

Procurement fraud review checklist (reproduced from LGA: Managing the Risks of Procurement Fraud)

Heads of Procurement in local government can act as a **focal point for intelligence** on procurement fraud and as **catalysts for a more strategic approach** to tackling it. This includes **periodic reviews** of the council's arrangements for countering procurement fraud and corruption as part of the review process for counter-fraud strategies more generally.

The following checklist, adapted from 'Protecting the Public Purse 2014' (Audit Commission, 2014), is intended to help Heads of Procurement ensure the effectiveness of reviews:

- Do we have a **zero tolerance policy** towards procurement fraud?
- Have we undertaken procurement **fraud risk identification and assessment**?
- Are we **vigilant** for new procurement fraud risks and scams?
- Do we have the **right approach** - and strategies, policies and plans - that are effective in countering procurement fraud?
- Do we have a '**no purchase order, no payment**' policy?
 - Have we aligned our strategy with 'Fighting Fraud Locally'?
- Do we have counter-fraud staff **review the procurement activity** of our organisation?
- Do we **report regularly** on how well we are tackling procurement fraud risks?
- Have we assessed our management of procurement counter-fraud work against **good practice guidance** (including the CIPFA 'Fraud Code of Practice')?
- Do we raise awareness of procurement fraud and risks with:
 - new staff (including agency staff)
 - existing staff
 - councillors, and
 - our suppliers?
- Do we work well with **national, regional and local networks** to ensure we know about current procurement fraud risks and issues?
- Do we work well with other organisations to ensure we effectively **share knowledge and data** about fraud and fraudsters?
- Do we identify areas where our **internal controls** are not working as well as intended? How quickly do we then take action?
- Have we reviewed our **procurement procedures** in line with best practice?
- Are our procurement procedures compliant with the **Public Contracts Regulations 2015** regarding mandatory and discretionary exclusion, conflicts of interest and preliminary market consultations?
- Do we have arrangements in place that encourage our staff to raise their concerns about **money laundering**?
- Do we have effective arrangements for:
 - reporting procurement fraud?
 - recording procurement fraud?
- Do we have effective **whistleblowing arrangements**? In particular are staff:
 - aware of our whistleblowing arrangements?
 - confident in the confidentiality of those arrangements?
 - confident that any concerns raised will be addressed?
- Do we have effective **fidelity insurance** arrangements?
- Are we confident that we have **sufficient counter-fraud capacity and capability** to prevent and detect procurement fraud?