

Fairer Future Anti-fraud, bribery and corruption strategy

Introduction

Southwark is committed to the ongoing effort to fight fraud.

This plan builds on the policy from 2012-16 which saw national recognition of our efforts to help ensure we protect resources for those with a genuine need.

The council has set out its ambitious vision in the Fairer Future promises, and in order to deliver these we need to deliver the Fairer Future values:

- Spending money as if it were coming from our own pockets
- Being open, honest and accountable
- Making Southwark a place to be proud of

Prevention of fraud is key, and we seek to prevent fraud from being committed at the outset. We seek to prosecute and take action to recover any proceeds of crime. We want our residents, suppliers and the public to know that fraud against Southwark Council does not pay.

Southwark's anti-fraud service is continuing to move from reacting to fraud by investigating cases as they arise, to taking a proactive stance to prevent fraud from occurring in the first place.

The service now aims to build further on this with a view to embedding this ethos to become part of business as usual processes across the council.

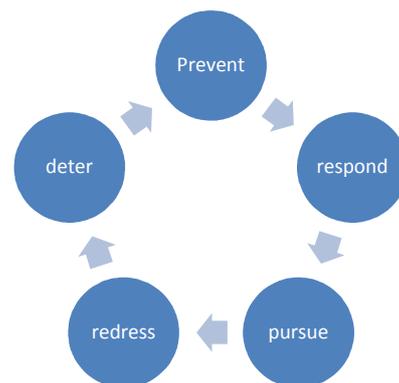
The anti-fraud service has established three key areas of work:

- ❖ Reactive – work which focuses on investigating and pursuing those who commit fraud against the council.

- ❖ Proactive – work which focuses on the identification, deterrence and prevention of fraud.
- ❖ Financial – work which focuses on recovery of the proceeds of crime.

The combined work of these areas helps protect the Southwark public purse, to direct the council's resources to those with a genuine need.

Our key objectives are prevent, respond, pursue, redress and deter. This strategy sets out the key fraud risks facing the council and the core objectives for the anti-fraud service, followed by how the council aims to achieve these.



Key Fraud Risks

The risks of fraud are continuously changing and the response needs to remain fluid, as we need to horizon scan to identify potential issues. The following risks are the council's current priorities.

❖ **Housing fraud**

The housing investigations team use tools such as credit checks, document scanners and www.ilatch.co.uk to prevent and detect sub-letting. We will continue to work with services such as housing applications and right to buy to prevent fraud in these areas.

❖ **Procurement and contract fraud**

Contract monitoring is key to preventing fraud in this area. We will continue to work on avoiding duplicate payments, bank mandate fraud and advising on how to counter emerging scams. We will help services to prevent and recognise any collusive tendering.

❖ **Recruitment and Payroll fraud**

We will use document scanners and information from the national fraud initiative to prevent and detect fraud. We will work with Human Resources (HR) and management to enable them to take necessary action.

❖ **Council Tax**

Helping management ensure that income is identified and collected, and that discounts and exemptions are properly applied, including Single Person Discount (SPD), second home ownership, student occupancy, non occupancy, new builds and properties deemed unfit for habitation.

❖ **Social care**

With growing demand in this area, every penny counts. The anti-fraud service will build on projects such as those with no recourse to public funds to identify threats, funding pressures and help the service undertake checks and monitoring to help protect this key funding stream.

❖ **Corruption and bribery**

Prevention is key. The council will not tolerate staff, contractors or suppliers committing corruption or bribery. Work to educate, refresh and review will continue.

❖ **Cyber**

We monitor emerging issues, working with internal audit and IT to check controls and help mitigate cyber security breaches. This covers traditional physical hacks and attacks, and emerging internet usage and ransomware.

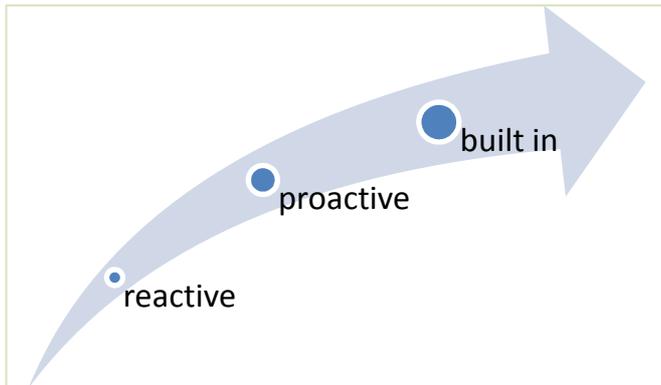
❖ **New and emerging fraud risks**

These are considered on an ongoing basis through liaison with operational management, internal and external audit, relevant partner organisations, and colleagues in other public sector organisations, as well as through reference to relevant publications.

How we are tackling fraud

This section sets out how we aim to achieve our core objectives.

Over-arching is the need to help services build in fraud risk management. The key stages have been identified as:



Stages of anti-fraud work:

Reactive – respond to fraud after the event. An essential part of the investigation, this work will continue, but increasingly we will work to try to prevent fraud.

Proactive – further increasing our work with management to build tools into existing processes, develop services to help them undertake checks, increase risk based monitoring to focus on fraud risks, and to make sure they know where and how to report fraud.

Built in – to review core changes in the organisation and feed in to the processes to help prevent new emerging risks and ensure processes don't allow more fraud.

By building fraud risk management into core processes, and into changes within the organisation, we aim to increase effectiveness of fraud prevention and reduce the costs resulting from fraud loss and investigation. We recognise that there will remain an ongoing need for proactive work and reactive investigations.

Increasing proactive involvement in relevant decisions to help management review controls will be key, in identifying risks where changes in process, procurement or reorganisations may highlight new exposures.

We want to:

- ❖ work with services to review and respond to NFI matches promptly
- ❖ work with management to identify control improvements
- ❖ review key process changes
- ❖ work with colleagues across the council, and especially legal, procurement advice team, HR and IT to help identify these changes.
- ❖ develop training for front line staff, in conjunction with Organisational Transformation
- ❖ Build on tools available to help front end checks, e.g. NFI App checker

Core Objectives

Prevent

The anti-fraud service will work with services and suppliers to prevent fraud. Prevention remains a core objective of the service as it stops the root cause of fraud, thus preventing loss, the need to investigate and the costs of this.

- ❖ Introduce credit checks and data matching for key services
- ❖ Maintain use of document scanners.
- ❖ Proactive internal and external communications
- ❖ Provide anti-fraud training.

Respond

The anti-fraud service will respond to each potential fraud referral. Each case will be:

- ❖ Reviewed
- ❖ Intelligence checked
- ❖ Linked to corporate objectives
- ❖ Risk Assessed
- ❖ Prioritised
- ❖ Investigated

We will work with management, and address issues identified with the wide range of sanctions available. Where fraud is identified, we will respond quickly. The service will:

- ❖ Consider the issues
- ❖ Work with management to mitigate the immediate threat
- ❖ Work with HR to prioritise employee investigations
- ❖ Consider and develop the control environment where necessary
- ❖ Report findings to management and ultimately to the audit, governance and standards committee.
- ❖ Ensure appropriate sanctions are applied

Pursue

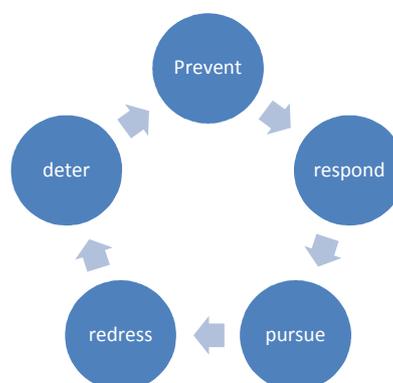
- ❖ The anti-fraud service will pursue fraud against the council. Where fraud is identified, the anti-fraud service will work tirelessly to bring about justice.

Redress

- ❖ The anti-fraud service uses financial investigation to look for those who have made criminal gains from frauds against the council. Following prosecutions, we will track the money and recover from criminals using the powers available to us. The council will seek maximum redress from individuals who commit fraud against it.

Deter

- ❖ We will draw lessons from the work of the service and communicate successful outcomes, to help deter fraudsters from committing fraud against the council. The service also links with internal audit and management to to learn, enhance controls promote the work at each stage, to deter fraudsters.is last sentence means]



Contact us

We'd like to hear what you think about this Anti-fraud, bribery and corruption strategy and if you've got questions, we are here to answer them.

There are lots of different ways to get in touch with us and share your views.



@lbs_southwark



/southwarkcouncil

Or if you prefer, email councilnews@southwark.gov.uk or call 020 7525 7251.