

**COUNTER FRAUD ACTIVITY 2018/19**

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

	<b>2018/19 (Actual: Full Yr)</b>	<b>2018/19 (Target: Full Yr)</b>	<b>2017/18 (Actual: Full Yr)</b>
Amount of actual savings (quantifiable savings - e.g. CTS) identified through fraud investigation.	£328,275	£200,000	£298,155

**Caseload figures for the period are:**

	<b>2018/19 (Full Year)</b>	<b>2017/18 (Full Year)</b>
Referrals received	345	365
Number of cases under investigation	118 <sup>1</sup>	120 <sup>2</sup>
Number of investigations completed	189	209

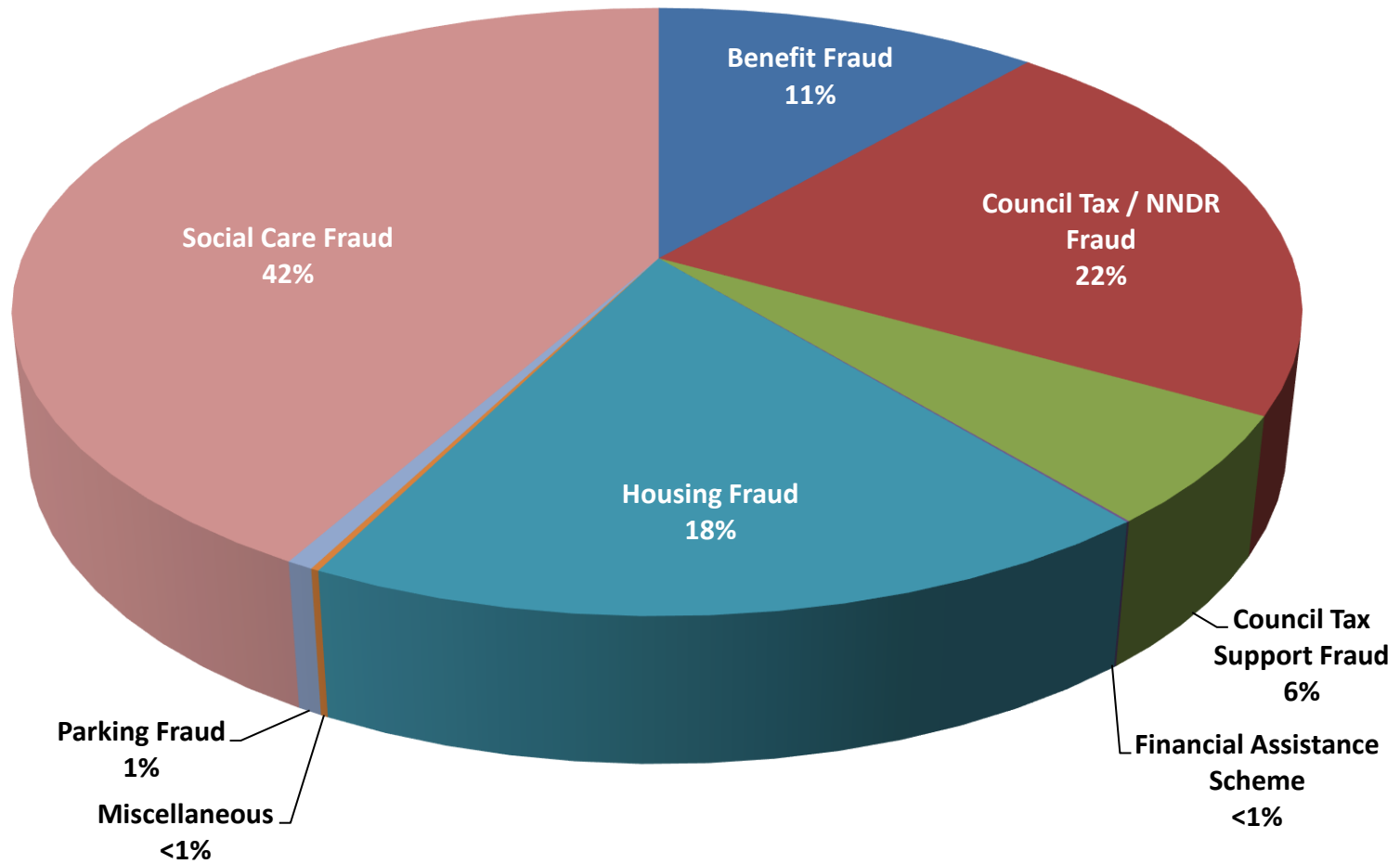
---

<sup>1</sup> As at 31/3/19

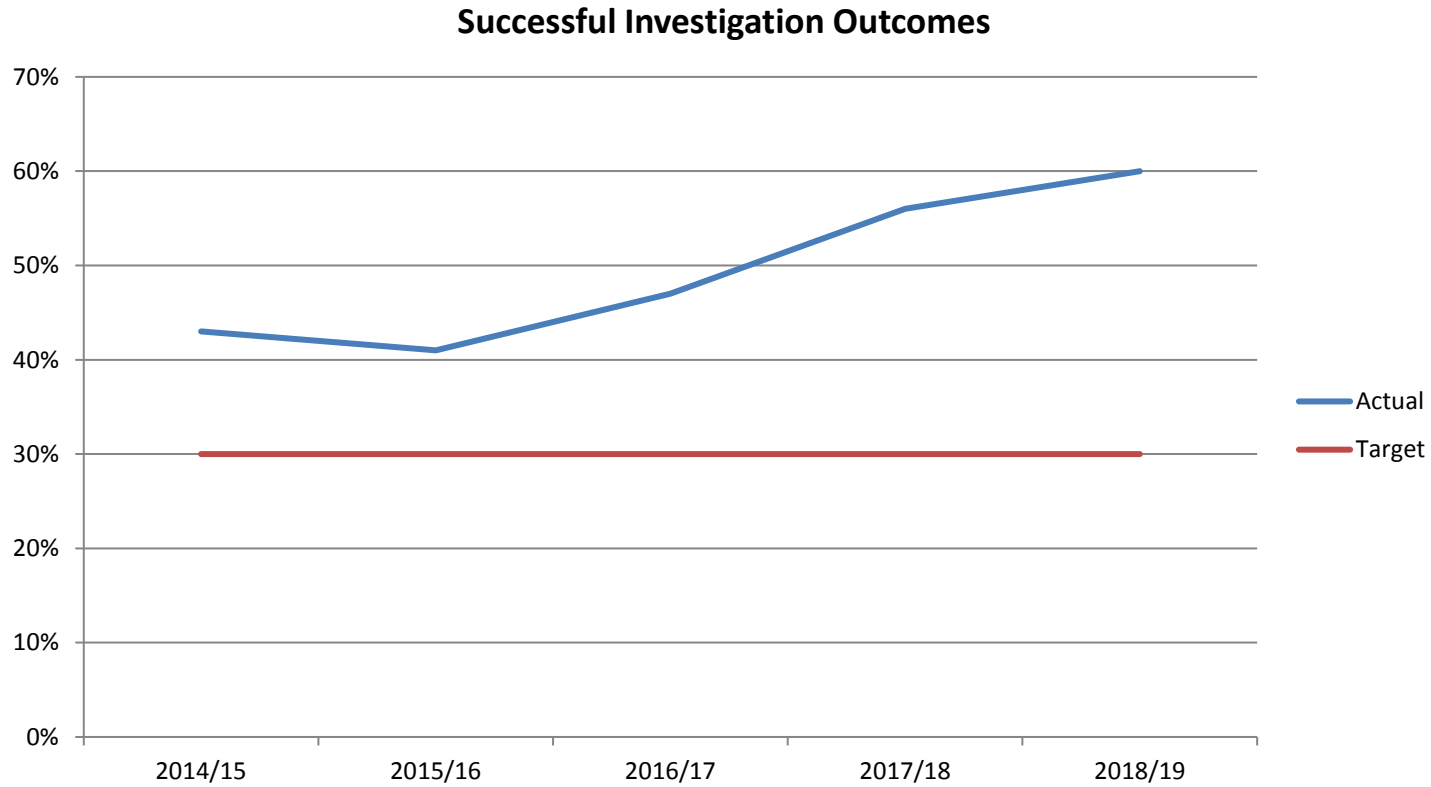
<sup>2</sup> As at 31/3/18

The chart below shows a breakdown of actual savings in 2018/19 by different areas of work.

## Actual Savings by Area

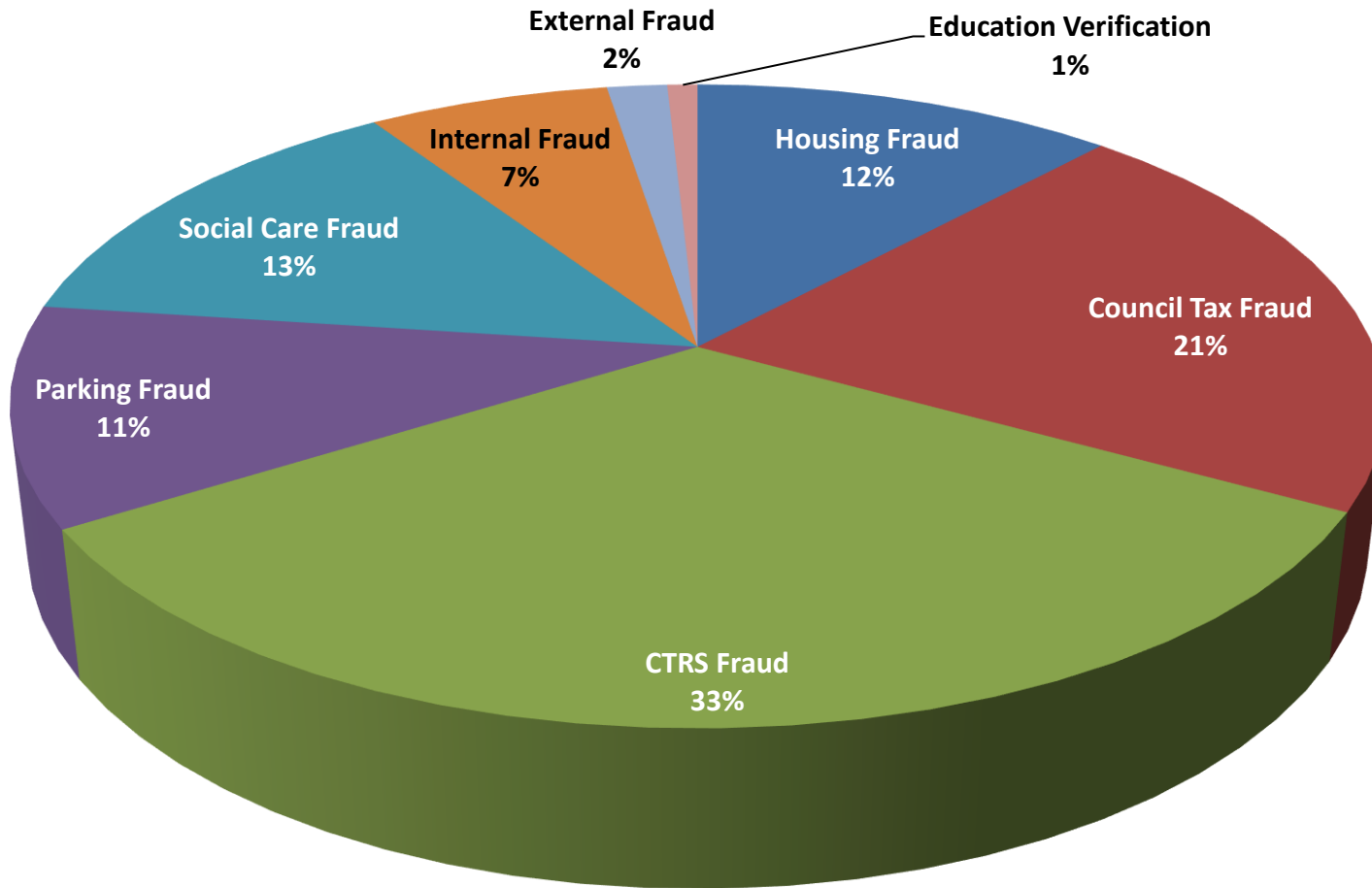


The agreed target for successful outcomes from investigations is 30%. Actual outcomes vary by case type but include, for example, benefits or discounts being stopped or amended, sanctions, prosecutions, properties recovered, housing allocations blocked, or management action taken. The graph below shows percentage success rates over the last 5 years.



The chart below shows the proportion of different case types under investigation at the end of the 2018/19.

## Active Investigations by Type



## Summary of counter fraud activity:

Activity	Work completed or in progress
Data matching	<p>The 2018/19 National Fraud Initiative (NFI) is underway. NFI data matching has identified over 8,700 matches to date across a range of areas. The counter fraud team is currently reviewing these matches alongside council colleagues.</p> <p>The council participated in an NFI Business Rates pilot with regional partners. The exercise resulted in 4 properties being referred to the Valuation Office Agency (VOA), 2 business accounts have been updated and 1 further case is under investigation.</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>• <b>Social Care fraud</b> – this is a high risk area due to the large financial and human cost any fraud generally involves. In 2018/19 the team identified over £201k of losses to the council, a 19% increase from the previous financial year. Over £137k of savings were produced which represents a substantial rise compared to 2017/18 (£38k).</li> <li>• <b>Council Tax and Non Domestic Rates fraud</b> – these are areas of development for the team. In 2018/19 two people were prosecuted for fraud. A landlord who fraudulently claimed single person discount at multiple properties in the York area and a business owner who falsely claimed Small Business Rate Relief (SBRR). The latter case is the first nationally recognised SBRR fraud prosecution. In addition 20 people were cautioned or warned of their conduct in relation to fraud in these areas. Over £71k in savings were produced for the council during the last financial year.</li> <li>• <b>Housing fraud</b> – In the last financial year, working in conjunction with housing officers, the team prevented one false Right to Buy application, one council property was recovered and five properties were prevented from being let where the prospective tenants had provided false information in their housing applications. One tenant was cautioned for providing false</li> </ul>

Activity	Work completed or in progress
	<p>information to the Housing Department.</p> <ul style="list-style-type: none"> <li>• <b>Internal fraud</b> - The counter fraud team completed 16 internal fraud investigations in 2018/19.</li> <li>• <b>York Financial Assistance Scheme fraud</b> – The counter fraud team completed 8 investigations in this area in the last financial year. Two people were prosecuted for fraudulently claiming financial assistance that they did not require. A further four people were cautioned or warned regarding abuse of the scheme.</li> <li>• <b>Council Tax Support fraud</b> – is a high volume area of fraud for the council. The counter fraud team received 185 referrals for fraud in this area in 2018/19 - a 33% increase on the previous year. Over £29k of loss was detected in the course of the year. One person was prosecuted and 10 people were cautioned or were issued warnings in respect of their conduct.</li> <li>• <b>Parking fraud</b> – The counter fraud team works closely with the Parking Department to address misuse of disabled blue badges and other parking permits within the city. 84% of investigations completed last year resulted in a successful outcome. Two people were prosecuted, 10 people were cautioned, and 15 people received written warnings.</li> <li>• <b>Education verification</b> – The counter fraud team works with the Schools Team to investigate and deter false applications for school placements. Three false applications were blocked in 2018/19.</li> <li>• <b>Miscellaneous</b> – Working with the Council’s Neighbourhood Enforcement Team, a man was prosecuted in 2018/19 for making false declarations in relation to waste deposited at the Council’s Waste Recycling Centre. The man was found to be illegally depositing commercial waste claiming that it belonged to himself.</li> </ul>

<b>Activity</b>	<b>Work completed or in progress</b>
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 dealt with 364 requests on behalf of the council in the last financial year.</p> <p>In 2017, the DWP proposed that local authorities and councils work together to address benefit fraud, especially where Council Tax Support payments interact with DWP led benefits like housing benefit and income support. The DWP suggest there are potential savings for both organisations and a better service for people under investigation. Joint working in the Yorkshire and Humber region is due to start in June 2019, the counter fraud team will monitor any joint work to ensure that these new arrangements are of benefit to the Council.</p>
Fraud Management	<p>In 2018/19 a range of activity has been undertaken to support the council's counter fraud framework.</p> <ul style="list-style-type: none"> <li>• In May 2018, the council's counter fraud transparency data was updated to include data on counter fraud performance in 2017/18 meeting the council's obligation under the Local Government Transparency Code 2015.</li> <li>• The council participated in the annual CIPFA Counter Fraud and Corruption Tracker (CFaCT) survey in June. The information contributed to a recently released CIPFA report which aims to provide a national picture of fraud, bribery and corruption in the public sector and the actions being taken to prevent it.</li> <li>• During this year's National Fraud Initiative data gathering exercise, the counter fraud team has confirmed that, as part of the council's legal obligation, privacy notices are in place to facilitate data processing.</li> <li>• As part of International Fraud Week in November, the counter fraud team raised awareness of fraud with staff via intranet articles published throughout that week.</li> </ul>

<b>Activity</b>	<b>Work completed or in progress</b>
	<ul style="list-style-type: none"><li data-bbox="465 236 1960 363">• A new counter fraud e-learning package was launched in November for council staff. The training seeks to ensure that all staff are aware of the types of fraud currently affecting public sector bodies and what to do if they have suspicions it is occurring.</li><li data-bbox="465 411 1960 539">• In March 2019, a leaflet was included with annual council tax and business rates bills. The leaflet detailed encouraged the public to report their suspicions of fraud via the fraud hotline.</li><li data-bbox="465 587 1960 667">• Also in March the counter fraud team raised awareness of housing tenancy fraud amongst staff and the public.</li><li data-bbox="465 715 1960 802">• Throughout the year the counter fraud team alerts council departments to emerging local and national threats through a monthly bulletin and specific alerts.</li></ul>