

Annex 3 Counter Fraud Activity

The table below shows the total numbers of investigations completed, sanctions applied, and the value of overpayments identified for 2008/09.

	2008/09 Actual (to 15/12/08)	2008/09 Target	2007/08 Actual
Number of fraud investigations completed	230	535	524
Total number of sanctions*	30	51	48
Total value of fraudulent overpayments identified	£189k	£400k	£527k

* This includes prosecutions, cautions, and administrative penalties

Overall performance against the targets outlined above is currently below the level expected at this point of the year. This is due to a number of reasons as outlined below.

- There has been a shortfall in resources caused by long term sickness absence, and by two vacancies within the team that remained unfilled between April and September 2008. These issues have now been resolved.
- The level of sanctions and fraudulent overpayments has been affected by a backlog of cases awaiting decision by the DWP. In many cases the council is unable to take action until the DWP has reassessed its own benefit. In addition, there has been a backlog of cases with the DWPs legal team which has affected the numbers of joint prosecutions being taken forward. Changes have recently been made by the DWP in response to these problems and it is hoped that we will start to see some reduction in these backlogs in the fourth quarter of this year.
- A change to procedures for risk assessing new referrals within the team has led to a reduction in the total number of cases passed for further investigation. Initial indications are that this appears to be having the desired effect of reducing the amount of work on cases where the council is unable to prove any fraud (the total number of rejected referrals as at 15 December 2008 was 153 cases - total rejected referrals in 2007/08 was 155 cases; the number of completed investigations to date this year where no fraud was proven was 108; the total for the full year last year was 358).

A summary of investigation work and other activity undertaken by the fraud team this year is included below.

Activity	Work Completed or in Progress
Fraud Awareness	<p>A series of five fraud awareness training sessions was held in November and December 2008 for all housing and council tax benefit staff. Further sessions are planned for housing staff, including estate managers.</p> <p>As in previous years there will be a targeted benefit fraud publicity campaign in February and March. This will include, for example, radio and press advertisements. In relation to internal fraud and theft, activity will include an article in News and Jobs in January and information to be included on staff payslips.</p> <p>Ongoing advice and guidance is provided on the design and implementation of measures to prevent and detect fraud and other financial irregularities. For example changes to the design of benefit claim forms and the implementation of security measures in Council establishments and offices. Feedback is now given to relevant staff on all cases investigated. This feedback is intended to encourage more referrals but, where necessary, will include recommendations to change or improve systems and procedures so as to prevent or detect fraud in the future.</p>
Fraud Detection and Investigation	<p>The fraud team has completed investigation of 230 cases to date in 2008/09. This has resulted in 30 sanctions.</p> <p>Work is ongoing in relation to the Audit Commission National Fraud Initiative exercise. The team has reviewed 240 data matches from the Council Tax single persons discount / electoral role data match, and a number of cases have been identified which require further investigation. However, it is not yet possible to conclude how many of these cases, if any are the result of fraud. The team has also coordinated the submission of data covering a number of different</p>

	<p>areas for the 2008/09 NFI data match.</p> <p>Since April 2008, 252 Housing Benefit Matching Service (HBMS) referrals have been reviewed. This has resulted in 54 cases being identified as requiring further investigation. Total benefit overpayments identified through the investigation of HBMS matches this year is £80k of which £50k is fraudulent.</p> <p>The service currently is undertaking financial investigations in 7 cases, which are ongoing.</p> <p>The team carries out joint investigations with the DWP on an ongoing basis. Currently, the service is working jointly with the DWP on 30 cases. The service also works with the police where appropriate and has been involved in two cases involving arrests in relation to benefit fraud this year. Two further cases are currently being assessed for joint working with the police.</p>
Proactive Work	A programme of targeted investigation work is planned for early 2009. This will include a programme of unannounced visits to identify residency and other similar frauds, and the use of data interrogation software to identify high risk claims for review.