

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 31/10/11)	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>	397	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>	33%	30%	62%
Value of fraudulent benefit overpayments identified. <i>The target is designed to measure the effectiveness of counter fraud activity</i>	£362k	£350k	£390k
Number of investigations completed	220	N/A	266 ¹

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.

Number of successful outcomes ²	73	N/A	53
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There has been a significant increase in the value of fraudulent benefit overpayments identified in the year to date (£362k) compared to last year (£209k) and the increase in the last two months is of particular note (up from £238k at the end of August). It is difficult to attribute specific underlying reasons for this. A large number of cases have reached a conclusion in the period and therefore it may be partly due to timing issues. However, there are also some indications that the periods over which fraud is committed are increasing. Approximately a third of the increase in overpayments since August is attributable to one case (£36k) which covered a period of ten years.

Caseload figures for the period are:

	As at 1/4/11	As at 31/10/11
Awaiting allocation	91	93
Under investigation	259	211

Summary of counter fraud activity:

Activity	Work Completed or in Progress
Data Matching	<p>Investigation of National Fraud Initiative cases is still ongoing. A total of 1,330 recommended matches were highlighted by the Audit Commission in their latest exercise.</p> <ul style="list-style-type: none"> Concessionary travel passes - 559 of the matches related to concessionary travel passes. These have been reviewed by the service department and 188 passes have been withdrawn as a result. There is, however, no indication of fraud. The matches result from a comparison

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>of passes issued to deceased persons. Nearly all of the remaining 371 matches were similar in nature, but the death had already been notified to the council and the pass withdrawn (i.e. the council were notified after the date of the original data extract).</p> <ul style="list-style-type: none"> • Other matches - the remaining 771 matches cover a range of areas. 655 have been reviewed by Veritau to date. None of the matches highlight any fraud and only 5 errors were identified as a result of the matches (only one error has a value attached of £3.4k). A further 116 matches remain to be looked at. <p>Housing Benefit Matching Service (HBMS) referrals continue to be investigated - the counter fraud team has received 579 HBMS referrals to date in 2011/12.</p>
Fraud Detection and Investigation	<p>In addition to benefit fraud investigation, the service continues to promote the use of criminal investigation techniques and standards in other areas to encourage a robust response to any fraud perpetrated against the council. Activity to date includes the following.</p> <ul style="list-style-type: none"> • Benefit Fraud - 15 people have been prosecuted for benefit fraud offences and a further 17 have received formal sanctions (cautions and administrative penalties). Benefits have been corrected in a further 28 cases. • Housing Fraud – ten housing fraud cases have resulted in houses being freed up for letting. Four properties were recovered from existing tenants. A further six properties were

Activity	Work Completed or in Progress
	<p data-bbox="512 323 2049 443">prevented from being let where the prospective tenants had provided fraudulent information in their housing application. The council's success in recovering properties in 2010/11 was also highlighted in the recent Audit Commission <i>Protecting the Public Purse 2011</i> report</p> <ul data-bbox="468 499 2049 667" style="list-style-type: none"><li data-bbox="468 499 1803 539">• Internal Fraud - the team has investigated nine internal frauds during the year.<li data-bbox="468 587 2049 667">• Blue Badge Fraud – one case has been completed, and resulted in a caution being issued. A second case is in progress.