



# Cafcass Counter Fraud, Bribery and Corruption Strategy

**2019 - 2024**



# 01. Executive Summary

Cafcass' Counter Fraud, Bribery and Corruption Strategy seeks to place proactive fraud awareness and prevention at the heart of systems and processes. This starts with a robust fraud risk assessment and incorporates agreed actions, building on the success of previous Counter Fraud policy and assessment.

The Counter Fraud Profession, launched in 2018, set an agreed public-sector standard for fraud investigation. In October 2018 the Cabinet Office published a Government Functional Standard for Counter Fraud, Bribery and Corruption (GovS 013). This standard builds upon the functional standards for counter fraud issued previously and sets the expectations for the management of fraud, bribery and corruption risk in government organisations. Cafcass encounters very few incidents of fraud but remains committed to reducing the risk of fraud to the lowest possible level.

This strategy sets out how Cafcass will ensure compliance with Cabinet Office standards and GovS 013, and add value to their implementation. In the next 2 to 5 years, Cafcass wants to be a responsive organisation with strong culture and awareness on Counter Fraud, Bribery and Corruption, having close working relationships with the MoJ and the Cabinet Office's Centre of Excellence on Counter Fraud, Bribery and Corruption.

This strategy outlines a programme of work to improve Cafcass's Counter Fraud, Bribery and Corruption maturity through:

- Continuing to support a strong culture and awareness on Counter Fraud, Bribery and Corruption
- Refreshing and refining policies and processes

## 02. Cabinet Office Functional Standards

The Cabinet Office agreed a set of functional standards for Counter Fraud. Cafcass meets a number of the requirements and this strategy aims to improve the compliance and also to increase the value added by the standards.

# 02. Cabinet Office Functional Standards

Functional Standard	Status	We will improve compliance and increase value by:
Have an accountable individual at Board Level who is responsible for counter fraud.	Met	Not applicable, standard met.
Have a counter fraud strategy that is submitted to the centre.	Not met	Developing our existing policy to further describe how Cafcass will develop its arrangements to counter fraud, bribery and corruption including: <ul style="list-style-type: none"> <li>• an assessment of the main risks and challenges facing the organisation;</li> <li>• an assessment of how the fraud landscape may change;</li> <li>• where the organisation wants to be in the next 2 to 5 years;</li> <li>• how it will actively counter fraud, bribery and corruption;</li> <li>• objectives for the period of the strategy.</li> </ul> The strategy will be submitted to the Board/ARAC for approval
Have a fraud risk assessment that is submitted to the centre.	Partially met	Updating the format of the detailed fraud risk assessment using risk taxonomy to identify areas of exposure, using best practices of other ALBs and the MOJ.
Have a fraud policy and response plan detailing where accountability lies within the organisation, its delivery chain and how the organisation reacts to potential instances of fraud.	Met	Refreshing the plan and policy and scheduling formal reviews.

## 02. Cabinet Office Functional Standards

Functional Standard	Status	We will improve compliance and increase value by:
Have an annual action plan that summarises key actions to improve capability, activity and resilience in that year.	Not met	Developing an annual action plan to deliver the objectives set out in the strategy, updating quarterly and reported to the centre.
Have outcome based metrics summarising what outcomes they are seeking to achieve that year. For organisations with 'significant investment' in counter fraud or 'significant estimated' fraud loss, these will include metrics with a financial impact	Not met	Developing an appropriate set of metrics to monitor the effectiveness of the counter fraud strategy – for instance, having a metric based on the % of staff who have completed fraud training; the value of fraud detected and prevented.
Have well established and documented reporting routes for staff, contractors and members of the public to report fraud suspicions, and a mechanism for recording these referrals and allegations.	Met	Considering to implement a reporting route for members of the public to report fraud, bribery and corruption.
Will report identified loss from fraud and error, and associated recoveries, to the centre in line with agreed Government definitions.	Partially met	Quarterly CDR return to be submitted to the MoJ and Cabinet Office. Sharing this data as part of a wider organisation quarterly update.
Have agreed access to trained Investigators that meet the agreed public-sector skill standard.	Met	Working closely with trained fraud investigators in GIAA and MoJ to keep up with best practices.
Undertake activity to try and detect fraud in high risk areas where little or nothing is known of fraud levels, including loss measurement activity where suitable (i.e., using the Random Sampling Programme).	Partially met	Planning to develop a programme of loss measurement and assurance activity with the support of MoJ. Having annual audit programmes by GIAA and the NAO looking at effectiveness of existing controls.
Ensure all staff have access to fraud awareness training.	Partially met	Establishing a new training and awareness course on Counter Fraud, Bribery and Corruption for all members of staff in Cafcass' Learning platform.

# 03. Risk Assessment

Knowing what the fraud and corruption risks are determines the type of framework Cafcass will need to put in place and how Cafcass staff work within it. The Fraud Risk Assessment informs the counter fraud strategy. This will provide the Functional Lead with a clear understanding of the organisation's fraud risks and the gaps and weaknesses in current controls. Once this is understood they can begin to consider what the strategic response should be to manage and reduce these fraud risks, in line with the agreed fraud risk appetite.

## CURRENT STATE

### Fraud Risk Assessment

Cafcass has a fraud risk assessment that was last reviewed in March 2018.

Areas of risk include:

- Purchasing and Payment
- Travel expenses, GPC, pay and allowances
- Procurement and contracting
- Asset security
- Information security

## WHERE WE WANT TO BE:

### By March 2019:

A complete review of Cafcass Fraud risk assessment taking into account recommendations from the Cabinet Office following the 2017/18 Functional Standards assessment.

An assessment of the Bribery and Corruption risks will also be completed.

### Future years:

Annual refresh of the Fraud, Bribery and Corruption risk assessment.

## WHAT WE NEED TO DO:

Refreshing the fraud risk assessment, updating its format using risk taxonomy to identify areas of exposure, this is based on best practices of other ALBs and the MOJ.

An action plan to be agreed for 2019/20 and 2020/21.

The Fraud Risk Assessment and actions approved by Cafcass' ARAC

Actions from Cafcass fraud risk assessments to be defined projects (with start date/end date/closure and handover)

## 04. Fraud landscape change

Across the public sector, we are now talking more about fraud and have changed our culture from one that can disincentivise the detection of fraud, to one that actively promotes it. We are sending a strong message to fraudsters who are thinking about defrauding the public sector. Cafcass is a part of a growing, more organised community of highly skilled and driven public servants who are committed to finding and taking action against fraud. Whilst continuously innovating to cope with the fiscal challenges and increasing demand in our front-line services, Cafcass is aware that changes in our systems, policies etc have an impact on our fraud landscape and is committed to reducing the risk of fraud to the lowest possible level at all times. We will review our strategy annually to reflect any changes in the fraud landscape.

# 05. Culture & Awareness

Creating an anti-fraud, bribery and corruption culture and beating fraud should be an important outcome of this strategy within Cafcass. It is also supported by the MoJ Counter Fraud & Investigations Team who are trained and skilled to help mobilise the entire organisation in the fight against fraud. Whether using e-learning, staff briefings, posters or internal alerts – or a combination of all these – they are best placed to define and execute awareness programmes.

## CURRENT STATE

### Senior Sponsorship

Cafcass Board members and Corporate Management Team (CMT) members are fraud aware and have a clear focus on counter fraud work and fraud awareness. This is achieved through regular reporting to CMT and the Board.

### Awareness Training

All new staff are required to read Cafcass' anti-fraud policy and must familiarise themselves with the reporting routes available. Cafcass does not have a fraud training package for existing staff.

## WHERE WE WANT TO BE:

### By March 2019:

Continued engagement and confidence of senior team through regular reporting.

### By March 2020:

Increased fraud awareness through senior management to cascade tone from the top

### By March 2019:

Cafcass recognises the annual Fraud Awareness Week in association with the MoJ's Fraud Awareness Week in March 2019. Cafcass staff have access to a Counter Fraud, Bribery and Corruption training course available on Cafcass' Learning platform.

### By March 2020:

Developing a rolling programme of awareness and a communications plan.

## WHAT WE NEED TO DO:

Schedule updates on Counter Fraud, Bribery and Corruption for CMT and the Board for future years.

Keep a record of staff that have undertaken training.

Publish regular anonymised reports that detail types of fraud uncovered and what Cafcass staff should look out for in future cases.



# 06. Policy & Process

Effective policies and processes are essential to the smooth running of any organisation. This includes effective and up to date policies and processes for the management of fraud risk and fraud investigation.

## CURRENT STATE:

Cafcass has a **Counter Fraud Policy**.

### **Bribery & Corruption**

Cafcass does not have a separate policy. Bribery and corruption is covered in the wider MoJ Counter Fraud Policy.

## WHERE WE WANT TO BE:

### **By March 2019:**

An updated policy that addresses findings from Cafcass' Fraud Risk Assessment.

### **By March 2020:**

Updated Counter Fraud policy to cover Bribery and Corruption.

## WHAT WE NEED TO DO:

Review the Cafcass Fraud Policy to reflect an enhanced response to the risk of bribery and corruption and an enhanced approach to the risk and management of internal fraud.

Refresh policy in line with risk assessment.

Review existing HR policies to make reference to internal fraud to complement and support any parallel performance management and disciplinary policies.

Address Bribery and Corruption based on a clear statement of how we define Bribery and Corruption, and, an identification of our assets which are specifically vulnerable.