

**COUNTER FRAUD ACTIVITY 2017/18**

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

	<b>2017/18 (Actual: 28/02/18)</b>	<b>2017/18 (Target: Full Yr)</b>	<b>2016/17 (Actual: Full Yr)</b>
Amount of actual savings (quantifiable savings - e.g. CTS) identified through fraud investigation.	£207,928	£100,000	£346,944
Amount of notional savings (estimated savings - e.g. housing tenancy fraud) identified through fraud investigation.	£41,200	£250,000	£144,400

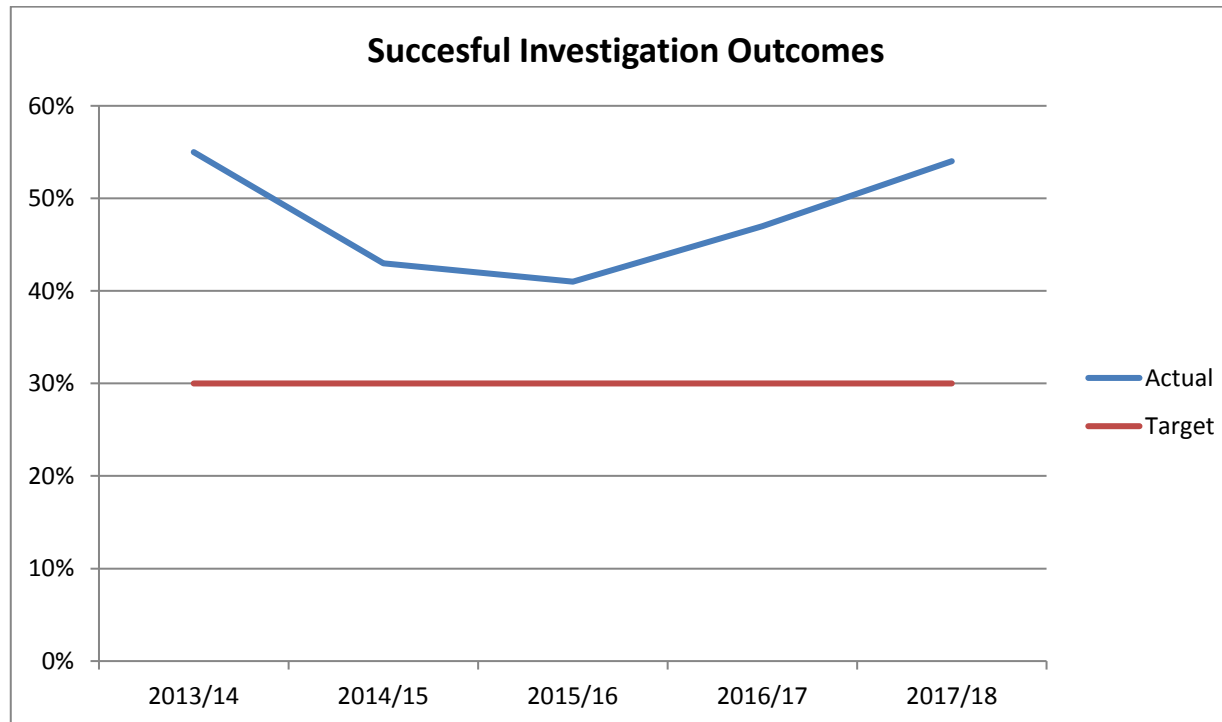
**Caseload figures for the period are:**

	<b>2017/18 (As at 28/2/18)</b>	<b>2016/17 (Full Year)</b>
Referrals received	325	290
Number of cases under investigation	126	103 <sup>1</sup>
Number of investigations completed	209	155

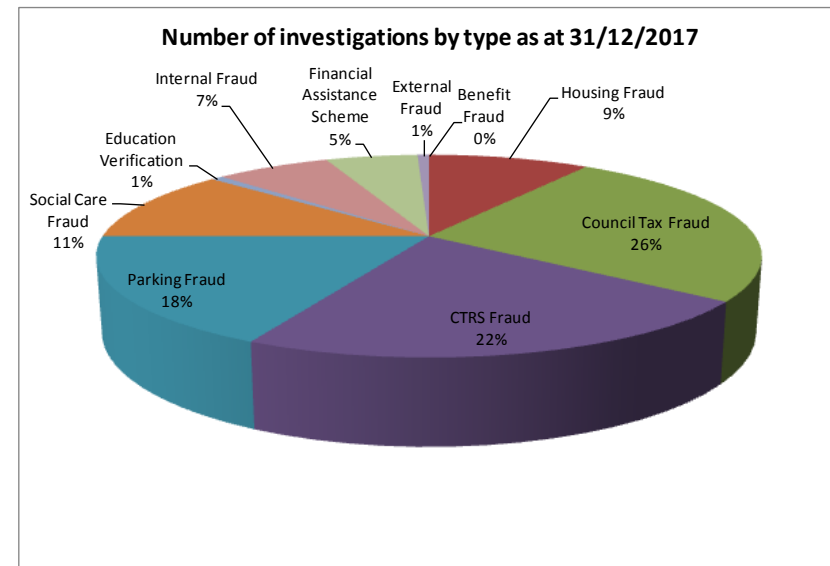
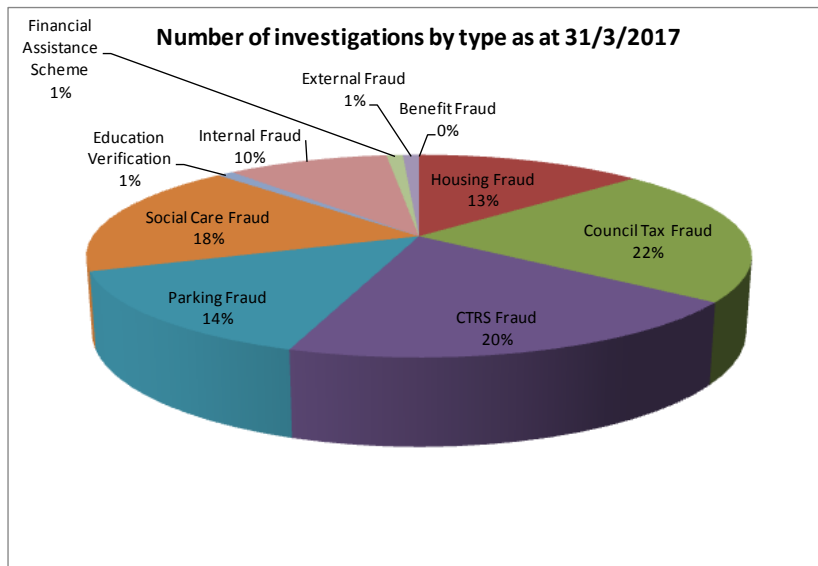
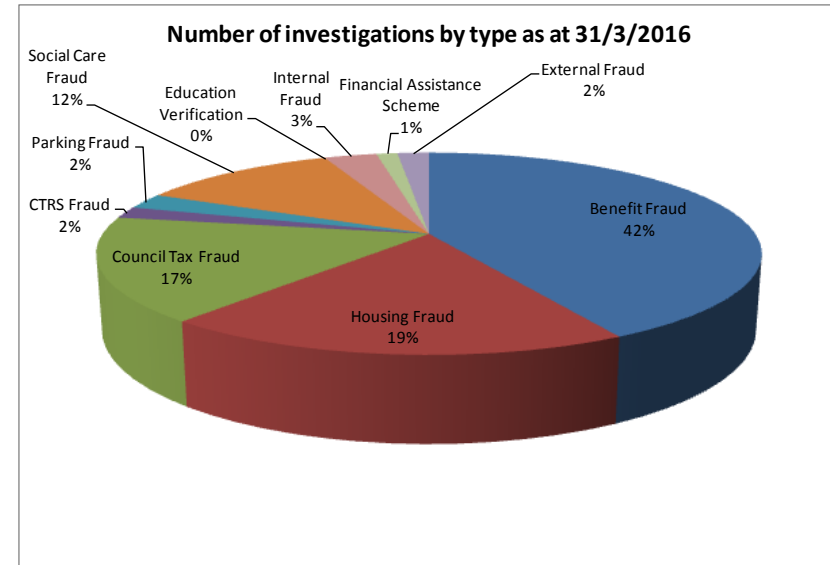
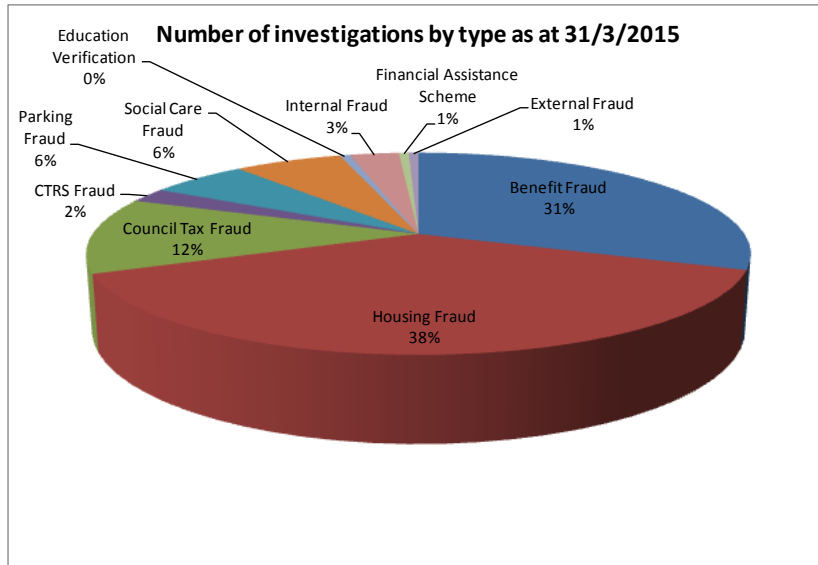
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<sup>1</sup> As at 31/3/17

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 charts below show the proportion of different case types under investigation over the last four years. The figures are based cases under investigation at the 2014/15, 15/16 and 16/17 year ends and 31/12/2017 (the latest quarter end data available).



## Summary of counter fraud activity:

Activity	Work completed or in progress
Data matching	<p>Investigation of 2016/17 National Fraud Initiative (NFI) matches is nearing completion. Data for the annual Single Person Discount exercise has been provided and matches have been published. The matches will now be passed to the Council Tax Department.</p> <p>The council, alongside regional partners, has volunteered to participate in a new NFI pilot exercise hoping to identify Business Rates fraud.</p> <p>Veritau have an ongoing programme of internal and regional data matching. The current focus is council tax discounts. Eleven cases are either under investigation or waiting to be investigated. One case has been completed resulting in a £500 saving for the council.</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="371 884 1957 1098">• <b>Social Care fraud</b> – The fraud team continue to investigate adult social care fraud alongside council colleagues. This type of fraud is considered to be of one of the highest areas of fraud risk facing local authorities nationally. Following a referral to the Police, two people were recently convicted of fraud offences and given a two year custodial sentence. There are currently 16 ongoing investigations.</li><li data-bbox="371 1145 1957 1401">• <b>Council Tax/Non Domestic Rates fraud</b> – To date the team has received 58 referrals for potential fraud in this area. There are currently 30 ongoing investigations into council tax and non domestic rates fraud. The council has prosecuted two people for council tax fraud this year including the longest running single person discount fraud ever detected at the authority – 17 years. In addition, 3 people have been cautioned for council tax fraud offences and 5 people have received warnings.</li></ul>

Activity	Work completed or in progress
	<ul style="list-style-type: none"> <li>• <b>Housing fraud</b> – Working in conjunction with housing officers, 2 properties were prevented from being let where the prospective tenants had provided false information in their housing application. There are currently 14 ongoing investigations in this area.</li> <li>• <b>Internal fraud</b> - The team has received 12 referrals for potential internal fraud since April and 11 cases are currently under investigation.</li> <li>• <b>York Financial Assistance Scheme fraud</b> – The fraud team has received 19 referrals since April. Working with the department new procedures have been implemented to help detect and deter fraud against this scheme. To date one person has been cautioned and 11 people have received warnings for misuse of this scheme. There are currently 4 ongoing investigations.</li> <li>• <b>Council Tax Support fraud</b> – The fraud team have completed 26 investigations into potential CTS fraud to date. The team has produced over £13k in savings thus far. There are currently 32 cases under investigation. To date one person has been cautioned and 10 people were issued formal warnings following investigations in this area.</li> <li>• <b>Parking fraud</b> – The fraud team working with the Parking Department has held two ‘days of action’ to help detect and deter blue badge misuse within the city. Six cases of badge misuse were detected over the two days. To date in 2017/18 the council has prosecuted two people, cautioned 12 people and issued 30 warnings for disabled badge or parking permit misuse. There are currently 16 cases under investigation.</li> <li>• <b>Education verification</b> – The fraud team works with the schools team to investigate and deter false applications for school placements. Two false applications have been blocked in 2017/18.</li> </ul>

<b>Activity</b>	<b>Work completed or in progress</b>
Fraud liaison	The fraud team acts as a single point of contact for the Department for Work and Pensions and is responsible for providing data to support their housing benefit investigations. The team have dealt with 440 requests on behalf of the council to date during this financial year.
Fraud Management	<p>In 2017/18 a range of activity has been undertaken to the support the Council's counter fraud framework.</p> <ul style="list-style-type: none"> <li>• In February an annual counter fraud report was brought to the Audit and Governance Committee. As part of the annual report the counter fraud and corruption policy, counter fraud strategy and counter fraud risk assessment were reviewed. No updates were required to the policy and strategy however an associated action plan was updated to reflect current fraud threats facing the council.</li> <li>• A new 0800 number has been launched to allow members of the public to report fraud free of charge.</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 the week. In addition targeted fraud awareness has been provided within the Housing, Parking, Social Care and Benefit departments in the current financial year.</li> <li>• In February, for Tenancy Fraud Awareness Week, Veritau and the council promoted housing fraud issues to staff and residents.</li> <li>• The counter fraud team continues to alert council departments to emerging local and national threats through a monthly bulletin and specific alerts.</li> </ul>