

COUNTER FRAUD ACTIVITY 2020/21

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

	2020/21 (Actual: 31/12/20)	2020/21 (Target: Full Yr)	2019/20 (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.	£292,835	£200,000	£246,618
Amount of savings identified relating to Covid-19 business grant related fraud	£173,000	n/a	n/a

Caseload figures for the period are:

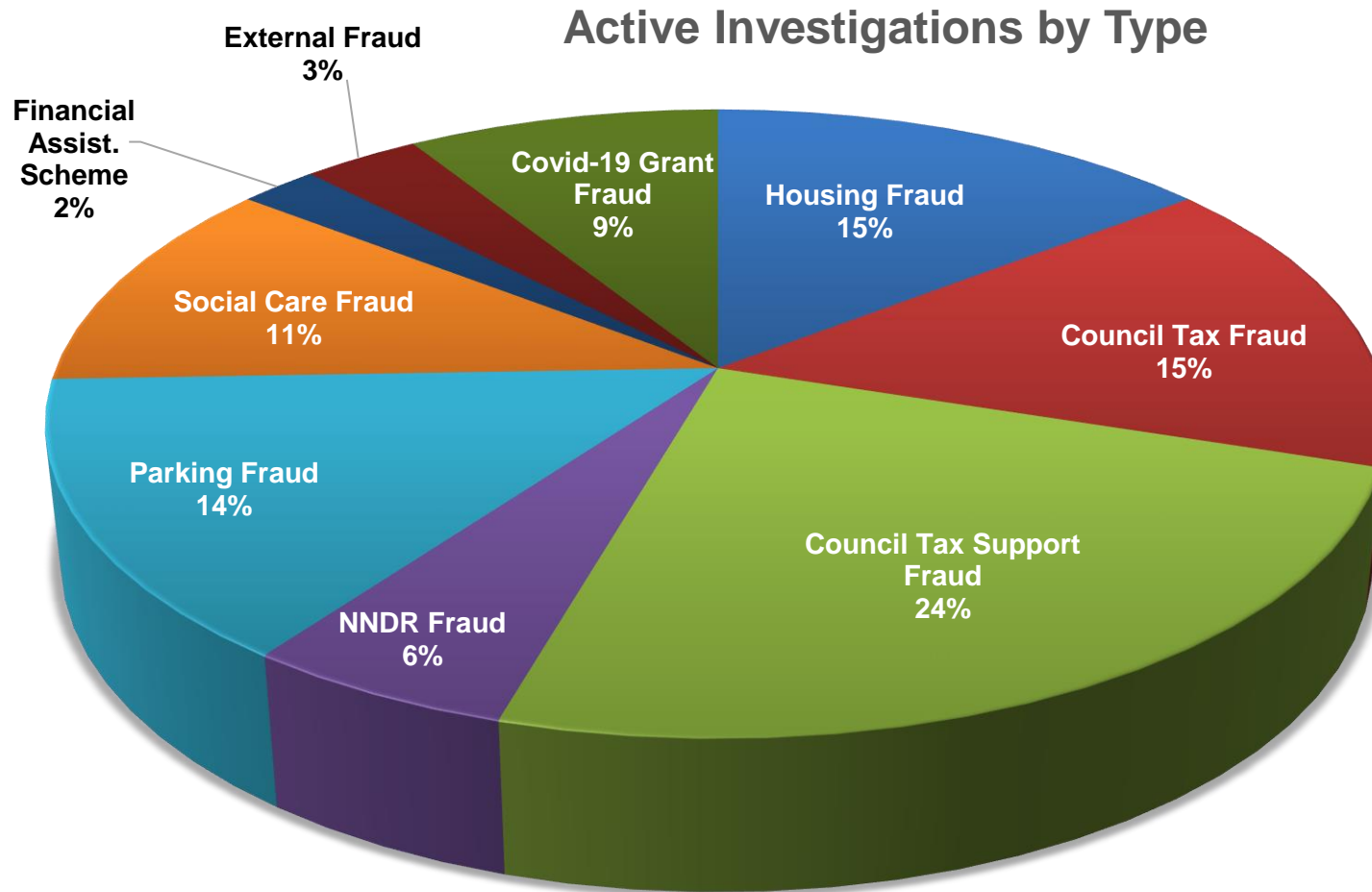
	2020/21 (As at 31/12/20)	2019/20 (Full Year)
Referrals received	238	384
Number of cases under investigation	93	94 ¹
Number of investigations completed	148	172

¹ As at 31/3/20

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 2020/21 to date.



The chart below shows the proportion of different case types under investigation as at 31 December 2020.



Summary of counter fraud activity:

Activity	Work completed or in progress
Data matching	The 2020/21 National Fraud Initiative (NFI) exercise is currently underway. All required datasets have been submitted to the Cabinet Office and the resulting matches are due to be published shortly. In this exercise additional matches have been produced to help identify fraudulent covid-19 grant applications.
Fraud detection and investigation	<p data-bbox="371 533 987 571">Activity to date includes the following:</p> <ul data-bbox="371 619 1957 1401" style="list-style-type: none"><li data-bbox="371 619 1957 959">• Covid-19 Grants – The counter fraud team has investigated 26 cases of potential grant fraud which have resulted in 15 grants being stopped pre-payment or grant money being recovered where it had already been paid. This work has prevented £173k of loss. Six people have been formally warned about their conduct and there are 12 cases still under investigation. In addition, data matching work conducted by the team prevented £21k of loss to the Council’s Microbusiness Grant Scheme. In line with government guidance the team is currently undertaking post-assurance checks on a sample of payments made to businesses in order to detect fraud and error.<li data-bbox="371 1011 1957 1134">• Social Care fraud – The counter fraud team has completed 14 adult social care investigations to date and savings of £83k have been produced. There are currently 11 investigations ongoing.<li data-bbox="371 1187 1957 1310">• Council Tax/Non Domestic Rates fraud – £33k of savings have been produced in this area. Twenty-four investigations have been concluded and 21 are being actively investigated. Six people have been warned about their conduct.<li data-bbox="371 1362 1957 1401">• Internal fraud - The team have not received any reports of internal fraud in 2020/21.

Activity	Work completed or in progress
	<ul style="list-style-type: none"> • External fraud – The council was the subject of a cyber/mandate fraud attack in September 2020, but it was detected before any loss could occur. • Housing fraud – Working alongside colleagues in the housing department, the counter fraud team has helped recover two council properties that were falsely applied for or were being misused. Two fraudulent Right to Buy applications have been stopped and two people received warnings for providing false information when applying for housing. There are currently 13 cases under investigation. • Parking fraud – The fraud team work with the parking department to address blue badge and other types of parking related fraud. In 2020/21 eighteen investigations have been completed with nine people receiving warnings for blue badge or parking permit misuse. In quarter 3 two cases of blue badge misuse were successfully prosecuted. The offenders were fined a total of £2k (across both cases), which included the council’s legal costs. • Council Tax Support fraud – Council Tax Support fraud is high volume but generally of relatively low value. Five warnings have been issued in this area and £16k in savings have been produced.
Fraud Management	<p>In 2020/21 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 regularly alerts council departments to emerging local and national threats. • In May 2020, the council’s counter fraud transparency data was updated to include data on counter fraud performance in 2019/20, meeting the council’s obligation under the Local Government Transparency Code 2015.

Activity	Work completed or in progress
	<ul style="list-style-type: none"> <li data-bbox="374 236 1957 352">• In April / May 2020, the counter fraud team assisted the Council by undertaking pre-payment checks on large numbers of applications for Covid-19 business grants to prevent fraud and error. <li data-bbox="374 408 1957 531">• In September 2020, the government announced Test and Trace Support Payment scheme. The counter fraud team are supporting the Council in administering the scheme by investigating false claims and liaising with North Yorkshire Police. <li data-bbox="374 587 1957 710">• The Council participated in the annual CIPFA Counter Fraud and Corruption Tracker (CFaCT) survey in September 2020. The information will contribute to a CIPFA national report detailing the extent of fraud against local authorities. <li data-bbox="374 766 1957 888">• In October 2020, 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. <li data-bbox="374 944 1957 1067">• In November 2020, the counter fraud team raised awareness of fraud internally and amongst the general public as part of International Fraud Week. <li data-bbox="374 1123 1957 1230">• Throughout the Covid-19 pandemic, the counter fraud team has provided support to the Council in preparing for and administering government funded grant schemes. This has included reviewing government guidance and advising on best practice.