

COUNTER FRAUD ACTIVITY 2011/12

The table below shows the total numbers of fraud referrals received and summarises the outcomes of investigations completed. While benefit fraud is still a major role for the team, there is a continuing increase in the work the team undertakes in other areas. The indicators have been updated from previous years to reflect this and now include the full range of counter fraud work undertaken.

	2011/12 (as at 31/8/11)	2011/12 (Target: Full Yr)	2010/11 (Actual: Full Yr)
Number of Fraud referrals received. <i>The target is designed to promote fraud awareness and encourage people to report suspected fraud.</i>	302	400	456
% of investigations completed which result in a successful outcome (for example benefit stopped or amended, sanctions, prosecutions, properties recovered, housing allocations blocked, management action taken). <i>The target is designed to measure the effectiveness of counter fraud activity</i>	36%	30%	62%
Value of fraudulent benefit overpayments identified. <i>The target is designed to measure the effectiveness of counter fraud activity</i>	£238k	£350k	£390k

Number of investigations completed	145	N/A	266 ¹
Number of successful outcomes ²	52	N/A	53

The relevant caseload figures for the period are:

	As at 1/4/11	As at 31/8/11
Awaiting allocation	91	66
Under investigation	259	248

Summary of counter fraud activity:

Activity	Work Completed or in Progress
Data Matching	Investigation of National Fraud Initiative cases is underway. The counter fraud team has completed the investigation of 341 matches thus far; however these have only resulted in £3.4k in overpayments being detected. 25 cases are still under

¹ The comparative figure for 2010/11 has been restated from that previously reported, to exclude Housing Benefit Matching Service (HBMS) cases. This enables fraud referrals and outcomes to be considered on a like for like basis.

² 2011/12 figures will be higher than previous years as it includes all successful outcomes rather than just benefit related sanctions and prosecutions.

Activity	Work Completed or in Progress
	<p>investigation.</p> <p>Housing Benefit Matching Service (HBMS) referrals continue to be investigated - the counter fraud team has received 339 HBMS referrals to date in 2011/12. The total value of benefit overpayments identified through HBMS matches since 1 April 2011 is £73k. HBMS cases have resulted in 2 prosecutions and 8 sanctions in the year so far.</p> <p>The counter fraud team has run a proactive exercise to identify benefit claimants who have not declared work for agencies operating in North Yorkshire. Employee lists have been obtained from a number of agencies and these have been data matched with benefit claimants. This has highlighted 13 cases of possible benefit fraud which are due to be investigated shortly.</p>
<p>Fraud Detection and Investigation</p>	<p>As in previous years, the majority of investigations undertaken relate to benefit fraud. In 2011/12 to date 10 people have been prosecuted and 15 people have been sanctioned for benefit fraud offences.</p> <p>The investigation of housing fraud has continued to be a priority for the counter fraud team. 22 referrals have been received in 2011/12. These referrals cover three areas – illegal subletting, non-residency/abandonment, and false applications for housing. Working closely with the housing department the Fraud Team has recovered 3 properties and blocked 4 false applications for housing this financial</p>

Activity	Work Completed or in Progress
	<p>year.</p> <p>Joint working with other teams remains a priority for the service. So far this year 36% of sanctions and prosecutions are the result of joint working with the DWP.</p> <p>The team continues to undertake other special investigations (including internal fraud) and provide advice to council departments on fraud matters. 5 referrals have been received so far in 2011/12, and a number of investigations are ongoing.</p>
Fraud Awareness	<p>Ongoing activity includes publication of successful prosecutions through the local press and other media, other internal and external publicity, and feedback on the results of fraud investigations to council officers to improve the quality of referrals and to put in place appropriate controls to prevent and detect fraud.</p>
Cases of note	<p>The fraud team completed the prosecution of Sarah Beattie, of Water Lane, at the end of March this year. Sarah Beattie had been living with her partner Paul Willetts whilst claiming as a single person. Paul Willetts owned the property next door and maintained that he lived there. In fact he rented it out to tenants over a number of years. This was a very difficult fraud to prove given the close proximity of the two properties. The Department for Work and Pensions had attempted to prove this allegation in 2002 but were unsuccessful. This meant that the couple were very aware of possible investigation and took precautions to avoid detection. A decision was made to raid both properties with the assistance of North Yorkshire police and</p>

Activity	Work Completed or in Progress
	have both parties arrested. This raid enabled the investigation to gather crucial evidence that led to Sarah Beattie pleading guilty in Crown Court. She was sentenced to 250 hrs of community punishment to be completed over a 12 month period. The total amount of money Beattie and Willetts defrauded from the Council was £25,600.