

Internal Audit & Counter Fraud Shared Service  
Medway Council & Gravesham Borough Council

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# Counter Fraud Satisfaction Survey 2021-22

Medway Council



# 1 Introduction

- 1.1 The Internal Audit & Counter Fraud Shared Service was established on 1 March 2016 to provide internal audit assurance and consultancy, proactive counter fraud and reactive investigation services to Medway Council & Gravesham Borough Council.
- 1.2 As part of our commitment to continually improve the Service, surveys are undertaken to gauge the level of satisfaction from client services. The previous survey combined internal audit & counter fraud and was sent to a limited distribution but as the officers no longer work in multi-disciplinary roles, it was felt appropriate to undertake a survey solely on counter fraud services, which was issued to all council employees and elected Members.

# 2 Executive Summary

- 2.1 The level of response to the survey was extremely impressive with 200 responses received, which were spread across all divisions of the council, including some from elected Members. The results however indicate that there are a number of areas to be addressed.
- 2.2 Of the 200 responses received, 158 (79%) provided a neutral or negative response when asked about their awareness of the counter fraud team and the services available and 172 (86%) indicated that they have not had any fraud awareness training in the last five years.
- 2.3 Such responses were anticipated, although not in quite such high numbers, due to (but not limited to) the fact that prior to the shared service resources were only focused on the investigation of housing benefit fraud, so there would have been minimal interaction with other services within the council and the impact of covid, which has hindered the ability to deliver fraud awareness training or cultivate working relationships with new services. The early phases of the shared service with officers working in multi-disciplinary roles across both internal audit and counter fraud has also likely caused some confusion over the responsibilities of each team.
- 2.4 The move to hybrid working does not appear to have caused any barriers to communication. Those who responded to advise they had had difficulty in contacting the team were asked to provide details of the barrier to communication and the most common comment was 'I didn't know the team existed.' This links back to the lack of awareness of the team rather than the communication channels available.
- 2.5 Although the majority of respondents advised they had not had fraud awareness training in the last five years, there is a clear desire to have such training with 143 (71.5%) indicating that they or their team would benefit from fraud awareness training. Presentations at team meetings and face to face workshop sessions were the highest choice for the type of training delivery and 91 respondents provided details of their team/service so that specific fraud risks could be factored into training.
- 2.6 The lack of awareness of the team is a key thread throughout the results with only ten respondents having reported any concerns to the team in the last two years. This is compounded further by the high number of respondents (115) indicating that they are not satisfied they know what type of concern could be reported to the counter fraud team.
- 2.7 The core principles adopted by the team were expressed as statements with respondents asked to indicate how much they agreed the team demonstrated compliance. The vast majority of respondents provided neutral responses in relation to the statements, which is likely attributed to the fact that many do not know enough about the team but there were a small number of negative responses in relation to all statements. There is no way to identify respondents to ask further questions and obtain context to the answers for most of the statements and establish whether there are common issues to address; however, communication about ongoing and completed investigations received the largest number of negative responses and is linked to a lack of feedback on referrals.
- 2.8 Overall, the satisfaction with services available received a neutral score of five out of ten but those who had received services from counter fraud within the last two years gave positive feedback in 84% of responses.

2.9 This is the first survey to be conducted specifically in relation to counter fraud and it is clear that there is a significant amount of work for the team to do in order to raise their profile and general awareness of fraud across the council. The counter fraud plan for 2022-23 already outlines some of the work intended to be completed as part of that process and the results of the survey provide a baseline on which to measure improvement as we move forward and start to conduct surveys on an annual basis.

### 3 Survey Results

3.1 The survey was designed to focus on six keys areas, which are listed below,

- Awareness of the Counter Fraud Team,
- Communication,
- Fraud Awareness,
- Reporting concerns,
- Compliance with core principles, and
- Overall Satisfaction with Counter Fraud.

3.2 There were 200 responses on behalf of Medway and a breakdown of their roles is shown in the tables below,

<b>Role</b>	<b>Number of respondents</b>
Chief Executive / Director / Assistant Director / Chief Officer / Service Manager	5
Other Manager / Supervisor / Team Leader	62
Other Council Employee	127
Elected Member	6
<b>Total</b>	<b>200</b>

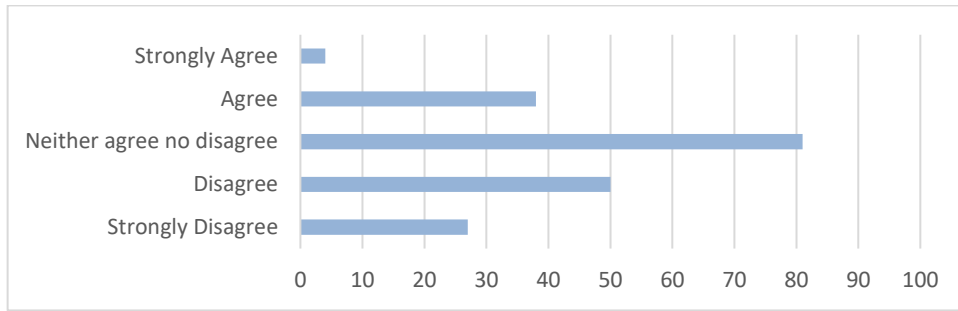
<b>Division</b>	<b>Number of respondents</b>
Adults	24
Childrens	42
Culture & Communities	13
Education	8
Finance & Business Improvement	34
Front Line Services	25
HR	11
Legal & Governance	2
Public Health	14
Regeneration	21
N/A - Elected Member	6
<b>Total</b>	<b>200</b>

3.3 It should be noted that not all respondents have answered all questions, so the detailed results that follow are not all based upon 200 responses.

#### **Awareness of the Counter Fraud Team**

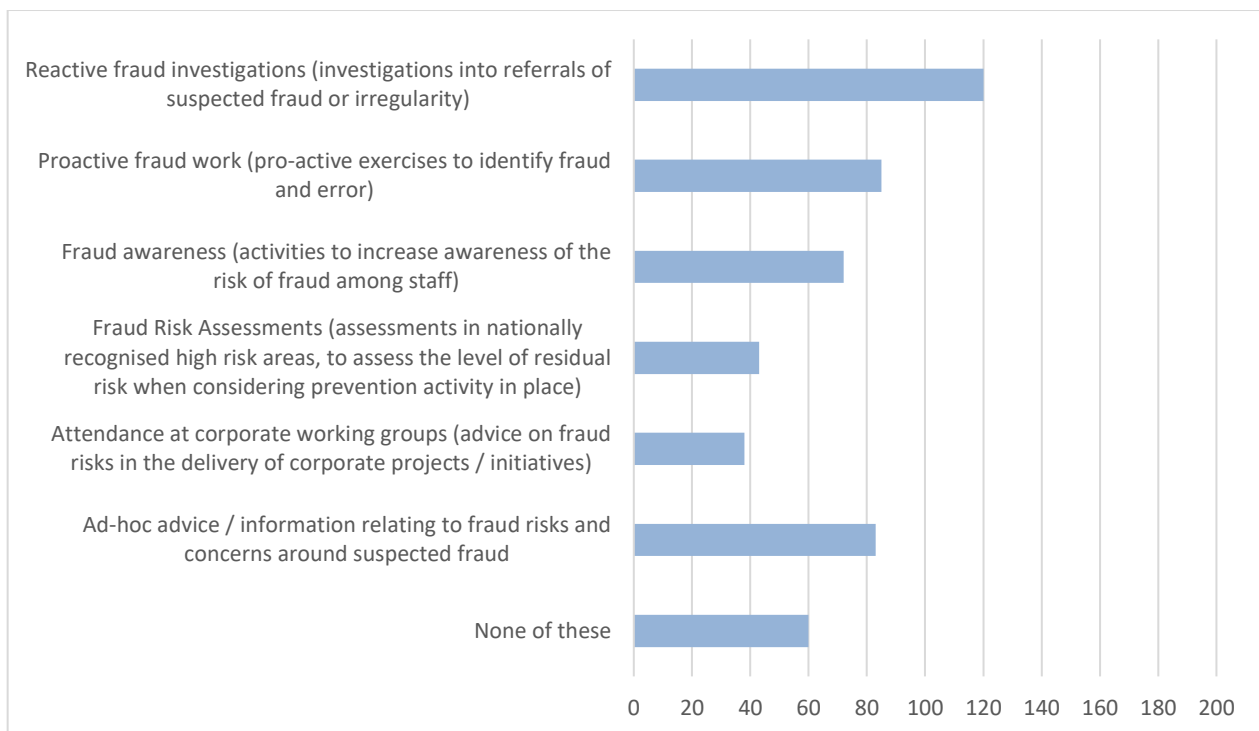
3.4 Several questions were asked aimed at identifying whether respondents had a good understanding of the role of counter fraud, the services available from the team and which services they felt added the most value to the council, with the following responses received,

3.5 Respondents were asked: How much do you agree that you have a good understanding of the role of the Counter Fraud Team?



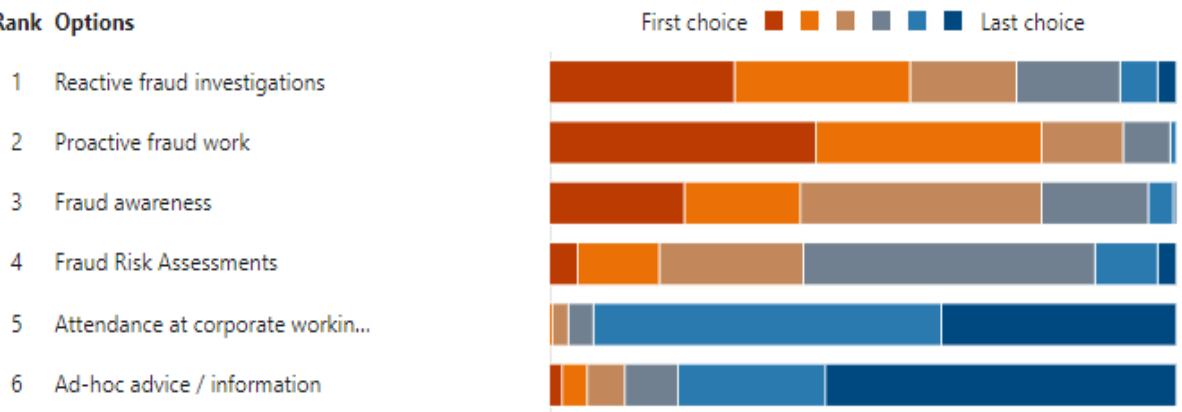
3.6 The results show that 81 respondents (40.5%) provided a neutral response, while 50 (25%) disagreed and 27 (13.5%) strongly disagreed.

3.7 Respondents were provided with a list of services and were asked to indicate which of the services they were aware that counter fraud provided.



3.8 Respondents were then asked to rank those services the order they felt added the most value to the council. Reactive investigations, pro-active fraud work, and fraud awareness, were ranked highest with 59 (29.5%), 85 (42.5%) and 43 (21.5%) respondents (respectively) selecting these services as their first choice. Attendance at corporate working groups and ad-hoc advice/information ranked lowest with 75 (37.5%) and 112 (56%) respondents (respectively) ranking them as last choice.

### Rank Options



- 3.9 Collectively these results are somewhat concerning, with more than a third of respondents indicating they know very little about the counter fraud team or its work, but not necessarily surprising due to a number of factors.
- 3.10 Firstly, prior to the shared service resources were focused only on the investigation of housing benefit fraud, so there would have been minimal interaction with other services within the council. Secondly, the way the counter fraud services were delivered in the early years of the shared service, and also the impact of covid, hindered the ability to deliver fraud awareness training or cultivate working relationships with new services.

### Communication

- 3.11 With the increase in remote working, there was concern that there may be a drop in engagement from client services or a reduction in referrals in the event that the counter fraud team was not easily contactable or readily available to respond to requests for advice. The questions were designed to establish which communication methods were the preferred option to make contact with the counter fraud team, and also establish whether there had been any issues/barriers for anyone who had tried to make contact with the team.

Question: Do you know how to contact the Counter Fraud team about fraud related issues?	Number of respondents
Yes	65
No	135

Question: Over the last two years, if you have had cause to contact the Counter Fraud team regarding a fraud matter, were you able to do so easily?	Number of respondents
N/A	172
Yes	15
No	13

- 3.12 The 13 respondents who indicated difficulties in making contact were asked to advise what caused the difficulties and the following comments were received,

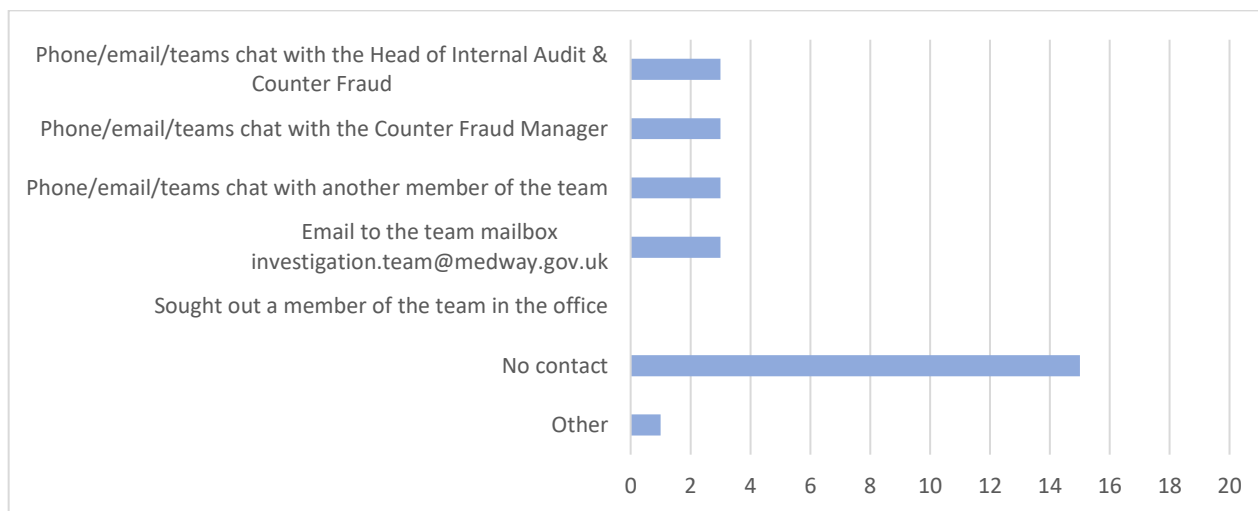
I did not know the team existed.
I didn't know we had a Counter Fraud Team
I have not had the need to do so.
I did not know that the team existed. In the past I have contacted housing benefit regarding possible fraudulent claims but as far as I am aware the recent interactions with clients have not highlighted any possible concerns. However, I am not sure if this would be the type of fraud and team that you are referring to.

I did not know this existed, therefore, would not have even thought to make contact. However, I would have sought guidance from say a manager for further advice, with the hopes that I would be pointed in the right direction,

Communication was via a generic email. Usually didn't get any response and had to email a few times to ask what was happening to the referral.

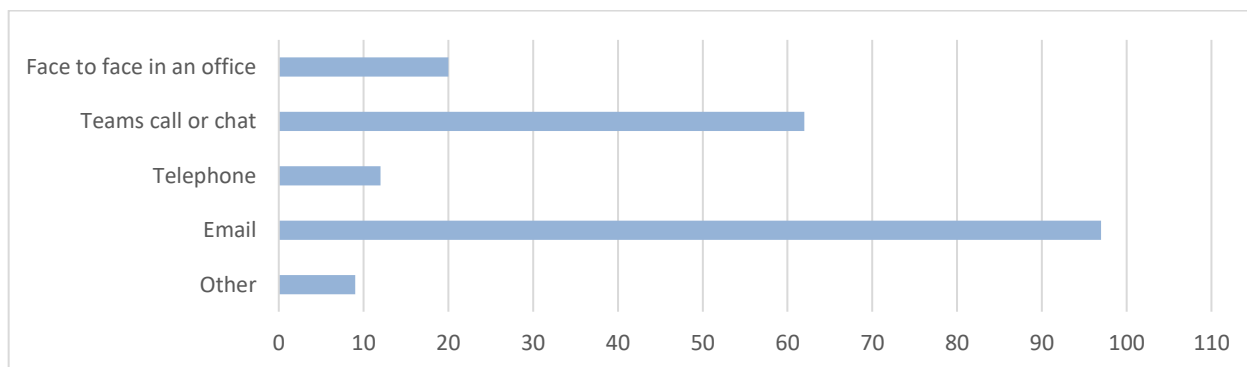
3.13 Most of the comments received support the fact that awareness of the service is well below where we would want and expect it to be, although this does not suggest there are barriers to communication. The last comment regarding response to emails will be followed up to ensure this does not continue to happen.

3.14 Respondents were then asked: If you have contacted the Counter Fraud team in the last two years (for anything other than submission of a fraud referral), how did you do so?



3.15 Of the 30 responses to this question, only 15 had been in contact with the team over the last two years and there was a reasonably even spread across the forms of communication, with the exception of seeking out a member of the team in the office.

3.16 Respondents were then asked to indicate their preferred method of interacting with the counter fraud team.



3.17 Almost 50% (97) of respondents indicated that email would be their preferred method of contact and a further 31% (62) indicated that they would opt for a Teams call / chat.

### Fraud Awareness

3.18 As well as awareness of the service, it is important that staff across the organisation have a good understanding of fraud risks within their own services and the organisation as a whole, and how this potentially impacts on the council's ability to deliver services.

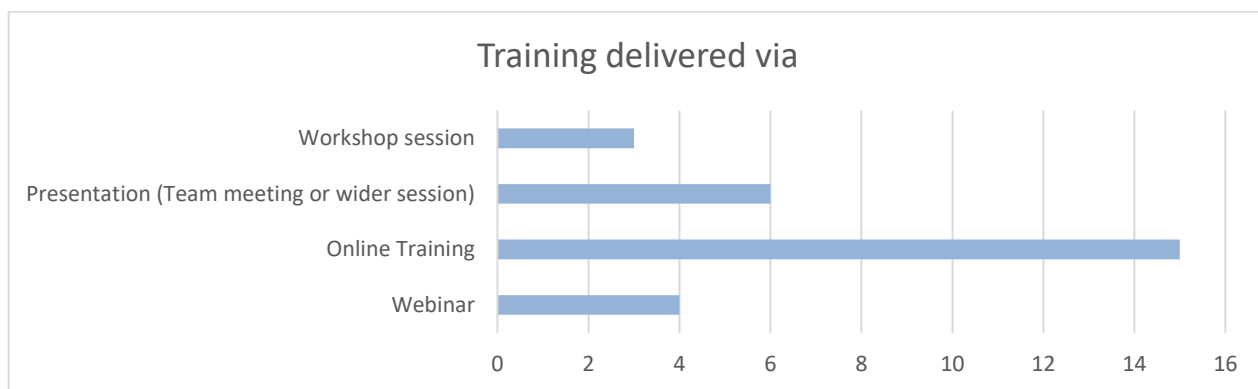
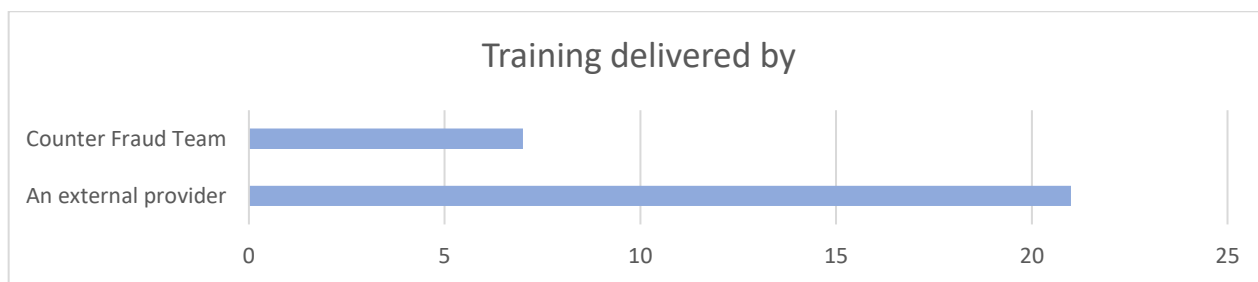
3.19 The work of the counter fraud team is underpinned by the council's counter fraud and corruption strategy. Respondents were asked the following,

Question: Were you aware that the council has a Counter Fraud & Corruption Strategy?	Number of respondents
Yes	103
No	97

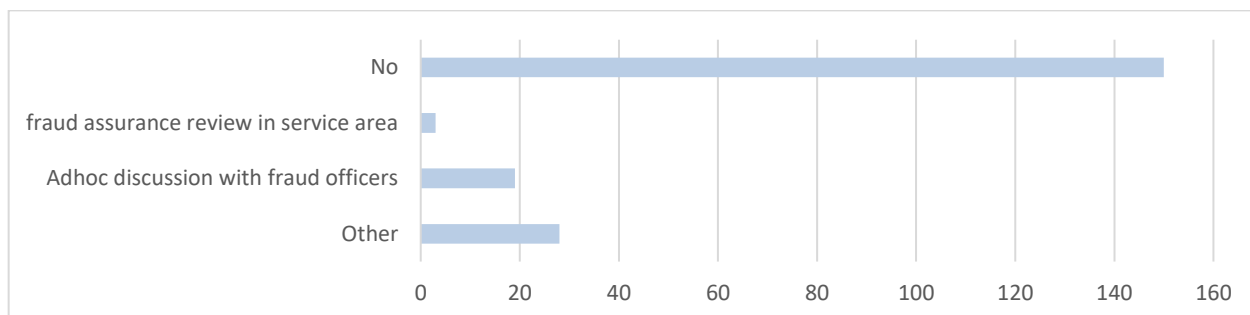
Question: Have you seen / read the Counter Fraud & Corruption Strategy?	Number of respondents
Yes	19
No	181

3.20 The next series of questions were centred specifically around whether the respondents had had any fraud awareness training, who it was delivered by and how it had been delivered, to try and gauge a general level of awareness across the organisation.

Question: Have you had any fraud awareness training in the last five years?	Number of respondents
Yes	28
No	172



3.21 In addition, respondents were asked whether they had gained any fraud awareness via other means, which identified the following,



3.22 Respondents were then asked whether they felt their service would benefit from awareness training.

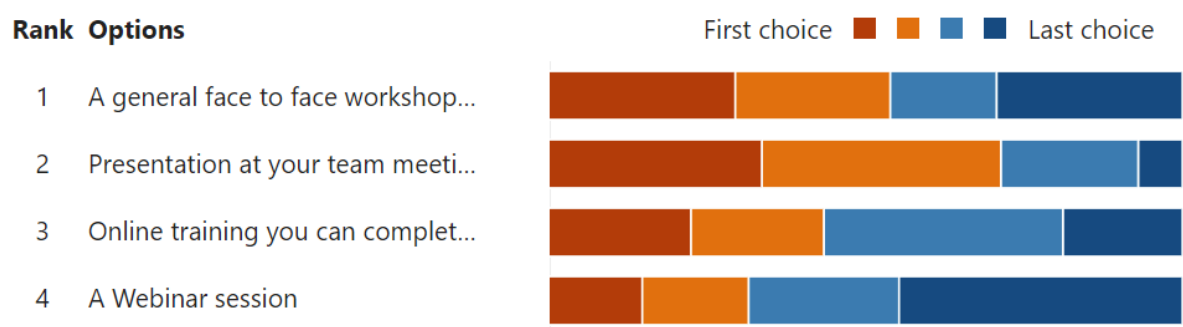
Question: Do you feel that you / your team / service would benefit from fraud awareness training?	Number of respondents
Yes	143
No	57

3.23 The responses received indicate that there is an insufficient level of fraud awareness across the organisation at present but there is also a clear willingness to understand more, with 143 respondents (71%) confirming that they or their team/service would likely benefit from awareness training.

3.24 In anticipation of requests for training, respondents were provided with a list of options for training delivery, these being,

- A general face to face workshop on fraud awareness
- Presentation at your team meeting, specific to the fraud risks associated with your area of work.
- Online training you can complete at a convenient time.
- A Webinar session,

and were asked to rank them in terms of what they felt would be most useful / appropriate, with the following results.



3.25 Presentations specific to fraud risks delivered at team meetings were most popular with 143 respondents (71.4%) listing this as their first or second choice. Webinar sessions were the least popular with only 43 respondents (21.5%) listing this as their first or second choice. Respondents were also given the opportunity to list any other means of training, with Teams sessions, a leaflet and a teaching session opposed to a workshop all being listed.

3.26 Respondents were also given the opportunity to provide the details for their team/service area that they felt would benefit from training and 91 respondents chose to do so, who were all spread across quite a considerable number of service areas/teams. This provides a wide range of areas to be considered for specific training sessions.

### Reporting Concerns

3.27 The vigilance of staff is key to identifying potential fraud and concerns should be reported to the counter fraud team for consideration of investigation. Over the last few years, the majority of investigations have been generated by data matching activity, such as NFI, rather than coming from individuals within the organisation. A series of questions were asked to establish the level of understanding around what could be reported, how it could be reported, and for those that had reported concerns in the past, how they had done so and whether feedback had been received.

3.28 Respondents were first asked questions to determine their understanding of what concerns could be reported.

Question: Are you satisfied that you know what type of concerns can be reported to the Counter Fraud team?	Number of respondents
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Yes	85
No	115

3.29 Respondents were then provided with a list of areas that the counter fraud team may be called upon to investigate fraud / irregularity and asked to indicate which, if any, of them they were aware of prior to the survey.

Area	Number of respondents replying 'Yes'	Number of respondents replying 'No'
Council Tax	161	39
Business rates	128	72
Housing Allocations	98	102
Homelessness	54	146
Housing tenancy	115	85
Right to Buy	67	133
Procurement	113	87
Insurance	110	90
Finance	157	43
Internal staff matters	110	90
School admissions	55	145
Blue Badge	120	80
Social Care	87	113

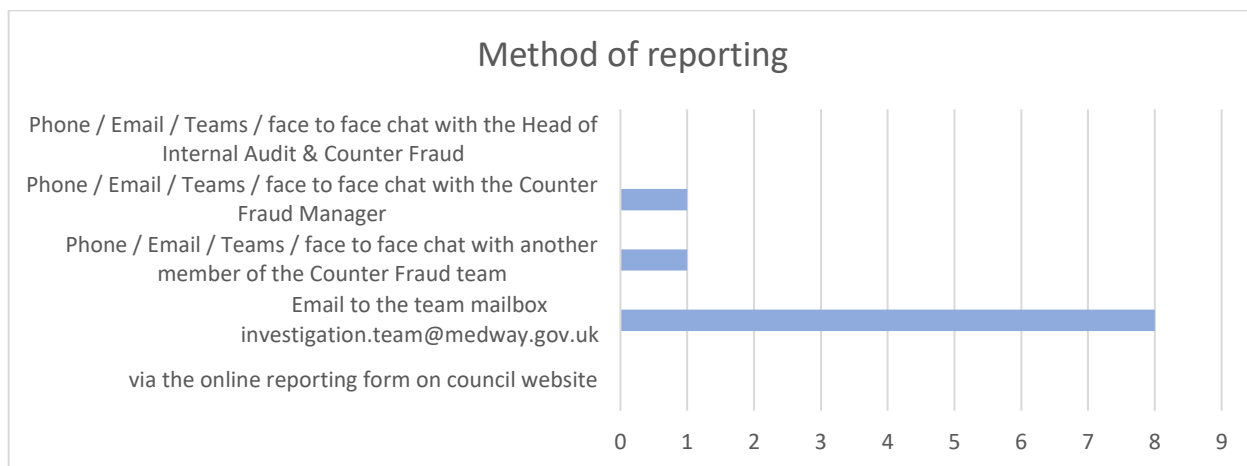
3.30 These results show that more than half were unclear what type of concerns could be reported, which was further demonstrated by the fact that while it appears fairly well known that counter fraud may investigate in certain areas of potential fraud, there was a general lack of awareness in a considerable number of areas.

Question: Do you know how to report concerns / suspicions of fraud / irregularity to the Counter Fraud team?	Number of respondents
Yes	65
No	135

Question: Over the last two years have you have you reported any concerns / suspicions of fraud / irregularity to the Counter Fraud team?	Number of respondents
Yes	10
No	190

3.31 More than half of respondents indicated that they did not know to report concerns to the counter fraud team and only 10 (5%) confirmed having submitted a referral in the last two years. The fact that so many are unclear on what can be reported and how to do so, is an indicator that there may be a number of potential issues that have not been reported simply because people did not know they could.

3.32 For those that had reported concerns further questions were asked about how they did so, and the feedback received.



Question: Did you receive feedback in relation to your referral? (Within the limits of what is permitted to be disclosed)?	Number of respondents
Yes	5
No	5

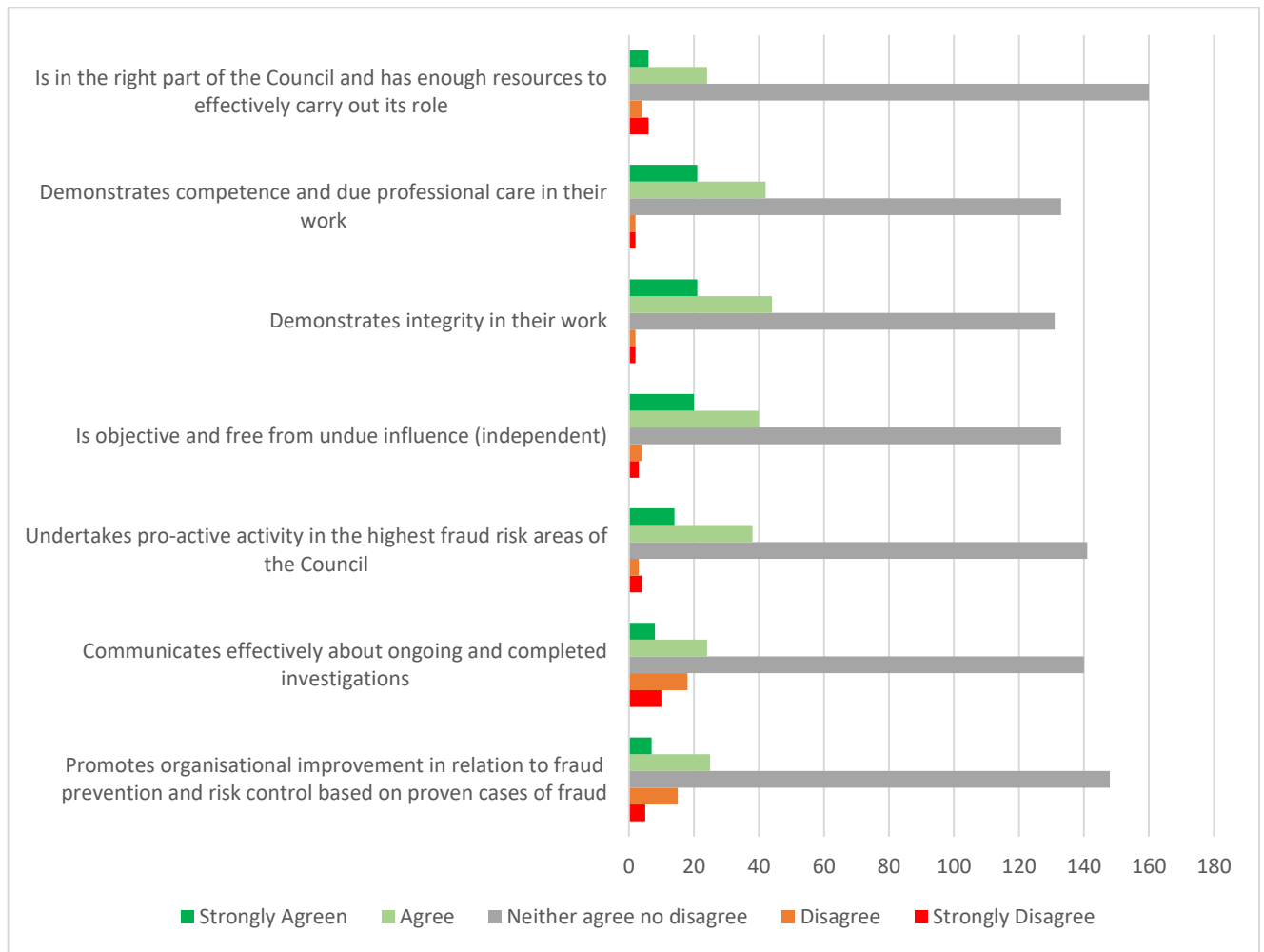
Question: If yes, had you specifically requested such feedback?	Number of respondents
Yes	1
No	4

Question: Even if you hadn't specifically requested it, would you have expected to receive feedback in relation to your referral? (Within the limits of what is permitted to be disclosed)?	Number of respondents
Yes	8
No	2

3.33 These results suggest that the fraud awareness training is going to be pivotal in generating more referrals from members of staff and that more work is needed in relation to providing feedback on referrals to ensure that people continue to engage and report concerns.

#### Compliance with Core Principles

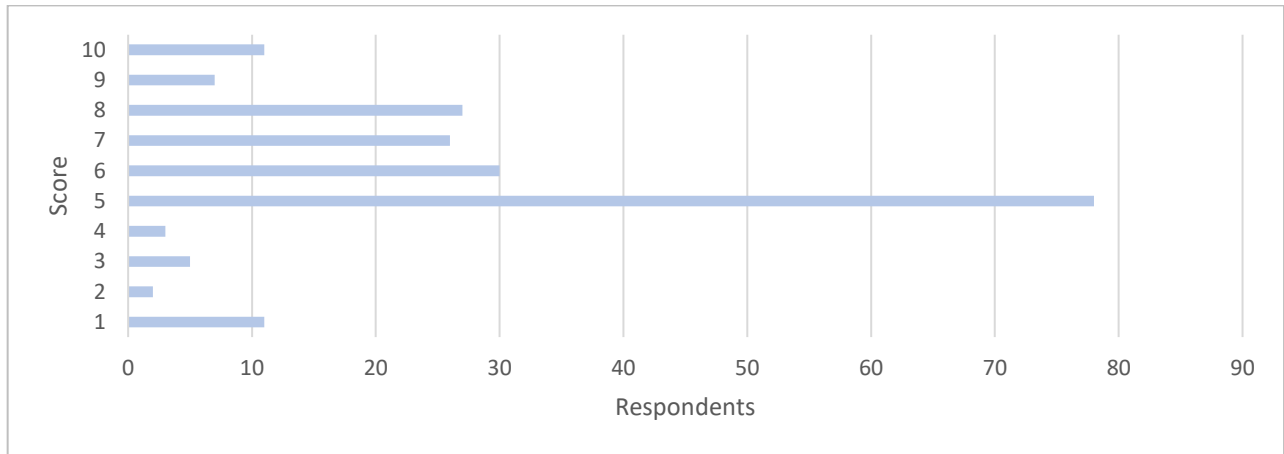
3.34 The Chartered Institute of Internal Auditors (IIA) specify ten core principles that internal audit teams must comply with at all times. While these are not directly applicable to the counter fraud team, a number of those principles have been adopted (with some minor change as necessary) by the counter fraud team. These principles were expressed as statements and respondents were asked to confirm to what extent they agree or disagree with each statement.



- 3.35 The vast majority of respondents provided neutral responses in relation to the statements, which is likely attributed to the fact that many do not know enough about the team to provide any positive or negative response.
- 3.36 While the negative responses are relatively low in number in comparison to the positive responses, they appear in all statements and are therefore a concern. However, due to the anonymity of the responses, there is no way to identify respondents to ask further questions and obtain context to the answers for most of the statements and establish whether there are common issues to address.
- 3.37 Communicating effectively about ongoing and completed investigations has the highest number of negative responses and is likely linked to the lack of feedback on referrals. This is an area that will be addressed but there also has to be some understanding on the part of those making referrals in relation to what can and cannot be disclosed due the need to protect the integrity of the investigation and to ensure compliance with data protection requirements.

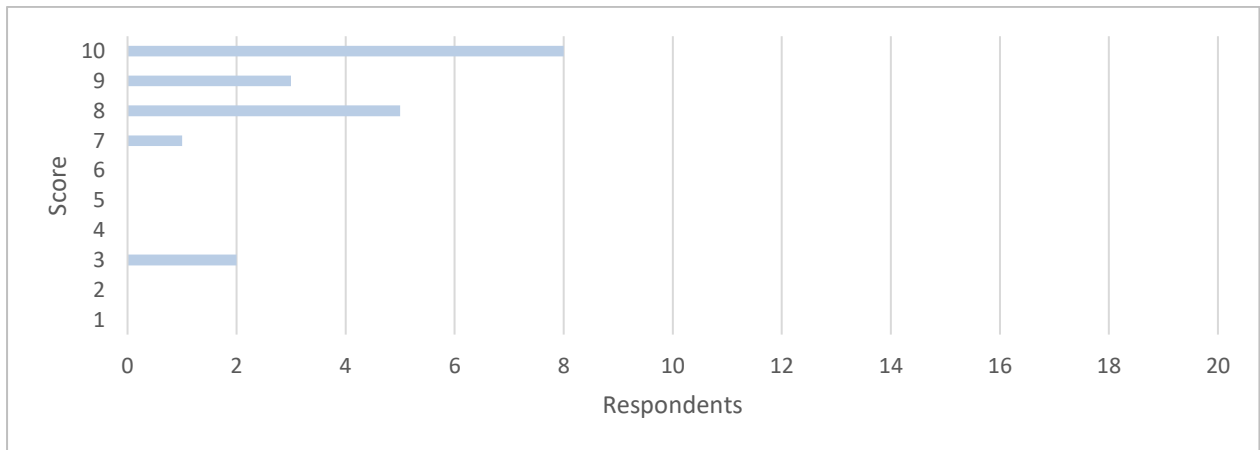
### Overall Satisfaction with Audit & Counter Fraud

- 3.38 Questions relating to overall satisfaction asked respondents to score from one (completely dissatisfied) to ten (completely satisfied). Any scores of eight or above are considered to be positive satisfaction.
- 3.39 As it was possible that not all respondents would have had interaction with counter fraud during the previous two years, respondents were first asked to provide a satisfaction score in relation to the support and services that are available from counter fraud.



3.40 The average score across the 200 responses was 5.92 out of ten, with 78 (39%) giving a score of five. 45 (22.5%) gave a score of eight or higher. The significantly high number of neutral and negative responses is likely linked to the lack of awareness across the council, which is a high priority for the team moving forward.

3.41 The 19 respondents who confirmed having received services from counter fraud in the last two years were asked to score their overall satisfaction with the service received.



3.42 Of the 19 respondents who had services from counter fraud in the last two years, 16 gave a score of eight or higher, giving an average score 8.42 and representing positive satisfaction of 84%.

### Other Feedback

3.43 At the conclusion of the survey respondents were asked: Do you have any other comments that may help us improve / develop the service?

3.44 A number of comments received essentially stated that people were not aware of the team. The more detailed comments received are detailed below, along with responses from the Head of Internal Audit & Counter Fraud (HIACF) on behalf of the service.

**Comment received:** Q16 isn't clear, so you may get skewed results. The question asks whether I was aware of (for example), council tax before this survey. Yes, I was aware of it. I suspect what the question means is, was I aware that the counter fraud team looks into council tax fraud, in which case the answer would be no. Also, questions after that ask for my opinion of the team (i.e., professionalism) but I wasn't aware the team existed - I have no knowledge of their professionalism but was asked to make a judgement.

**HIACF response:** The questions were aimed at identifying respondents' knowledge of areas where fraud may be investigated. The comments about relevance of questions will be kept in mind when designing future surveys and determining questions that must be answered or are optional.

**Comment received:** I don't know if the team are limited in how much awareness/communication they can give re investigations due to confidentiality so may have answered harshly. I think there has been a decline in awareness though i.e., we used to get comms re the gifts and hospitality register (which assume relates to fraud/bribery) but not for many years now, and there hasn't been any compulsory training/meta compliance re Fraud to do that I am aware of

**HIACF response:** It is correct that the sharing of certain information is limited due to confidentiality, but it is a valid comment that there has not been enough communication for awareness and is something that will be addressed. It is also useful to know about the decline in comms about gifts and hospitality, which is something that will be shared with CMT.

**Comment received:** With regards to Q23, it is hard for me to comment as I haven't worked with the team directly. Some of my colleagues have spoken with a member of the Fraud and Audit team (this is how I was made aware of the team); they spoke highly of the auditor throughout the assessment.

**HIACF response:** It is good to know that those sharing their experience of interactions with the team is positive.

**Comment received:** Counter Fraud has not been covered in my induction (nothing much else has either).

**HIACF response:** This is an area we will be discussing with workforce development. Our aim is to develop general fraud awareness training that can be via video or sessions booked via iShare, although the best method is yet to be confirmed.

**Comment received:** Raise awareness of your services regularly in Comms emails by showing anonymised positive outcomes of your investigations e.g., savings made or follow up actions for future prevention of fraud. Bite size awareness sessions for staff including, if you have the capacity, how to prevent becoming victims of fraud in personal lives.

**HIACF response:** We provide details of annual results and positive case outcomes, although there have not been any for a while due to the pandemic, to comms for publication but this has usually been external comms rather than internal in the past. We will look at what could also be shared internally. In terms of awareness sessions, we are trying to establish the best methods of training but as this is delivered by officers within the team, it has to be balanced with other workloads. Consideration will be given to whether frequent small sessions or less frequent more in-depth sessions are more manageable.

**Comment received:** I was not aware of the Counter Fraud Team. However, having worked for Medway Council for over 25 years which has included working in housing benefits I am aware there was a HB fraud team and an internal audit team which I assume is for identifying internal fraud.

**HIACF response:** You are correct that previously there was a housing benefit (HB) fraud team. Historically fraud teams in local authorities were primarily focused on HB fraud (this was not unique to Medway) but there are far more areas where fraud can occur. The shared service was launched in 2016 bringing in experience in other areas of investigation and when responsibility for HB fraud was transferred to the DWP, so the fraud team are now responsible for all other aspects of fraud across the council.

**Comment received:** I feel that more resources are required to be able to deal with the number of potential fraudulent cases which are identified. I feel that more joint up work can be done with DWP/Pension Service - they do the HB fraud, Medway Council do the CTR/council tax fraud. Also, efficiencies could be made by

using reports/resources from other departments to carry out information gathering as part of their normal duties, leaving the other gathering of information to the fraud officers. for example - where a customer is receiving HB/CTR and the NFI identifies a SPD mismatch, then instead of investigating that, give it to the Benefits department to carry out a full case review (which is normal practice and is a mandatory piece of work that is monitored by the DWP), therefore those NFI SPD cases with no benefits attached can be looked into by the council tax team or the fraud team. I enjoy working together Nikki Ashby and her team. They are professional, knowledgeable and have a very positive outlook. They are a great support to me and my benefits assessment team, and always find them approachable for advice and information.

**HIACF response:** We try to ensure that work is as joined up as possible and joint working is undertaken with the DWP where appropriate, but we have a limited resource and have to make a judgement on what cases we can/cannot be involved in. Referring specifically to NFI, the activity is not limited to Benefits and council tax and in many cases individual services are not able to review the matches received, so the counter fraud team reviews what it can and seeks assistance from the services if issues are identified. I would be more than happy for services to review the matches themselves but have concerns that potential fraud cases may not be referred back to the team, or action taken by the service could hinder our ability to take action.

**Comment received:** I am fairly unknowledgeable about the work of the counter fraud team. I know we have one but have not had any interaction with the team. It would be good to have more awareness about how investigations are carried out and how referrals are made and how it affects all council employees

**HIACF response:** This is something that will need to be factored into fraud awareness training.

**Comment received:** Yes - I have highlighted to my manager several areas that should be compliant with being audited but we never hear of any outcomes or work being carried out, in discussions I feel that GDPR is rallied out far too frequently and incorrectly i.e. "we cannot discuss that because of GDPR" when we are working on the same team - I think it should be regularly highlighted to all members of staff what fraud is, how to detect fraud, who to report to and how investigations take place especially internally. Is omission of the facts included?

**HIACF response:** An audit of compliance is quite different to an investigation into suspected fraud, which is why there are separate teams within the IA&CF service. My team do not quote GDPR but do have a duty under Data Protection that means certain information relating to investigations cannot be discussed. I would be happy for the person who provided this comment to contact me and discuss further as I can address any concerns about areas for audit as well as possible investigations. As we have already acknowledged there is a need for more awareness training, and it is something we aim to address over time.

**Comment received:** Did not know all the areas that the counter fraud team are involved in but would probably have approached them if I suspected there was something wrong in those areas - even if just to signpost me to the correct people.

**HIACF response:** The team are happy to be contacted for advice or further information.

**Comment received:** Provide regular update to reporter.

**HIACF response:** We share press releases about successful cases (there have not been any for a while due to the pandemic), and also an annual roundup of what we have achieved, via the council's communication team but have no control over whether the press run with this information for articles. We also publish this information on the council website and more recently have been attempting to share information via the council's social media.

**Comment received:** raise profile, general awareness in public life as all local govt workers in the council! be proactive- supportive work with teams.

**HIACF response:** We are always available to support teams and will be working to try and raise our profile, which includes breaking down the historic reputation that we only investigate benefit fraud, which is not the case.

**Comment received:** an update page on the intranet?

**HIACF response:** There is information about both internal audit and counter fraud on a dedicated intranet page. We will look into the possibility of sharing information about cases and activities via Medspace news.

**Comment received:** My negative responses are based purely on not knowing that the service existed. We are all responsible for public funds and services and an awareness of what to be alert to would be beneficial to staff and the authority. This is not intended to dismiss the excellent work of the service; however, Medway Council has a high turn round of staff and the team really needs to be promoted.

**HIACF response:** I agree that there needs to be more awareness across the council, and we need to do more to raise the profile, including at induction to pick up those new starters.

**Comment received:** From previous experience it has been frustrating at times that there is a lack of communication, no updates on cases so you don't know whether it is worth reporting things. Appreciate the need for confidentiality and discretion in cases but when a lot of the information is already known by the referrer, an update on whether there is an investigation, so you know to pass any more information on if you get it or even if a case is successfully investigated.

**HIACF response:** I appreciate it is always good to know what happened to your referral, but fraud investigations can often be a long-drawn-out process, so you may not receive feedback for quite some time. Investigators will usually make contact with referrers for more information, but this is not guaranteed in all cases. We are working hard to try and ensure that those making referrals receive feedback, where we can.

**Comment received:** I believe this service should report direct to the chief executive. Providing objective unbiased criticism of your own line management who influence your career is impossible.

**HIACF response:** Although I report to the Chief Operating Officer in terms of the council structure, I do have a direct reporting line to the Chief Executive and the Chair of the councils Audit Committee. Concerns of any kind can be discussed with me, whether that be because you feel there is a lack of compliance with procedures (more likely to be reviewed by internal audit) or because you have a concern about fraud or other wrongdoing.

**Comment received:** I find the team very helpful and willing to assist when needed. In my experience they are knowledgeable and will talk through scenarios to find the best solution/outcome.

**HIACF response:** Thank you for the positive comment. We always aim to be as helpful as possible.

**Comment received:** Feedback and response has been very poor to the point where I can't see the point of making referrals.

**HIACF response:** This is something we are working to address but due to the volume of referrals we receive and have to assess, there is always the potential we will miss feeding back on some of them. I also feel that I must point out that any housing benefit fraud referrals are passed directly to the DWP as we have no power to investigate and unfortunately, we do not receive any feedback from them, so have nothing to pass on.

**Comment received:** Internal Audit & Counter Fraud (like Business Change) can be portrayed as a negative when in reality it really isn't, maybe promoting positive actions that have been a result of an audit would help change people's perception of the service.

**HIACF response:** This is perhaps more relevant to the internal audit team than counter fraud and links back to the fact we need to do more to raise the level of understanding about both elements of the service and their role in the organisation.