

**FRAUD SECTION MONITORING REPORT: FIRST QUARTER 2007/08****LEAD OFFICER:** Sue Bamforth**AUTHOR:** Marilyn Robinson**1.0 FRAUD WORK IN THE FIRST QUARTER 2007/08****1.1 Caseload investigated 1<sup>st</sup> April to 30<sup>th</sup> June 2007**

Number of cases referred:	127
Number of cases accepted for investigation:	93
Number of cases closed non-proven:	41
Number of cases summonsed for prosecution:	1
Number of successful prosecutions:	4
Number of prosecutions found "Not guilty":	0
Number of prosecutions rejected:	0
Number of Administrative Penalties (fines) given:	2
Number of Cautions given:	5

**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 2007/08, the annual target for the number of investigations carried out is 41.2 per 1000 caseload. Based on last year's average Benefits caseload of 6,821, this is a target of 281 investigations for the year i.e. 70.25 per quarter.
- 2.2 The target for sanctions (successful prosecutions, Administrative Penalties, Cautions) is 4 per 1000 caseload. This means an annual target of 28 sanctions i.e. 7 per quarter.
- 2.3 There is no set target for the number of investigators. We have 3 Fraud Investigation Officers, including the team leader. This is in line with the number at similar-sized District Councils.

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

	<u>Target</u>	<u>Actual</u>
No. of investigations closed	70	127
No. of sanctions	7	11*

\* 2 Administrative Penalties, 5 Cautions, 4 Prosecutions

2.5 The targets were exceeded this quarter but this could be reflected in a downturn in the figures for the next quarter. There is no way of knowing how long an investigation will take and if, indeed, it will result in a sanction.

2.6 As a result of their investigations in the first quarter, the fraud team have identified benefits overpayments of £38,264.36. The Revenues and Benefits recovery team will pursue recovery of these overpayments. We also had 5 benefits claims cancelled by the claimant this quarter, after the investigations were conducted, but sanctions were not applied in these cases as there was insufficient evidence to proceed. The financial implications in these cases cannot be judged.

2.7 Administrative Penalties amounting to £4,105.06 were given to fraudulent claimants in the first quarter. This income will be reinvested in fraud investigation activities [e.g. to pay search fees] but cannot be recovered until all the Benefit overpayment has been repaid.

### 3.0 **STAFFING ISSUES**

3.1 The section is fully staffed with a Team Leader, 2 investigators and an Admin Support Officer. The Team Leader has now started the Professionals in Security (PINS) Management training. This will be completed in the second quarter.

3.2 Prosecutions are being handled by our Legal Section.

### 4.0 **CURRENT FRAUD WORK**

4.1 As at 30/06/07, the Fraud Section had a caseload of 163 live investigations.

4.2 Work continues on the National Fraud Initiative 2006/07 data matches. The first return was made to the Audit Commission by 31 May 2007. This return was to report progress made to that date. From an initial

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sift of the data matches, there have been 22 cases which have satisfied the criteria for further investigation. These are in addition to the live caseload figure given at 4.1 above. Once they are fully accepted for investigation, they will be entered on to the Fraud Case Management system.

**5.0 CONCLUSION AND RECOMMENDATION**

- 5.1 Fraud work is progressing in line with the business plan. The first quarter has resulted in sanctions being applied from work started earlier in the year and these have exceeded the quarterly targets. This will contribute towards meeting the annual target, as it is unlikely that as many sanctions will be achieved in the second quarter, with investigations currently in the early stages.
- 5.2 Members are recommended to note this report.

**Officers Consulted:** Corporate Team