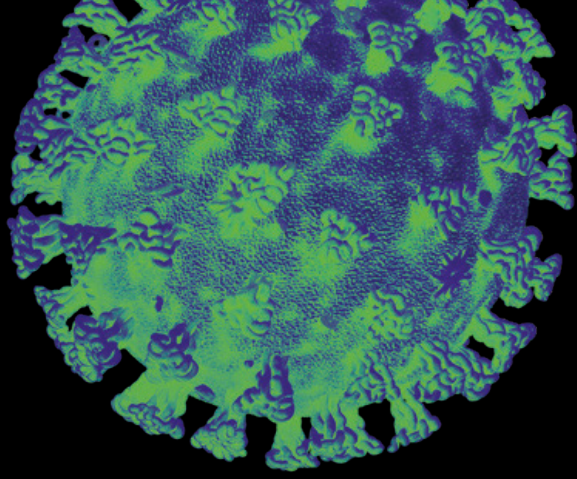


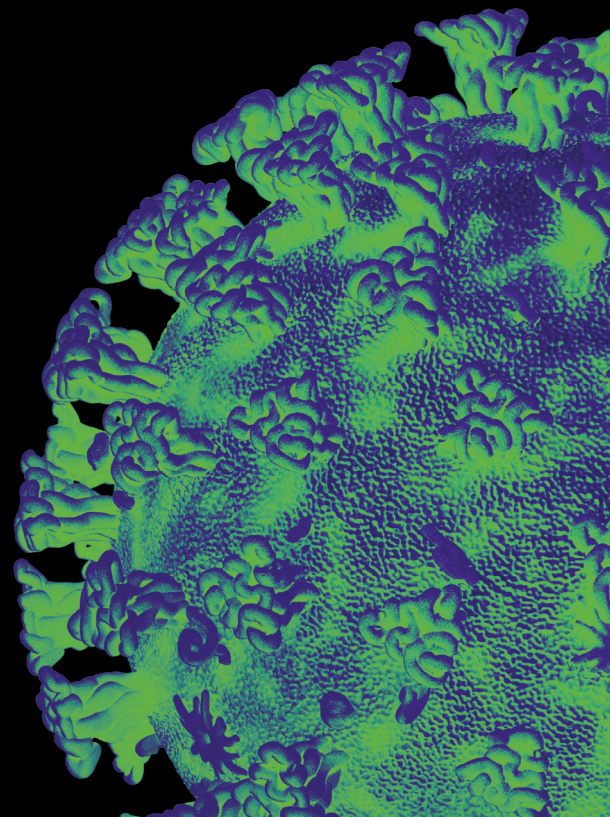
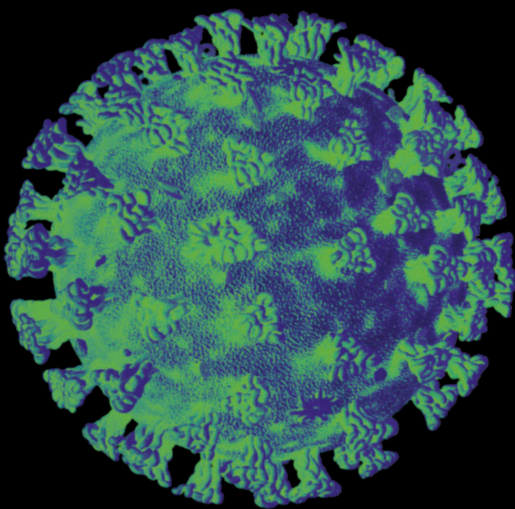


Government
Counter Fraud
Function



COVID-19

Counter Fraud Response Team





COVID-19 Counter Fraud Response Team



We are here to help government organisations find and control fraud in the COVID-19 Response



We aim to reduce the fraud threat against the public sector during the COVID-19 response

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THE NHS**

Foreword

We find ourselves living in unprecedented and uncertain times. Sadly, in emergency management circumstances, experience tells us the threat from fraud and the likelihood of irregular payments increases. That is why the Government Counter Fraud Function is focused on helping departments, agencies and local authorities reduce the risk and impact of fraud during the COVID-19 pandemic.

The centre of the Counter Fraud Function, based in the Cabinet Office, has established the COVID-19 Counter Fraud Response Team. The team is proactively monitoring the COVID-19 fraud threat utilising expertise, intelligence and analytics from its partnerships with law enforcement, the public sector, the private sector and our international relationships with the Five-Eyes countries. It is combining this intelligence with expert fraud risk assessment of the stimulus spend to help the public sector understand its fraud risks and to design and develop countermeasures, alerts and guidance.

By doing this, we can make the funding go further and support more of the community through this period.

Our message is clear. We are here to support the public sector and to help protect our citizens and businesses. We have built an expert team who can provide a variety of expertise. Together, we can reduce the economic and social harm of those that seek to fraudulently exploit the COVID-19 pandemic.

Mark Cheeseman
Director, Public Sector Fraud





COVID-19 Counter Fraud Response Team

Approach to fighting COVID-19 Stimulus Support Fraud

The COVID-19 Fraud Response Team is focused on understanding, finding and reducing fraud within the COVID-19 stimulus support to ensure the funding goes as far as possible to the right people and organisations. It is also bringing the Counter Fraud Function together to be able to understand and communicate the impact on the fraud landscape in the UK as a whole during the COVID-19 pandemic.

1

Research and risk assess the stimulus support to understand the fraud risks, including embedding resources in public bodies to do this

2

Help public bodies design, develop and deliver up-front frictionless countermeasures to safeguard the stimulus support

3

Work with public bodies to build post event assurance work to find and recover fraud and irregular spending

4

Provide ad-hoc COVID-19 related support and guidance to public bodies

5

Monitor the impact of COVID-19 on the public sector's counter fraud capacity and ability to deal with the fraud we normally face

Research and
risk assess

Design, develop
and deliver
countermeasures

Monitor the impact
of COVID-19





COVID-19 Counter Fraud Response Team

Five overarching principles

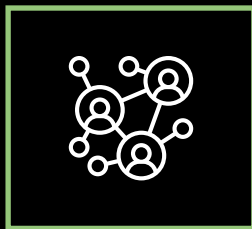
The International Public Sector Fraud Form agreed the following principles for controlling fraud in emergency management contexts:



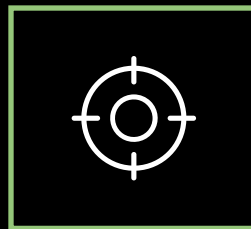
Accept that there is an inherently high risk of fraud, and it is very likely to happen.



Integrate fraud control resources (personnel) into the policy and process design to build awareness of fraud risks.



The business and fraud control should work together to implement low friction countermeasures to prevent fraud risk where possible.



Carry out targeted post-event assurance to look for fraud, ensuring access to fraud investigation resources.

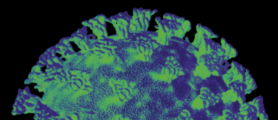


Be mindful of the shift from emergency payments into longer term services and revisit the control framework – especially where large sums are invested.

In doing all of this, we must remember that the fundamental priority of the emergency context is ensuring that payments, grants and services are delivered to those in need.

Understanding the COVID-19 Fraud Landscape

We have observed an increase in the diversity of threats, scams and fraud during the COVID-19 crisis. Fraudsters will exploit fears over the pandemic, targeting the public sector, businesses and individuals with an increasing risk of causing human harm and limiting the impact of the stimulus measures. Some people will be more likely to commit fraud than they would have been otherwise.





COVID-19 Counter Fraud Response Team

Human Harm

Fraud can be a traumatic experience for victims, their families, carers and communities. Those who rely on government services, such as the elderly, the vulnerable, the sick and the disadvantaged, are often the ones most harmed directly or indirectly by fraud. This is especially the case during the COVID-19 response.



Fraudsters are using existing programmes to exploit the public. Phishing, malware, and bogus caller scams have been used along with thousands of malicious domains to support COVID-19 specific scams. Fraudsters pretending to be from HMRC are offering a tax refund and directing victims to a fake website to harvest their personal and financial details.

The public sector has a role in reducing this type of fraud. **We can help you to put appropriate measures in place** so that we can protect our citizens from significant harm.

The public sector is coming together to try and quickly understand these frauds and minimise their impact on the communities we serve.

Stimulus Outcomes Impact

We should all be aware that fraudsters will seek to take advantage of public sector COVID specific initiatives. Time and time again in emergency situations, fraudsters have taken advantage of the support put in place for our communities.

Fraud against the public sector at this time compromises the government's ability to deliver the stimulus support and achieve intended outcomes.

Fraudsters will divert money and services away from the communities that need it. Fraudsters in the system will lead to the services delivered being substandard or unsafe.

Government is working together to reduce the occurrence of fraud during COVID 19 and to make the stimulus spending get to those who need it. The Covid-19 Fraud Response Team has been created to help public bodies access experts, tools and guidance so they can engage with this challenge as best as possible.





COVID-19 Counter Fraud Response Team

How can the Team support you to counteract COVID-19 fraud?



Conduct Fraud Risk & Research

Research and risk assess the fraud threat in the stimulus support.

- Provide resource to embed in a public body to undertake a fraud risk assessment on stimulus spending.
- Conduct research and more general risk assessments on fraud threats and risks in the public sector and inform public bodies.
- Inform the public sector threat assessment on fraud, and inform prioritisation of counter measure support.



Design and Help Implement Countermeasures on Stimulus Support

Design, develop and deliver upfront low-friction checks and post event-assurance activity in COVID-19 high risk stimulus support.

- Provide access to expert resources to help design up front checks on stimulus support to reduce risk and minimise disruption to the distribution.
- Help public bodies implement post assurance activity on COVID-19 stimulus. This will include helping to design activity and support by undertaking data matching and analytical activity to identify potential indicators of irregularity.



Monitor Business as Usual Fraud Management During COVID-19

Public sector resources will be stretched during COVID-19. At the same time, the fraud threat is expected to rise.

- Monitor the impact of COVID-19 on the public sector's counter-fraud capacity to inform a common understanding of performance and to understand where support can make a difference.



Gather Intelligence and Bring the Function Together

We are working to understand the fraud threat to members of the public, businesses and the public sector and will share this widely.

- Identify fraud threats by type, source and target group so that the risk and research on stimulus support is targeted at the most immediate threat.
- Bring the public sector together to ensure our response to COVID-19 fraud is effective and coordinated.
- Work with partners internationally to understand and share fraud threats related to COVID-19.



COVID-19 Counter Fraud Response Team

How can Countermeasures Effectively Protect and Maximise the Impact of the Stimulus Support?

There are a variety of measures that can help you reduce the risks of fraud.

The Countermeasures Team, part of the COVID-19 Counter Fraud Response Team, can help you explore these measures.

The best way to develop effective measures is to have a good understanding of the risks you face. The COVID-19 Counter Fraud Response team can embed qualified Fraud Risk Assessors into your teams to help you understand these risks.

Some examples of effective countermeasure types are below. There are many more that the Countermeasures Team can work through with you, this is just a starting point:

1 Fraud Warning Clauses

An important part of fraud control, but often overlooked, is messaging to those engaged in the process asking them to confirm that they will engage with the process honestly and accurately. It also sets out what may happen if they provide false information. Behavioural Insight work across the public sector has taught us how to best frame and place these messages.

We can support you in the development of these messages and advise on how and when they should be used.

2 Clawback Arrangements

A claw back agreement enables a government organisation to claim repayment if a payment is paid incorrectly, or if a specific usage clause is breached.

To mitigate risks to the stimulus, we can support you to create effective claw back agreements or clauses with legal advice to ensure your policies on the stimulus support are enforceable. This is highly relevant for grants and procurement and will enable you to claim funds paid in error, or if they are misused.

3 Frictionless Up Front Checks

We can help you develop up front, analytical and data driven, tools which are purposefully low friction so they do not delay any urgent payments or services.

These can significantly reduce fraud risk. We can work with you to understand your existing processes and delivery models to implement an effective up front measure at pace.

4 Post Event Assurance

We can help you to design, deliver and deploy post assurance checks where up front, preventative counter measures are not able to be implemented.

In emergency situations, it is often not possible to put in up front checks due to the urgency with which payments need to be made. As such, an effective post event assurance regime is essential to effectively manage risk.

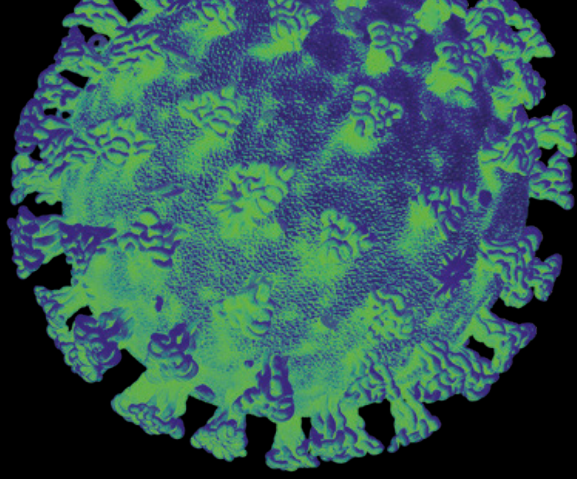
We can support you to develop your ability to conduct post assurance checks through helping you design your post event assurance activity based on leading practice across the public sector and leveraging our expertise. We can also develop data sharing and analytical activity, to help identify potential irregularity to support post event assurance activity.

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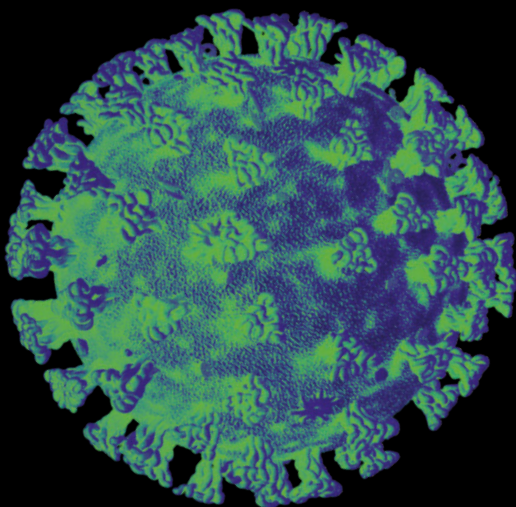
Government
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Further Guidance and Support

The Cabinet Office has formed a COVID-19 Fraud Response Team to assist the government with its counter fraud response. Requests for assistance should be emailed to:

covid19-counter-fraud@cabinetoffice.gov.uk



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