

Counter Fraud & Investigation



See it. Report it. Stop it.

Counter Fraud Plan & Strategy 2019/20

Working to make
lives better
www.southend.gov.uk



Foreword

“Last year we detected more fraud than previous years. The £1.9m detected represents social housing for 415 properties or 63 social care placements.

Increasing our resilience to the risk of fraud is our priority to ensure the most vulnerable of our society are not affected by the impact of fraud on our frontline services.

David Kleinberg,
Assistant Director for Counter Fraud & Investigations

The Counter Fraud & Investigation Directorate began operating at an advanced level following government sponsorship in 2014. That grant investment in the service ensured that the best possible resources and capabilities could be leveraged at the issue of fraud and economic crime.

Having the best tools and resources still requires a continually refreshed understanding of the threats local government face and a focus of activity. The service has been part of the Government Counter Fraud Profession, with David Kleinberg the CF&I Assistant Director being seconded to write its standards from 2016.

In 2018 the new part of the department was launched – known as NATIS - the National Investigation Service, which has supported over 40 public authorities across the UK facing serious and organised crime.

Having the new NATIS function working side-by-side with Counter Fraud & Investigation provides access to an enhanced intelligence picture to protect the most vulnerable.

This new strategy & plan takes account of that additional resource and capability – the first of its kind anywhere in the UK, here in Southend-on-Sea.

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& Investigation**



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Our Control Strategy

This year we install our control strategy which defines how we will be working over the next 12 months. This means that all the casework we adopt will be assessed and progressed in consideration of the 4 Questions below.

The Counter Fraud & Investigation team's partnership with the National Investigation Service ensures that we are able to identify at an earlier stage intelligence relating to the key priorities below, particularly those affecting the most vulnerable of society.

Who are We?

A specialist function to protect public finance from fraud and serious crime, using our legal framework as a local authority service

What is Our Purpose?

- 1 Protect the public purse from crime
- 2 Support the wider-public sector with shared, advanced capabilities

What are Our Priorities?

Crimes affecting a vulnerable adult or child Insider threats in local government
Organised crime targeting local government Improving local government's resilience to cyber crime

How do we Succeed?

Always acting Ethically in everything that we do, working to our values, attitudes and principles
Consider opportunities to work collaboratively with others for the benefit of our purpose, sharing our knowledge, experience and expertise

Apply the 4 'P' Strategy to Prevent, Protect and Prepare local government for economic crime, pursuing offenders where necessary
Ensure our teams are fully equipped to respond to the threats faced from economic crime



Fraud Risk Profile

Last year we implemented a risk profile for the entire council to identify the Top 10 Risks faced from fraud and economic crime. That analysis used national intelligence from partner law enforcement agencies, proven cases by the CF&I team and the baseline strategy for local government known as Fighting Fraud & Corruption Locally.



Southend-on-Sea Borough Council Annual Fraud Impact Measurement Matrix

	Procurement Fraud	Cyber Crime	Housing Tenancy Fraud	Money Laundering	Council Worker Fraud & Corruption
Annual Council Spend	£118,281,000	N/A	£24,544,000	£122,000,000	£65,385,000
Annual Potential Impact Percentage	4.76%	N/A	4.04%	0.89%	1.07%
Annual Potential Impact	£5,630,176	£1,600,000	£991,578	£1,085,800	£699,620
Under Investigation	£100,000	£0	£701,000	£2,000	£6,874
Proven	£726,884	£0	£0	£731,884	£307,401
	Social Care Fraud	Grants Fraud	Insurance Fraud	Blue Badge Fraud	Revenues Fraud
Annual Council Spend	£78,132,000	£266,333	£1,919,081	£10,584,200	£89,976,000
Annual Potential Impact Percentage	4.70%	3.02%	3.99%	3.86%	1.22%
Annual Potential Impact	£3,672,204	£8,043	£76,571	£408,550	£1,097,707
Under Investigation	£82,800	£5,480	£1,600	£45,900	£53,450
Proven	£6,216	£23,389	£0	£33,000	£107,166

Total Potential Loss Impact **£15,270,249**

Total Amount Under-Investigation **£999,104**

Total Proven in 2018/19 £1,935,940

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Report it.



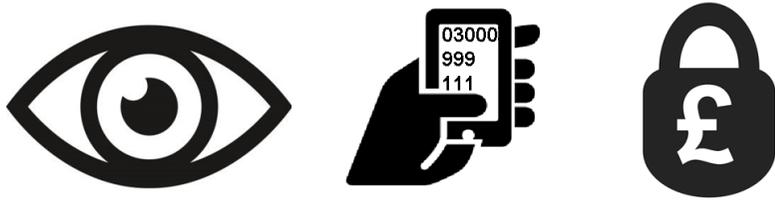
Stop it.

Proactive Work Plan

Risk Area	Activity	When	Current Status	Responsible Officer	Date Complete
Council-wide	Launch a new e-Learning Package for Countering Fraud, Bribery, Corruption and Money Laundering.	July – Sep 2019		Michael Dineen	
Council-wide	Develop an early intervention risk matrix for social housing tenants targeted by criminality.	July 2019 – June 2020		Philip Butt	
Council-wide	Cyber crime risk assessment across the council.	Nov 2019		Dave Nash	
Council-wide	Enhancing counter fraud and money laundering controls for Social Care Finance.	Nov 2019		Michael Dineen	
Council-wide	Renewed Education & Marketing Campaign for Countering Fraud, Bribery, Corruption and Money Laundering	January 2020		Nicholas Coker	
Revenues	Use of Data Matching Solution to compare NNDR data with law enforcement data.	Sep 2019 – Dec 2019		Nicholas Coker	



New Fraud Awareness Campaign



See it. Report it. Stop it.

This year we launch the 'See it, Report it, Stop it' campaign, highlighting the risks the council face from fraud and economic crime as well as some of the case studies and enhanced methods of prevention we utilise.

The campaign will include targeted awareness events for high-risk council areas such as Procurement, Finance, Housing and Social Care.

The following posters have also been designed to highlight the impact of fraud on the council:



Last year we detected
£1.9m of fraud

That money pays for **63**
Social Care placements

Seen something suspicious?
Speak to a member of the team
on **03000 999111**
or visit southend.gov.uk/fraud

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Last year we detected
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Social Housing properties

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