

FRAUD SECTION MONITORING REPORT: FIRST QUARTER 2006/07

LEAD OFFICER: Sue Borwick

AUTHOR: Kate Dowle

1.0 FRAUD WORK IN THE FIRST QUARTER 2006/07

1.1 Caseload investigated 1st April to 30th June 2006

Number of cases referred:	105
Number of cases accepted for investigation:	83
Number of cases closed non-proven:	56
Number of cases summonsed for prosecution:	5
Number of successful prosecutions:	0
Number of prosecutions found "Not guilty":	0
Number of prosecutions rejected:	0
Number of Administrative Penalties (fines) given:	1
Number of Cautions given:	0

2.0 PROGRESS AGAINST TARGETS

2.1 The DWP set an annual target based on the Benefits live caseload. To enable comparisons with other Local Authorities, these targets are set per 1000 caseload. In 2006/07, the annual target for the number of investigations carried out is 41.2 per 1000 caseload. Based on the first quarter's Benefits caseload of 6,836, this is a target of 282 investigations for the year i.e. 70 per quarter.

2.2 The target for sanctions (successful prosecutions, Administrative Penalties, Cautions) is 4 per 1000 caseload. This means an annual target of 27.3 sanctions i.e. 7 per quarter. These sanctions no longer generate incentive funding as the SAFE (Security against Fraud and Error) scheme has been abolished. However, Local Authorities are still expected to conduct robust investigations and reach these targets for investigations and sanctions.

2.3 We have 3 Fraud Investigation Officers, including the team leader.

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2.3 For the first quarter to 30 June we have achieved: -

	<u>Target</u>	<u>Actual</u>
No. of investigations	70	56
No. of sanctions	7	1*

* 1 Administrative Penalty offered and accepted.

2.3 The 2 investigators are relatively inexperienced and the experienced investigator was recently promoted to Team Leader (January 2006). This will impact on the progress of investigations to prosecution standard.

2.4 Emphasis in the last quarter of 2005/06 was on completing cases for prosecution, whilst the incentive funding was still available. In the first quarter of 2006/07, new investigations have been started and these will take time to reach prosecution stage. 5 Summons have been issued. These should result in prosecutions in the next quarter.

3.0 STAFFING ISSUES

3.1 The section is now fully staffed with a Team Leader, 2 investigators and an Admin Support Officer. The new Admin Support Officer will be undertaking specialist fraud training, organised by the DWP, which will enable more support to be given to the investigators.

3.2 Prosecutions are being handled by our Legal Section.

4.0 CURRENT FRAUD WORK

4.1 As at 30/06/06, the Fraud Section had a caseload of 153 live investigations. 5 summons have been issued and the court date is set for 20/07/06.

4.2 The trial run for the National Fraud Initiative 2006/07 was successfully completed during this quarter. This is a national data matching exercise between different organisations' computer systems. It is designed to highlight potential cases for further fraud investigation. The run this year is to include creditors. The live initiative will take place in October.

4.3 The Prosecution Policy is currently being reviewed to bring it in line with the Benefits Fraud Inspectorate Best Practice guidelines, before seeking Member approval.

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4.4 We are preparing Fraud awareness talks for all Copeland Direct staff and for any new Benefits staff. These will be given within the next 2 months.

5.0 CONCLUSION AND RECOMMENDATION

5.1 Fraud work is progressing in line with the business plan. Much of the preparation has been undertaken for further prosecutions, the result of which will be seen in the second quarter.

5.2 Members are recommended to note this report.

OFFICERS CONSULTED: Corporate Team