

COUNTER FRAUD ACTIVITY 2019/20

The table below shows the level of savings achieved through counter fraud work during the current financial year.

	2019/20 (Actual: 31/10/19)	2019/20 (Target: Full Yr)	2018/19 (Actual: Full Yr)
Amount of actual savings (quantifiable savings - e.g. repayment of loss, cancellation of right to buy discounts and stopping ongoing fraudulent claims) identified through fraud investigation.	£212,710	£200,000	£328,275

Caseload figures for the period are:

	2019/20 (As at 31/10/19)	2018/19 (Full Year)
Referrals received	218	345
Number of cases under investigation	102	118 ¹
Number of investigations completed	104	189

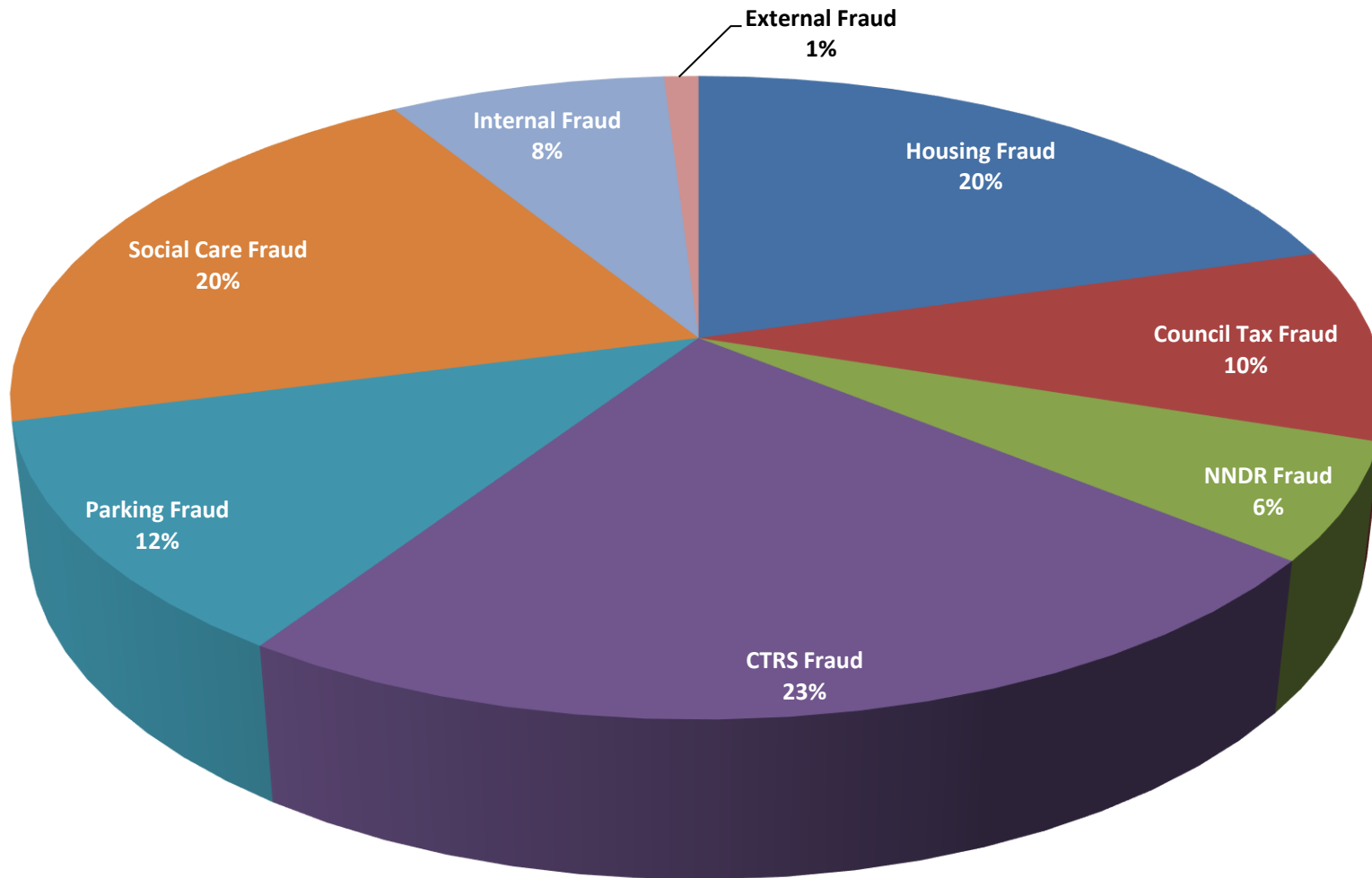
¹ As at 31/3/19

The agreed target for successful outcomes from investigations is 30%. Actual outcomes vary by case type but include, for example, benefits or discounts being stopped or amended, sanctions, prosecutions, properties recovered, housing allocations blocked, or management action taken. The graph below shows percentage success rates over the last 4 years and 2019/20 to date.



The chart below shows the proportion of different case types under investigation as at 31 October 2019.

Active Investigations by Fraud Area



Summary of counter fraud activity:

Activity	Work completed or in progress
Data matching	<p>The 2018/19 National Fraud Initiative (NFI) is ongoing. Almost all of the reports in the current exercise, which contained over 9,000 matches, have been completed by the counter fraud team and relevant council departments, however no significant fraud has been detected.</p>
Fraud detection and investigation	<p>The service continues to promote the use of criminal investigation techniques and standards to respond to any fraud perpetrated against the council. Activity to date includes the following:</p> <ul style="list-style-type: none"><li data-bbox="376 584 1957 879">• Social Care fraud – The counter fraud team consistently finds the largest amount of fraud loss against the council within adult social care. Whilst the number of cases where fraud is found is relatively low, the losses associated with individual cases are often high. In the first seven months of 2019/20 the counter fraud team has recovered savings of over £100,000 in five investigations. The council is in the process of prosecuting its first adult social care fraud case this year. The defendant has pleaded guilty in Magistrates Court and is awaiting sentencing in Crown Court.<li data-bbox="376 932 1957 1142">• Council Tax/Non Domestic Rates fraud – Council tax and business rate fraud investigations remain an area of focus for the team. To date one person has been prosecuted, three people have been cautioned and seven people have been issued written warnings following investigations in these areas. There are currently 15 investigations ongoing.<li data-bbox="376 1195 1957 1273">• Internal fraud - The team has received 6 referrals for possible internal fraud to date; 8 cases are currently under investigation.<li data-bbox="376 1326 1957 1487">• Housing fraud – Working alongside colleagues in the housing department, the counter fraud team has prevented four council homes from being let to applicants who provided false information in housing applications. One false right to buy application has been stopped, one person has been cautioned and two people have been issued written warnings for

Activity	Work completed or in progress
	<p>housing fraud offences. There are currently 21 cases under investigation.</p> <ul style="list-style-type: none"> <li data-bbox="371 280 1960 576">• Parking fraud – The fraud team work with the parking department to combat blue badge and other types of parking related fraud. In 2019/20 five people have been cautioned and 17 people have been issued warnings for the misuse or alteration of blue badges. One person has been issued with a warning for misuse of a residential parking permit. Working together the two teams undertake periodic days of action where all disabled badges in use in the city centre are checked for potential fraud. One day of action occurred this summer and another is currently being planned. <li data-bbox="371 628 1960 1007">• Council Tax Support fraud – Council Tax Support fraud is high volume but generally of relatively low value. Four people have been warned about their conduct in relation to CTS fraud during the current financial year, and one person was successfully prosecuted for a more serious fraud. The defendant in the case failed to declare that she had a partner living with her which led to a loss of over £1,300 in Council Tax Support and £600 in Single Person Discount. The defendant submitted false tenancy agreements to the council to hide the fraud. She pleaded guilty at York Magistrates Court in August and was sentenced to 14 months in custody, suspended for 18 months, plus 20 days rehabilitation activity and a 6 month curfew at her home. <li data-bbox="371 1059 1960 1182">• Education verification – The fraud team works with the schools team to investigate and deter false applications for school placements. Three investigations have been completed this year which has resulted in one application being stopped. <li data-bbox="371 1235 1960 1358">• York Financial Assistance Scheme fraud – The fraud team works with council officers and external organisations to deter fraud against this scheme. No reports of fraud have been received in 2019/20 to date.

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Fraud liaison	<p>The counter fraud team acts as a single point of contact for the Department for Work and Pensions (DWP) and is responsible for providing data to support their housing benefit investigations. The team has dealt with 138 requests on behalf of the Council in 2019/20. This work has helped to uncover over £46,500 of housing benefit fraud.</p> <p>In May 2019, the DWP began new joint working arrangements with councils in the Yorkshire and Humber region. Joint working involves council fraud investigation officers working with DWP counterparts to investigate benefit fraud that affects both organisations. To date 6 joint investigations have started but none have been concluded.</p>
Fraud Management	<p>In 2019/20 a range of activity has been undertaken to support the council's counter fraud framework.</p> <ul style="list-style-type: none"> • The counter fraud team alerts council departments to emerging local and national threats through a monthly bulletin and specific alerts over the course of the year. • In May, the council's counter fraud transparency data was updated to include data on counter fraud performance in 2018/19, meeting the council's obligation under the Local Government Transparency Code 2015. • The council participated in the annual Cipfa Counter Fraud and Corruption Tracker (CFaCT) survey in June 2019. The information will contribute to a Cipfa national report detailing the extent of fraud against local authorities. • In September, the counter fraud team ran a cybercrime awareness week, delivering cybercrime awareness information to council employees through a number of bulletins provided over the course of the week. • In October, the council hosted a meeting of counter fraud professionals from across the region as part of the development of the new national local government counter fraud and

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	<p data-bbox="465 193 1196 228">corruption strategy – Fighting Fraud Locally.</p> <ul data-bbox="421 280 1944 443" style="list-style-type: none"><li data-bbox="421 280 1944 443">• In November, the counter fraud team raised awareness of fraud with the staff and the public during International Fraud Awareness Week. In addition specific training relating to use of CCTV, social media and surveillance is being delivered to the Housing department.