



Ministry of Housing, Communities & Local Government

Procurement Fraud and Corruption Risk Review

Introduction

Thank you for taking the time to participate in this survey.

The purpose of this survey is to inform the review into the risks of fraud and corruption in local government procurement that is being carried out by MHCLG as committed to in the Anti-Corruption Strategy 2017-2022.

The review began in September 2018. A number of workshops have been held since then to discuss the risks in this area with the local government sector and other interested stakeholders.

This survey accompanies the request for case studies and best practice examples to be submitted to Laura.Hough@communities.gov.uk. The survey is intended to inform an evidence base for fraud and corruption in the procurement cycle.

The results of this survey will be presented in aggregate form only and names of individual authorities will not be shared.

The survey includes two separate sections, in recognition of the fact that input may be required from more than one department within your authority. Please do share the survey with the Counter Fraud/Audit team or Procurement function (as appropriate) if you are unable to complete both sections.

Feel free to return just one section if you are unable to complete both.

Please complete the survey and return your case studies by Thursday 14th March.

If you have any questions about completing this survey, please contact Laura.Hough@communities.gov.uk or on 0303 444 4909



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Your authority

Please complete the survey as fully as possible, however, if you are unable to answer a specific question, feel free to skip to the next question.

Each section of the survey (i.e. the Counter Fraud or Procurement section) should take about 10 minutes to complete.

When the terms 'authority' or 'organisation' are used, these refer to your Local Authority.

Certain questions are marked with an * . These must be completed to move on to the next question.

The final page will ask you to submit your answers - please make sure to click submit.

* 1. Please select the type of authority being discussed in this survey:

- County Council
- Metropolitan Borough Council
- District Council
- London Borough Council
- Unitary Council
- Combined Authority

2. Please provide the name of the Local Authority (optional)

* 3. Which section of the survey do you wish to complete

- Counter Fraud
- Procurement



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Counter Fraud - Raising Awareness

The following questions relate to raising awareness of fraud, bribery and corruption within the authority.

References to the 'Counter Fraud Function' refer to the team/individuals responsible for Counter Fraud activities, there may not be a separate team.

1. Is fraud awareness training mandatory at your authority?

- Yes - for staff only
- Yes - for staff and members
- Yes - for members only
- Fraud awareness training is not mandatory

Other (please add comments)

2. How often is the training delivered? (check all that apply)

- On joining the organisation
- Annually
- Every two-years
- As part of the corporate induction

Comments

3. How is fraud awareness training delivered? (check all that apply)

- Online
- Face-to-face
- Other (please specify)

4. Does the fraud awareness training cover procurement fraud and corruption specifically?

Yes

No

Comments

5. Does the fraud awareness training specifically cover Bribery and Corruption?

Yes

No

Separate training to cover bribery and corruption

Other (please specify)

6. Is a record maintained of who has completed fraud awareness training?

Yes - for staff and members

Only for members

No

Unknown

Only for staff



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Fraud and Corruption Cases

The following questions will ask for details about cases relating to procurement and grants, as well as the general mechanisms in place to report and record cases.

1. Is there a centralised system for reporting cases within your organisation?

- Yes
 No

If yes, please provide details

2. Is there a centralised system for recording enquiries that do not become formal cases?

- Yes
 No

If yes, please provide detail

3. Is there a whistleblowing and/or fraud reporting scheme in place?

- Yes
 No
 Unknown

If yes, please provide details

* 4. Have there been any cases of fraud, bribery or corruption reported in the 2017/18 financial year relating to procurement?

- Yes
 No - skip to next question
 Unknown - skip to next question



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1. How many cases were reported in 2017/18 relating to:

Procurement
fraud

Bribery within the
procurement
process

Corruption within
the procurement
process

2. How many of these cases were proven?

3. How many criminal prosecutions resulted from the above cases?

4. How much money was recovered as a result of these investigations
(whether criminally prosecuted or not)

5. What is the percentage of cases committed by: internal parties, external parties and a combination?

Internal parties
(staff/contract
workers/volunteer
s)

External parties
(including
suppliers)

Combination (i.e.
both internal and
external parties
involved)

* 6. In relation to grant funding paid out by the authority, have there been any cases of fraud, bribery, or corruption in the 2017/18 financial year?

- Yes
- No - skip to next question
- Unknown - skip to next question



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1. Of these cases related to grant funding, how many were reported in 2017/18 relating to:

Fraud

Bribery

Corruption

2. How many of these cases were proven?

3. How many criminal prosecutions resulted from the above cases?

4. How much money was recovered as a result of these investigations (whether criminally prosecuted or not)

5. What is the percentage of cases committed by: internal parties, external parties and a combination?

Internal parties
(staff/contract
workers/volunteer
s)

External parties
(including
suppliers)

Combination (i.e.
both internal and
external parties
involved)

6. Does your authority have a structured working relationship with the police in relation to fraud, bribery and corruption?

- Yes
- No
- Unknown

If yes, please provide details

7. Does your local authority have structured relationship with other agencies in relation to fraud, bribery and corruption (i.e. HMRC)?

- Yes
- No
- Unknown

If yes, please provide details



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Counter Fraud - Risk Assessments

**This is the final set of questions relating to Counter Fraud work.
There is then a final question about Conflicts of Interest and Gifts
and Hospitality registers to conclude the survey.**

1. Do the risks of fraud and corruption in procurement feature on the corporate risk register?

- Yes
 No
 Unknown

2. Do the risks of fraud and corruption in procurement feature on the fraud risk register?

- Yes
 No
 Unknown

3. Is a fraud risk assessment conducted for the procurement process/function?

- Yes
 No
 Unknown

Comments

4. If a fraud risk assessment is conducted, how often is it carried out?

- Annually
 Every two-years
 Other (please specify timescales)

5. Has your authority completed the Home Office's Serious and Organised Crime Audit or Checklist (as per the December 2016 Home Office Organised Crime Procurement Pilots report) ?

- Yes - checklist No
 Yes - audit Unknown
 Yes - both

6. Does the counter fraud function within your authority carry out any proactive work in relation to procurement fraud and corruption? For example, spend analysis, contract review, process review, sampling

- Yes
 No
 Unknown

If yes, please provide details

7. Does your authority conduct measurement exercises in procurement to estimate potential losses?

- Yes
 No
 Unknown

If 'yes' please provide methodology

8. Is data shared with the Counter Fraud function within the authority (i.e. shared across departments, teams or functions)

1) to identify potential red flags for fraud/corruption and

2) to assist in investigations?

(please check all that apply)

- 1) to identify red flags
 Not shared
 2) to assist in investigations
 Unknown

Comments

9. Is data shared with other authorities for the following purposes:

1) to identify potential red flags for fraud/corruption and

2) to assist in investigations?

(please check all that apply)

1) to identify red flags

2) to assist in investigations

Not shared

Unknown

Comments

10. Does your authority share data with other agencies, e.g. HMRC, law enforcement for the following purposes:

1) to identify red flags of fraud and corruption

2) to assist in investigations

(please check all that apply)

1) to identify red flags

2) to assist in investigations

Not shared

Unknown

Comments

11. Does your authority use software packages to analyse data either to identify red flags or to conduct investigations?

Yes - investigations

Yes - identify red flags

Yes - both investigations and red flags

No

Unknown

If yes, please provide details

* 12. Do you want to complete the procurement questions within this survey?

Yes

No



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Procurement

The following questions relate to the operation of the procurement function and identification of fraud and corruption risks.

References to the 'procurement function' are used to refer to those involved in carrying out procurement in the authority. The first question relates to the structure of the function.

1. Which of the following best describes the structure of the procurement function within your organisation:

- Separate internal team
- Procurement service shared with other authorities
- Outsourced Procurement
- No separate procurement function
- Procurement staff embedded within services
- Other (please specify)

2. How many full time equivalent staff (FTE) make up the procurement function as described in the previous question? (put N/A if unknown)

3. Approximately how many full time equivalent staff (FTE) work on contract management in the authority? (put N/A if unknown)

4. Are these contract management staff part of a central team or do they sit within services? (put N/A if unknown)

- Central team
- Within services
- A mixture of the two

Other (please specify)

5. Does your authority carry out procurement training for staff outside of the procurement function?

- Yes
- No
- Unknown
- It depends

If yes or 'it depends' please provide details

6. Does your authority carry out contract management training for staff?

- Yes
- No
- Unknown
- Other (please specify)

7. Is the procurement function involved in the needs assessment stage of a procurement?

- Yes
- No
- Unknown
- It depends on contract size

Comments

8. Is the procurement function involved in the decision whether to 'make or buy' within a procurement?

- Yes
- No
- Unknown
- It depends on contract size

Comments

9. Is the procurement function involved in grants that are made by the authority?

- Yes
- No
- Unknown
- Sometimes

Comments

10. Does the authority have a centralised contracts register?

- Yes
- No
- Unknown

11. If the authority does have a centralised contracts register, which team or job function is responsible for the upkeep of this central register?

- Procurement
- Individual services
- Other (please specify)

12. Is the centralised register updated to include details of contract variations and amendments?

- Yes
- No
- Unknown
- No centralised contract register
- Sometimes

13. What is the approval process for waivers within your authority according to the standing orders?

14. Approximately what percentage of waivers on an annual basis do not follow the approved process according to the standing orders? (put N/A if unknown)

15. Is a centralised electronic system used to manage the procurement process within the authority?

- Yes
- No
- Unknown

Comments

16. Is routine spend analysis carried out to monitor levels of spending on contracts and/or projects?

- Always
- Sometimes
- Only on high-value contracts
- Never

Other (please specify)

17. Is any data matching carried out in the payments process to identify duplicate spend?

- Yes
- No
- Unknown

18. Is any team responsible for identifying spend that takes place without a contract in place or 'off-contract' within the local authority?

- Yes - procurement
- Yes - services
- Yes - it depends on contract type
- No
- Unknown
- Other (please specify)

19. Are standardised contract templates used within the authority?

- Yes
- No
- Unknown
- Sometimes

Comments

20. Do contracts routinely include clauses about responsibilities relating to fraud, corruption and bribery?

- Yes
- No
- Sometimes
- Unknown

Comments

21. Are provisions for open book accounting included in contracts with suppliers?

- Yes
- No
- Sometimes
- Unknown

Comments

22. Are provisions for the 'right to audit' included in contracts?

- Yes
- No
- Sometimes
- Unknown

Comments

23. Are the risks of fraud and corruption included in the risk register for procurement?

- Yes
- No
- Unknown
- No risk register in place

24. In your opinion, where do the risks of fraud and corruption lie within procurement?



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Conflicts of interest and Gifts/Hospitality

These questions relate to the management of conflicts of interest and gifts and hospitality registers within the authority.

1. Please select all that apply in relation to Conflicts of Interest Registers

- | | |
|--|---|
| <input type="checkbox"/> There is a register in place for Members | <input type="checkbox"/> The register of officers' interests is published |
| <input type="checkbox"/> There is a register in place for officers | <input type="checkbox"/> There is no register in place |
| <input type="checkbox"/> The register of Members' interests is published | |

Comments

2. Please select all that apply in relation to Gifts and Hospitality Registers

- | | |
|--|---|
| <input type="checkbox"/> There is a register in place for Members | <input type="checkbox"/> The register of officers' interests is published |
| <input type="checkbox"/> There is a register in place for officers | <input type="checkbox"/> There is no register in place |
| <input type="checkbox"/> The register of Members' interests is published | |

Comments



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Contact information

Thank you very much for taking the time to complete the survey. If you would be willing to discuss any of the content further, please provide your contact details below.

There is also space here for any further comments you may have.

1. If you are happy to be contacted please provide your details below:

Name	<input type="text"/>
Authority	<input type="text"/>
Email Address	<input type="text"/>
Phone Number	<input type="text"/>

2. Please provide any other comments you may have: