

Exploring the post-pandemic fraud landscape

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The Chartered Institute of
Public Finance & Accountancy



Agenda

- Welcome, housekeeping and introductions - Marc McAuley
- The Counter Fraud Apprenticeship Trailblazer - John Stalley
- The Apprenticeship Standard: A practical perspective - Heidi de Sousa
- Apprenticeship Levy funding: Making training accessible - Heidi de Sousa
- The COVID Grant Challenge - John Stalley
- Operational Resilience - John Stalley & Declan Khan

Welcome and housekeeping

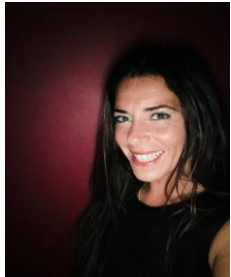
- Microphones
- Webcams
- Chat box
- Q&A

Introductions



Marc McAuley

CIPFA's Senior Counter Fraud Consultant



Heidi Loren de Sousa

CIPFA's Counter Fraud Apprenticeship Manager



John Stalley

Wealden District Council



Declan Khan

London Borough of Barnet

“Fraud is a constant threat, and those who commit fraud take money away from public services and those who rely on them. The increase in fraud threat during COVID-19 reminds us that fraud is an increasingly complex and dynamic crime, and it requires skill, capability and commitment to mitigate it effectively”

Lord Agnew, Minister of State (Cabinet Office)

What impact has the pandemic had on fraud and the ability to prevent it?

- Untrained staff redeployed to administer new claims
- Limited controls for payments made at speed
- Increase in cyber enabled fraud
- Awarding contracts with minimal due diligence
- Increased opportunities to commit fraud
- Benefit fraud increase from 2.7% to 12.8%
- £5.8bn lost in covid fraud and error

What does this mean for the future?

- Better understanding of control weaknesses
- Embedding fraud prevention in everything we do
- Understanding skills/knowledge gaps
- Focussed staff development and training
- Understanding how new skills are required to tackle new challenges

The Apprenticeship Trailblazer

- The vision: professionalising the counter fraud field
- Development of the Counter Fraud Investigator standard
- The challenges: making the standard work across all sectors
- GCFP Investigation Core Discipline: a consistent approach to countering fraud

The Apprenticeship Standard: A practical perspective

- Nurturing the professionals of tomorrow
- Advanced knowledge and practical skills development
- The art of collaboration
- Tailored approach: structured and relevant training
- Added value

Levy Funding

- £15,000 max funding
- Can be used for new and, in some cases, existing counter fraud employees
- Additional incentives for new apprentices of any age, who have an employment start date between 1 October 2021 and 31 January 2022

Non-levy employers: Pay 5% towards cost of training and assessment

- Government top-up equal to max funding band

The COVID Grant Challenge

Wealden District Council checked 7770 applications between 25/3/2020 and 31/3/2021 we identified £795,000 of erroneous claims and £720,000 of error payments

The errors consisted of:

- Double applications or even double clicks when sending in the application
- Claims sent by two different directors of the same company and even a husband-and-wife team who both claimed
- 2 fraudulent claims by organised crime groups were forwarded to the NCA for further investigation
- 11 claims are currently still under investigation
- Further 4 cases under investigation for partners at Mid Sussex District Council

£1,515,000 of erroneous or duplicated payments prevented from going out, just over 2%

Operational Resilience

- The impact of the pandemic on fraud teams
- Dealing with new and emerging fraud types
- COVID safe investigations: adapting to different ways of working
- Internal frauds and remote working
- New ways of identifying fraud
- Utilising digital tools
- Adequate resourcing: enough boots on the ground
- Recruiting apprentices to further strengthen the counter fraud response
- 3rd party reluctance to share data with LAs re. DPA requests
- Enhancing prevention by learning from detection

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Questions?