

COUNTER FRAUD ACTIVITY 2018/19

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

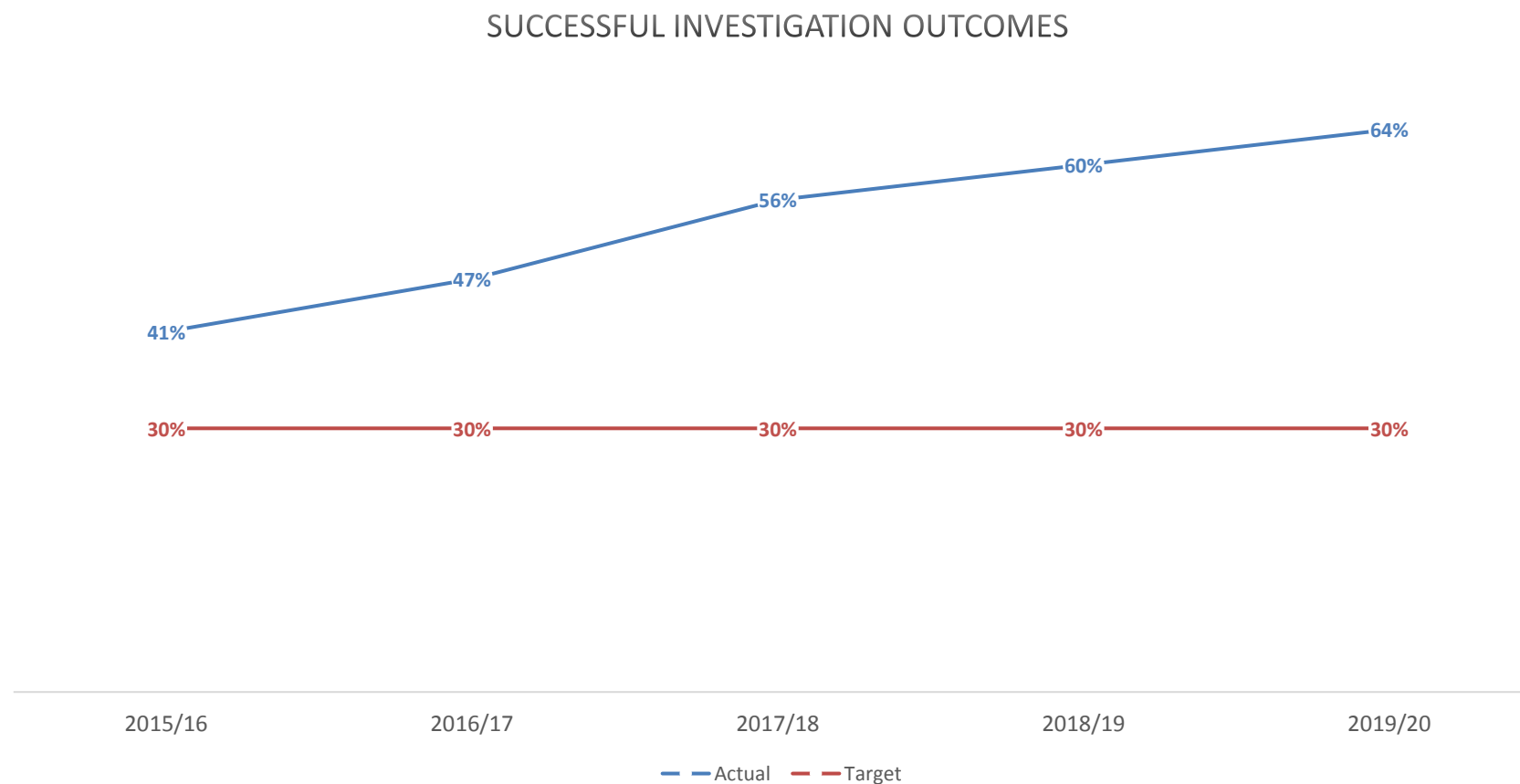
	2019/20 (Actual: 31/8/19)	2019/20 (Target: Full Yr)	2018/19 (Actual: Full Yr)
Amount of actual savings (quantifiable savings - e.g. repayment of loss, cancellation of right to buy discounts and stopping ongoing fraudulent claims) identified through fraud investigation.	£208,503	£200,000	£328,275

Caseload figures for the period are:

	2019/20 (As at 31/8/19)	2018/19 (Full Year)
Referrals received	135	345
Number of cases under investigation	105	118 ¹
Number of investigations completed	66	189

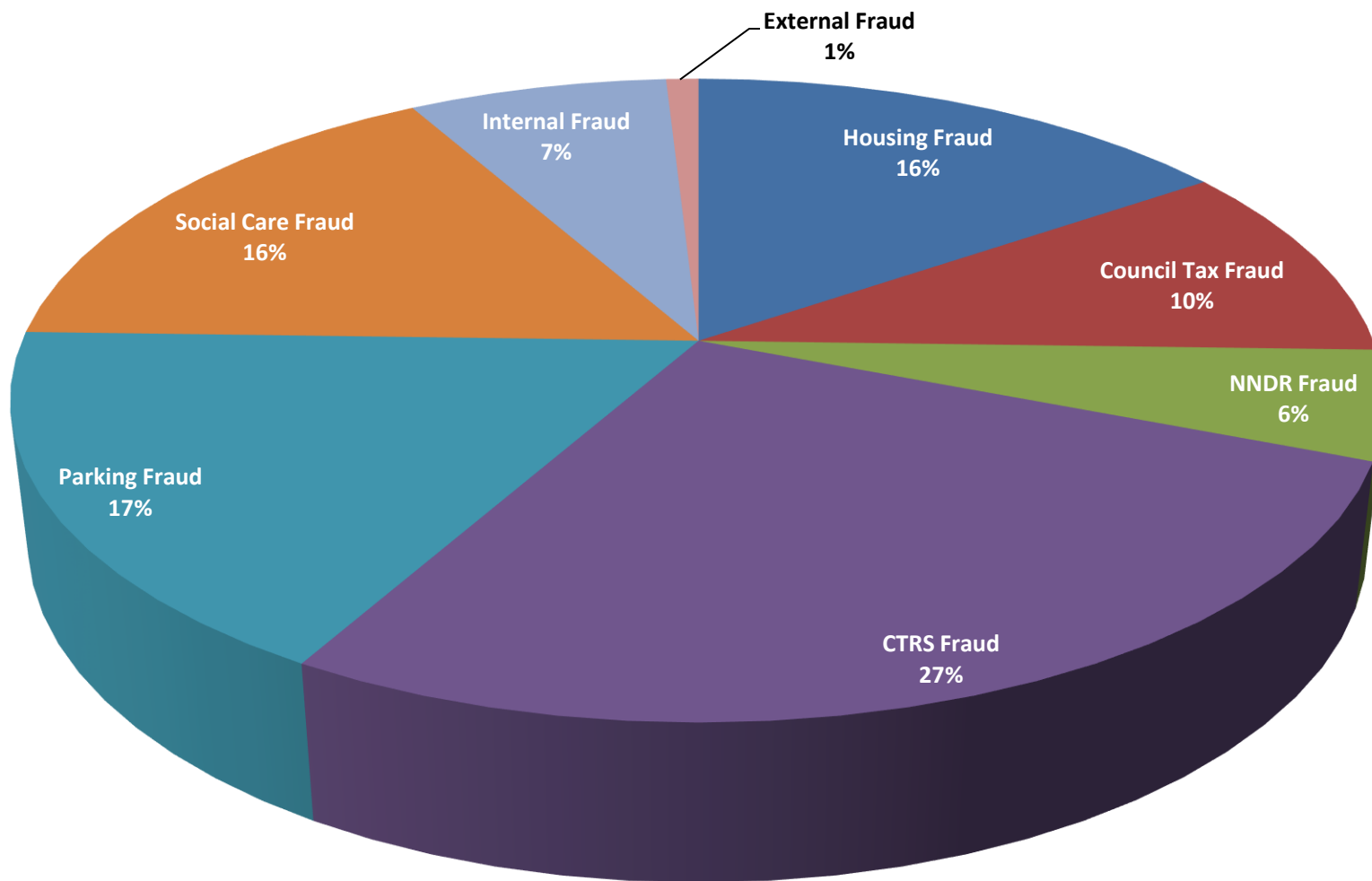
¹ As at 31/3/18

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 August 2019.

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 ongoing. Initial matches were released in March 2019 with further batches added over the past 6 months. In August, a final batch of 500 matches was released as a result of the matching of councils' data with HMRC data. This is the first time HMRC have been able to share their data with the NFI. A total of 9,300 matches have been identified and these are under review by the counter fraud team and relevant council departments.</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"> • Social Care fraud – Social Care fraud is the largest area of fraud loss detected against the council. Whilst the number of cases where fraud is found is relatively low, the losses associated with individual cases are often high. In the first five months of 2019/20 the counter fraud team has recorded losses of over £130,000 in five investigations. There are currently 16 ongoing investigations in this area. • Council Tax/Non Domestic Rates fraud – Council tax and business rate fraud investigations remain an area of focus for the team. In August a person was prosecuted by the council for providing multiple false tenancy agreements to support fraudulent claims for discounts and benefits. In addition three people have been cautioned and six people have been issued written warnings following investigations in these areas. There are currently 13 investigations ongoing. • Internal fraud - The team has received 5 referrals for possible internal fraud to date; 7 cases are currently under investigation.

Activity	Work completed or in progress
	<ul style="list-style-type: none"> • 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; if the sale had been allowed to proceed the council would have had to grant an £80k discount on a council property in the Walmgate area of York. In addition, one person has been cautioned and one person issued a written warning for housing fraud offences. There are currently 16 cases under investigation. • Parking fraud – The fraud team work with the parking department to combat blue badge and other types of parking related fraud. In 2019/20 four people have been cautioned and nine people have been issued warnings for the misuse or alteration of blue badges. One person has been issued a warning for misuse of a residential parking permit. In August a day of action took place where blue badges in use in the city centre were checked to ensure proper usage - no instances of fraud were detected that day. • Council Tax Support fraud – Council Tax Support fraud is high volume but generally of relatively low value. One person has been warned about their conduct in relation to fraud in this area during the current financial year. • 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. • 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.

Activity	Work completed or in progress
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 113 requests on behalf of the Council in 2019/20.</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 there have only been a few joint investigations started and none have yet been completed.</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 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.