

APPENDIX 1 - CHECKLIST FOR THOSE RESPONSIBLE FOR COMBATTING FRAUD AND CORRUPTION – Middlesbrough Council

The purpose of this Appendix is to show the results of the Council's review of fraud against The European Institute for Combatting Corruption And Fraud (TEICCAF) Protecting the English Public Purse 2016: Fighting fraud against English Councils				
Question	Yes/No	Comments	Action	Target Date
1. Every local authority undertakes an assessment of its financial irregularity, fraud & corruption risk	Yes	Fraud and loss risk register is maintained by the Audit & Assurance Team and covers the key risks highlighted in PEPP 2016.	Continue to update the register on an ongoing basis.	Ongoing
2. This assessment is reported to its senior management board and members. The assessment must be included in the authorities risk management process and the responsibility of the appropriate portfolio holder.	Yes	The Fraud and Loss Risk Register has not previously been reported on in its entirety but has contributed to the compilation of the annual audit plan and the annual counter fraud report to the Corporate Affairs and Audit Committee. Due to the recommendation of PEPP 2016, the risk register is now included at Appendix 1 and will be shared with the Risk Business Partner.	Monitored and reviewed as part of the Council's risk management process.	Ongoing
3. An annual response plan is created to mitigate the identified risk and should include: prevention, detection and redress.	Yes	Appropriate responses are incorporated into the Fraud and Loss Risk Register.	Monitored and reviewed as part of the Council's risk management process.	Ongoing
4. Ensure that proportionate resources are in place to meet the requirements of the response plan.	Partial	The benefits fraud investigators have now transferred to the DWP's Single Fraud Investigation Service. However, the Audit and Assurance Team includes a Counter Fraud Audit and Assurance Officer whose remit is to monitor and review the control environment for key fraud risks.	Proposal for a proactive counter fraud project (e.g. focussed on a particular risk area such as council tax discount) to be discussed with the S151 Officer.	31 December 2017
5. Professionally trained, accredited investigators will require	No	There are no professionally accredited fraud investigators within the Authority since the Single Fraud Investigation Service was	To consider appropriate training and qualifications as part of the TVAAS	31 December 2017

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appropriate knowledge/training in all areas of identified risk throughout the authority.		established. The Audit & Assurance Team has an Audit & Assurance Officer Counter Fraud but he does not have formal qualifications.	Training Strategy.	
6. Compile a programme of both proactive and reactive work in line with the identified risk.	Partial	Since the reduction of the internal audit resource to a minimum and the transfer of investigators to the DWP, there is less resource for proactive work although the Team will include any known areas of fraud risk in the annual audit plan.	As per action to number 4 above and as part of the annual audit and assurance plan.	31 December 2017
7. Ensure you have appropriate and proportionate defences against new and emerging risk.	Yes	There is limited direct risk from the emerging fraud risks (right to buy and social housing) as Middlesbrough Council does not have its own housing stock, there is no direct risk however as public sector agencies seek to work increasingly in partnership, this is a risk area that should not be overlooked.	Current defences are deemed to be proportionate to the direct risk to the Council therefore no additional action required other than to monitor any developments relating to these fraud risks.	Not applicable
8. Counter Fraud and Corruption policy is required and reviewed annually. This must be communicated to the whole authority.	Yes	The Council has a Whistleblowing Policy and an Anti Fraud, Bribery and Corruption Policy which was last updated in September 2016 and is due for review in 2018. Updated policies are communicated via staff bulletins.	No further action at this time.	Not applicable
9. Fraud awareness sessions for all staff delivered, at least annually.	No	Awareness sessions have not been carried out.	Discuss with the S151 Officer the possibility of a programme of counter fraud awareness sessions.	31 March 2018
10. The Investigations team keeps adequate records and frequently reports to senior management on its work and findings.	Yes	Any investigations undertaken by the Audit & Assurance Team are supported by evidence and working papers and reports are presented to the relevant management for consideration.	None required.	Not applicable
11. Any identified areas of	Yes	This is carried out as part of the audit reporting	No further action required	Not applicable

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weakness must be highlighted and reported to each department.		and escalation process.	at this time.	