16th October 2020. The Strategy has had input from the Council's Corporate Management Team, PEB, Audit Wales, Dyfed Powys Police (DPP) and Trading Standards Colleagues.</p> <p>Over the coming weeks, the document and content will be actively promoted to give confidence to staff and members of the public that fraud is not tolerated.</p> <p>The potential for launching an e-learning module will also be explored.</p> <p>The importance of an anti-fraud culture and the need to actively promote the Authority's zero tolerance of fraud has already been identified within our business plan and is listed as a PIMS</p> | 31-03-2021 | <p>Complete.</p> <p>The Council's Anti-Fraud and Anti-Corruption Strategy has been, and will continue to be, actively promoted.</p> <p>Fraud and Cyber Awareness Training took place in October/November</p> | Head of Revenues & Financial Compliance |

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| | | <p>action; we agree and acknowledge that this is outstanding and requires implementation. Fraud and cyber awareness training has been arranged for CMT, Executive Board Members, Audit Committee Members and a number of Revenues & Financial Compliance staff. This training is to be provided by Dyfed Powys Police and will take place in October and November 2020.</p> <p>An Anti-Fraud and Anti-Corruption Annual Report is to be presented to CMT and to the Audit Committee; this reporting will commence for this current financial year.</p> | | <p>2020.</p> <p>The Anti-Fraud and Anti-Corruption Annual Report for 2020/21 has been published and presented to CMT on 24th June 2021; the Report will be presented to the Governance & Audit Committee on 16th July 2021.</p> | |
| R3 | <p>Risk management and Control framework</p> <p>All public bodies should undertake comprehensive fraud risk assessments, using appropriately skilled staff and considering national intelligence as well as organisation-specific intelligence.</p> | <p>A fraud risk register is currently under development.</p> <p>An accredited counter-fraud investigator is employed within the Resources Dept. who works closely with Dyfed-Powys Police and other enforcement agencies to share information and intelligence for the purpose of detecting, deterring and preventing fraud.</p> | 31-12-2020 | <p>Complete.</p> <p>The Fraud Risk Register has now been developed and is continually monitored and reviewed.</p> | Head of Revenues & Financial Compliance |
| R4 | <p>Fraud risk assessments should be used as a live resource and integrated within the general risk management framework to ensure that these risks are appropriately managed and escalated as necessary.</p> | <p>Once the Fraud Risk Register is fully developed, the register will be used as a live resource to ensure the risks are appropriately managed and escalated as necessary.</p> | 31-03-2021 | <p>Complete.</p> <p>The Fraud Risk Register has now been</p> | Head of Revenues & Financial Compliance |

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| | | | | developed and is continually monitored and reviewed. | |
| R5 | <p>Policies and Training</p> <p>All public bodies need to have a comprehensive and up-to-date set of policies and procedures which together represent a cohesive strategy for identifying, managing and responding to fraud risks.</p> | <p>The Council's Anti-Fraud and Anti-Corruption Strategy has been revised and was approved by the Audit Committee on 16th October 2020. The Strategy has had input from the Council's Corporate Management Team, PEB, Audit Wales, Dyfed Powys Police and Trading Standards Colleagues.</p> <p>Over the coming weeks, the document and content will be actively promoted to give confidence to staff and members of the public that fraud is not tolerated.</p> <p>The potential for launching an e-learning module will also be explored.</p> <p>Fraud and Cyber Awareness training has been arranged for CMT, Executive Board Members, Audit Committee Members and a number of Revenues & Financial Compliance staff. This training is to be provided by Dyfed Powys Police and will take place in October and November 2020.</p> <p>An Anti-Fraud and Anti-Corruption Annual Report is to be presented to CMT and to the Audit Committee; this reporting will commence for this current financial year.</p> <p>The Authority also has in place Financial Procedure Rules and Corporate Procedure Rules.</p> | 31-03-2021 | <p>Complete.</p> <p>The Council's Anti-Fraud and Anti-Corruption Strategy was approved by the Audit Committee on 16th October 2020.</p> <p>The Strategy has been, and will continue to be, actively promoted.</p> <p>Fraud and Cyber Awareness Training took place in October/November 2020.</p> <p>The Anti-Fraud and Anti-Corruption Annual Report for 2020/21 has been published and presented to CMT on 24th June 2021; the Report will be presented to the Governance & Audit Committee on 16th</p> | Head of Revenues & Financial Compliance |

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| | | | | July 2021. | |
| R6 | Staff working across the Welsh public sector should receive fraud awareness training as appropriate to their role in order to increase organisational effectiveness in preventing, detecting and responding to fraud. | <p>Fraud and Cyber Awareness training has been arranged for CMT, Executive Board Members, Audit Committee Members and a number of Revenues & Financial Compliance staff. This training is to be provided by Dyfed Powys Police and will take place in October and November 2020.</p> <p>Fraud awareness training has been provided by the counter-fraud investigator across various departments including Benefits, Council Tax, Housing, Social Care and frontline staff. The training is reviewed and refresher sessions are provided which will also incorporate new members of staff.</p> <p>The potential for launching an e-learning module is to be explored.</p> | 31-03-2021 | <p>In Progress.</p> <p>Fraud and Cyber Awareness Training took place in October/November 2020.</p> <p>Face-to-face training was not undertaken during 2020/21 due to the Covid-19 pandemic. Appropriate training to recommence when possible.</p> <p>A fraud e-learning module is being explored.</p> | Head of Revenues & Financial Compliance |
| R7 | Cases where fraud is identified and successfully addressed should be publicised to re-enforce a robust message from the top that fraud will not be tolerated. | <p>An Anti-Fraud and Anti-Corruption Annual Report is to be presented to CMT and to the Audit Committee; this reporting will commence for this current financial year. The report will include statistics relating to cases that have been investigated throughout the year.</p> <p>Where successful prosecutions are achieved, these cases will be publicised.</p> | 31-03-2021 | <p>Complete.</p> <p>The Anti-Fraud and Anti-Corruption Annual Report for 2020/21 has been published and presented to CMT on 24th June 2021; the Report will be presented to the Governance & Audit</p> | Head of Revenues & Financial Compliance |

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| | | | | <p>Committee on 16th July 2021.</p> <p>A number of successful prosecutions have been publicised during 2020/21.</p> <p>Publication of successful cases will continue.</p> | |
| R8 | <p>Capacity and Expertise</p> <p>All public bodies need to build sufficient capacity to ensure that counter-fraud work is resourced effectively, so that investigations are undertaken professionally and in a manner that results in successful sanctions against the perpetrators and the recovery of losses.</p> | <p>The Authority currently has adequately qualified staff in place to appropriately deal with Counter Fraud work, investigations and sanctions.</p> <p>Furthermore, the Authority employs a number of accredited Financial Investigators with close working links to Dyfed Powys Police and the National Crime Agency.</p> <p>Further staffing resources will, however, be considered.</p> | 31-03-2021 | <p>Complete.</p> <p>The Authority currently has adequately qualified staff in place to appropriately deal with Counter Fraud work, investigations and sanctions.</p> <p>Further staffing resources have been considered, however, at this time, it is not deemed necessary to make changes to the staffing structure.</p> | Head of Revenues & Financial Compliance |
| R9 | All public bodies should have access to trained counter-fraud staff that meet recognised professional standards. | <p>This Recommendation/Proposal for Improvement has already been achieved by Carmarthenshire County Council.</p> <p>Professionally trained Counter Fraud staff in place.</p> | N/A | N/A | N/A |

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| R10 | All public bodies should consider models adopted elsewhere in the UK relating to the pooling /sharing of resources in order to maximise the availability of appropriately skilled staff. | <p>The Authority currently has adequately qualified staff in place to appropriately deal with Counter Fraud work, investigations and sanctions.</p> <p>Furthermore, the Authority employs a number of accredited Financial Investigators with close working links to Dyfed Powys Police and the National Crime Agency.</p> <p>Further staffing resources will, however, be considered. We will liaise with neighbouring Authorities to establish how their Counter Fraud function is resourced, giving due to consideration to models that could be adopted at CCC.</p> <p>We collaborate externally with Dyfed Powys Police (DPP) – an MOU is in place between CCC and DPP.</p> | 31-03-2021 | <p>Complete.</p> <p>The Authority currently has adequately qualified staff in place to appropriately deal with Counter Fraud work, investigations and sanctions.</p> <p>Liaison with neighbouring Authorities has taken place to establish how others resource the function. At this time, it is not deemed necessary to make changes to the staffing structure at CCC.</p> | Head of Revenues & Financial Compliance |
| R11 | <p>Tools and Data</p> <p>All public bodies need to develop and maintain dynamic and agile counter-fraud responses which maximise the likelihood of a successful enforcement action and re-enforces the tone from the top that the organisation does not tolerate fraud.</p> | <p>This Recommendation/Proposal for Improvement has already been achieved by Carmarthenshire County Council.</p> <p>We collaborate externally with Dyfed Powys Police (DPP) – an MOU is in place between CCC and DPP. Our relations with DPP have been, and continue to be, strengthened through regular communication and consultation.</p> <p>The Corporate Management Team recently considered, strengthened and approved the revised Anti-Fraud and Anti-Corruption Strategy.</p> <p>Fraud is reflected clearly on the audit plan, demonstrating that fraud is being looked into and taken seriously.</p> | N/A | N/A | N/A |

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| | | These communications and collaborations will continue to ensure the likelihood of successful enforcement action is maximised and the tone from the top is reinforced that the organisation does not tolerate fraud. | | | |
| R12 | All public bodies should explore and embrace opportunities to innovate with data analytics in order to strengthen both the prevention and detection of fraud. | <p>This Recommendation/Proposal for Improvement has already been achieved by Carmarthenshire County Council.</p> <p>Carmarthenshire County Council embraces opportunities to innovate with data analytics in order to strengthen both the prevention and detection of fraud. Examples of data analytics used:</p> <ul style="list-style-type: none"> - NFI - Datatank - AP Forensics - IDEA | N/A | N/A | N/A |
| R13 | <p>Collaboration</p> <p>Public bodies should work together, under the Digital Economy Act and using developments in data analytics, to share data and information to help find and fight fraud.</p> | <p>This Recommendation/Proposal for Improvement has already been achieved by Carmarthenshire County Council.</p> <p>Participation in collaborative working between Local Authorities and DWP in criminal fraud investigations, which includes sharing of information and intelligence through appropriate legal gateways.</p> <p>Examples of data analytics used:</p> <ul style="list-style-type: none"> - NFI - Datatank - AP Forensics | N/A | N/A | N/A |

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| | | - IDEA | | | |
| R14 | <p>Reporting and Scrutiny</p> <p>Public bodies need to collate information about losses and recoveries and share fraud intelligence with each other to establish a more accurate national picture, strengthen controls, and enhance monitoring and support targeted action.</p> | <p>This Recommendation/Proposal for Improvement has already been achieved by Carmarthenshire County Council.</p> <p>Participation in collaborative working between Local Authorities and DWP in criminal fraud investigations, which includes sharing of information and intelligence through appropriate legal gateways.</p> | N/A | N/A | N/A |
| R15 | <p>Audit committees must become fully engaged with counter-fraud, providing support and direction, monitoring and holding officials to account.</p> | <p>The Council's Anti-Fraud and Anti-Corruption Strategy has been revised was approved by the Audit Committee as its meeting on 16th October 2020.</p> <p>An Anti-Fraud and Anti-Corruption Annual Report is to be presented to CMT and to the Audit Committee; this reporting will commence for this current financial year.</p> | 31-03-2021 | <p>Complete.</p> <p>The Council's Anti-Fraud and Anti-Corruption Strategy was approved by the Audit Committee as its meeting on 16th October 2020.</p> <p>The Anti-Fraud and Anti-Corruption Annual Report for 2020/21 has been published and presented to CMT on 24th June 2021; the Report will be presented to the Governance & Audit Committee on 16th July 2021.</p> | Head of Revenues & Financial Compliance |