

# Local authority serious and organised crime checklist

## The Threat

Local Authority (LA) procurement is at risk of infiltration from serious and organised crime and organised crime groups could be benefitting from public sector contracts. In 2017 it was estimated that £7.3 billion of fraud was perpetrated against local government ([Annual Fraud Indicator 2017](#)).

Serious and organised crime is a threat to our national security and the Government's [Serious and Organised Crime Strategy](#) published in 2018 reported that it costs the UK more than £37 billion a year. Organised crime includes drug trafficking, human trafficking, child sexual exploitation, high value fraud and cyber-crime. Organised crime groups may seek to benefit from public services in different ways, including to raise money through fraudulent activity and to use businesses / services used by LAs to launder criminal proceeds. In this way public money can be lost to LAs and can ultimately fund other illegal activity.

## Responding to the Threat

Assessing the risk from serious and organised crime and corruption is essential in allowing you to identify areas of concern within your business, potential vulnerabilities and to take action to strengthen processes and structures that safeguard public money.

## How to use this Serious and Organised Crime Checklist

The checklist is intended to be used as an internal, self-assessment tool by the Chief Executive and the senior management team to provide a high level overview of the serious and organised crime risks that relate to your business. It can be carried out quickly with relevant heads of departments to make a high level, but balanced assessment of your exposure to the risks and in response develop an improvement plan for managing that risk, as well as capturing areas of good practice to replicate more widely across the LA and with neighbouring LAs.

## Serious and Organised Crime Checklist

Governance and strategy					
1. Awareness, Strategy, Guidance and Training					
	Question	Response / Action taken	Assessment of current arrangements		
a.	How aware are the senior management team and Elected Members of the Government's 2018 <a href="#">Serious and Organised Crime Strategy</a> , the LGA's guide <a href="#">Tackling Serious and Organised Crime</a> and MHCLG's, <a href="#">Fighting Fraud and Corruption Locally Strategy</a> ?		Good	Acceptable	Needs improvement
b.	Do you have a dedicated serious and organised crime Single Point of Contact in place and are they able to liaise to good effect with local police?		Good	Acceptable	Needs improvement
c.	Do you have an Anti-Fraud and Corruption Strategy and how effective is it?		Good	Acceptable	Needs improvement
d.	Is your Code of Conduct compliant with the <a href="#">seven Nolan principles</a> and how robust are arrangements to investigate all allegations of breaches?		Good	Acceptable	Needs improvement
e.	How effectively do you maintain your public register of Members pecuniary interests?		Good	Acceptable	Needs improvement
f.	How well do you raise awareness of the threat that serious and organised crime poses to LAs and its services?		Good	Acceptable	Needs improvement
2. Risk Management					
a.	How far have the risks posed by serious and organised crime and corruption been reflected within relevant risk registers?		Good	Acceptable	Needs improvement

b.	How effectively do you mitigate and manage the serious and organised crime risks identified?		Good	Acceptable	Needs improvement
c.	How confident are you that you could deal with / recover from a scenario involving loss or reputational harm as a result of serious and organised crime?		Good	Acceptable	Needs improvement
d.	How aware are your staff of the risks of cybercrime and that they know how to respond effectively to those risks.		Good	Acceptable	Needs improvement
<b>3. Communication and Information / Intelligence Sharing</b>					
a.	How effective are your arrangements for both internal and external data sharing?		Good	Acceptable	Needs improvement
b.	Do you and / or your serious and organised crime Single Point of Contact have regular meetings with the local police to discuss the sharing of information / intelligence? How constructive are these meetings?		Good	Acceptable	Needs improvement
c.	How effective are your arrangements for sharing information and intelligence with your local police force?		Good	Acceptable	Needs improvement
d.	How active a participant are you in the local serious and organised crime multi-agency partnership and do you attend / contribute regularly?		Good	Acceptable	Needs improvement
<b>4. Whistleblowing</b>					
a.	How effective are your whistle-blowing arrangements?		Good	Acceptable	Needs improvement
b.	Is guidance on reporting easily accessible for staff and is it straight-forward to follow?		Good	Acceptable	Needs improvement

<b>5. Assurance</b>					
a.	How confident are you that you are able to provide assurance to your Elected Members that you and your management team are aware of, and are managing, the risks posed by serious and organised crime?		Good	Acceptable	Needs improvement
b.	Do your Internal and External Audit teams play an appropriate and useful role in this assurance process?		Good	Acceptable	Needs improvement
<b>Operational Controls</b>					
<b>1. Licensing (alcohol, taxi and other)</b>					
a.	How confident are you that your LA has not granted a licence to an individual or organisation linked to serious and organised crime in the last 12 months? On what basis have you reached this conclusion?		Good	Acceptable	Needs improvement
<b>2. Planning / Development management</b>					
a.	How confident are you that no planning or development management decision made by your LA over the last 12 months has been exploited by organisations with links to organised criminals? On what basis have you reached this conclusion?		Good	Acceptable	Needs improvement
<b>3. Social Housing</b>					
a.	How confident are you that no property used for social housing is being used by, or sub-let to, an individual or organisation with links to serious and organised crime (e.g. drugs, prostitution, sub-letting, people trafficking, counterfeiting)?		Good	Acceptable	Needs improvement

b.	How confident are you able to be that those providing maintenance and repair services for social housing have no links to serious and organised crime?		Good	Acceptable	Needs improvement
<b>4. Procurement</b>					
a.	Are all your procurement, contract management and due diligence procedures robust and fully implemented? Are they regularly reviewed?		Good	Acceptable	Needs improvement
b.	Are effective policies or protocols in place to ensure that supplier checks are carried out in higher risk supplier sectors during procurement?		Good	Acceptable	Needs improvement
c.	How confident are you that your LA is not at risk of purchasing goods or services from organisations with links to serious and organised crime? How have you reached this conclusion?		Good	Acceptable	Needs improvement
d.	Are your records of supplier details reliably maintained and are they checked and verified sufficiently?		Good	Acceptable	Needs improvement
e.	Are you confident that your staff with purchasing responsibilities are aware of the risks of transacting with an organisation linked to serious and organised crime?		Good	Acceptable	Needs improvement
f.	Are you confident that staff with purchasing responsibilities know how to raise any potential concerns about organisations with which your LA transacts?		Good	Acceptable	Needs improvement
<b>Insider Threat</b>					
a.	How far do you think your LA could be at risk from employees who have links to serious and organised crime?		Good	Acceptable	Needs improvement

b.	How confident are you that you have effective and fully publicised processes in place for the following mechanisms aimed at minimising the 'Insider threat'? <ul style="list-style-type: none"> <li>- Officer / Member vetting (on recruitment and at intervals thereafter)</li> <li>- Officer / Member external interests register</li> <li>- Gifts and hospitality register</li> </ul>		Good	Acceptable	Needs improvement
c.	Is there clear and effective accountability for the correct operation of these processes?		Good	Acceptable	Needs improvement
d.	How easily can a member of your staff, or another LA stakeholder (e.g. member of the public, supplier, etc.) report suspected or alleged malpractice to you? Are reporting processes clearly set out and publicly available?		Good	Acceptable	Needs improvement