

FRAUD SECTION ANNUAL REPORT 2005/06

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Summary: This report summarises the performance of the Fraud Team in 2005/06.

Recommendation: That Members note the report.

FRAUD WORK 2005/2006

1.0 Caseload investigated 1st April 2005 to 31st March 2006

Number of cases referred:	441
Number of cases accepted for investigation:	208
Number of cases closed non-proven:	43
Number of cases summonsed for prosecution:	10
Number of successful prosecutions:	8
Number of prosecutions found "Not guilty":	1
Number of prosecutions rejected:	0
Number of Administrative Penalties (fines) given:	6
Number of Cautions given:	11

2.0 PROGRESS AGAINST TARGETS

2.1 The DWP set an annual target [based on the Benefits caseload] of 30 sanctions. The 2005/06 Fraud budget included target income of £36,000. This was incentive funding available from the Department of Works and Pensions (DWP). We are rewarded for any sanctions imposed as follows:

Each summons for prosecution issued:	£1,200
Each Guilty verdict:	£2,000
Each Administrative Penalty given:	£1,200
Each Caution given:	£1,200

2.2 In order to meet the annual targets, this averages out at £3,000 per month and 2.5 sanctions. For the financial year to 31st March 2006 we have achieved: -

10 Summons issued	£12,000
8 successful prosecutions	£16,000
11 Cautions	£ 13,200

5 Admin Penalties (fines)* £ 6,000

*1 Admin Penalty could not be claimed, as we had claimed for a summons but it was then plea-bargained down to an Admin Penalty.

2.3 This means that we have claimed a total of £47,200 and have exceeded the annual target figure of £36,000.

2.4 This source of funding has now been withdrawn from 1st April 2006 and has been replaced with an administrative grant. However, targets still have to be met for the number of investigations and sanctions achieved.

3.0 STAFFING ISSUES

3.1 As at 31st March 2006, the section was fully staffed with a Team Leader, 2 full time investigators and an admin support officer.

3.2.1 Overpayments are still being dealt with on an ad hoc basis. However, the backlog has now reduced. We continue to liaise with Revenues and Benefits on this issue.

3.3 Prosecutions are now being dealt with by Legal Services, rather than by an external solicitor.

4.0 CURRENT FRAUD WORK

4.1 As at 5th April 06, the fraud section was undertaking a caseload of 109 live investigations. These include joint investigations with the Fraud Investigation Service (FIS) of the DWP.

4.2 There are 5 prepared prosecution files in the pipeline and the informations (summons) should be issued in due course.

4.3 The Fraud Team Leader and the Head of Customer Services are currently undertaking a review of the Prosecution Policy. This will be submitted for Members approval.

5.0 CONCLUSION AND RECOMMENDATION

5.1 The Fraud Team have exceeded their operational and financial targets in 2005/06

5.2 It is recommended that Members note this report.

List of Appendices: None

Background papers: Fraud Case Files 2005/06

Officers consulted: Corporate Team

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