

BENEFITS FRAUD SECTION: PROGRESS REPORT 2004/05 AND PLANS FOR 2005/06

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Summary: This report reviews the progress of the benefits fraud investigation unit for 04- 05 and set out the plans for 05 - 06

Recommendation:	The OSC PR note progress.
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Resource Implications: None

LA 21 Implications: None

Rural Implications: None

Crime & Disorder Act
Implications: None

Key Decision Status

- Financial: None
- Ward: None

Other Ward Implications: None

1. INTRODUCTION

- 1.1 During the period 04 – 05 Benefits Investigation formed part of the business plan for finance. It was based on an established staff of 6 full time posts (made up of a fraud support officer, two full time investigators, two full time visiting officers and a team leader).

Two of the full time investigation staff had significant periods of absence during the summer of 04 – 05 and one left in December 04. The absences during the year were not covered by any support from another area and unit was not back to full strength after the officer leaving until February 05, when we were loaned a casual member of staff from another unit. Problems with the software specific to Fraud meant that we had no access to our computer records for approximately six months and the work had to be re input by hand in September 04. None of this was allowed for in the original business plan and consequently although we met the financial target for sanctions we did not meet the

target for the number of sanctions to be offered. It also meant that we were unable to pursue the pro active goals we had set.

- 1.2 During the financial year 04 – 05 the fraud unit also has responsibility for the Interventions targets and as these figures were being completed by visit we also had responsibility for the Verification framework visiting targets. This system of work was new to this Financial year and should have commenced in April 04. Due to staffing difficulties work did not commence until June 04 and the figures have not been as promising as we would have hoped. The interventions team did not hit the target for this financial year and there is a need for some changes in work practices for this coming financial year. Interventions however, transfers to the new Revenues and Benefits department from June 05 (with two full time staff), and will not form part of the monthly monitoring provided from the new fraud Prevention unit during this financial year.

2. Actual achievement for 04 – 05

Description	Total	Funding claimed
Cautions	13	£15,600
Admin Penalties	03	£3,600
Summons	Nil	Nil
Guilty	03	£6,000
Awaiting summons	03	Nil

The target for the period 04 – 05 was £25,000 and we achieved £25,200.

The target for the period was 30 sanctions and we achieved 19 (target set as part of BVPI)

Description	Target	Achievement
Intervention visits	2550	1041
Investigation visits	none	243
Investigations actively pursued	187.5	190

2.1 Target for 05 – 06

Targets for both the new fraud prevention unit and the interventions officers are included as appendix one to this report.

The fraud preventions unit's progress will be reported quarterly to the Audit sub group and required heads of service.

The interventions progress will be monitored as part of the Revenue's and Benefits monitoring as from the re organisation.

- 2.2 We took part in the mandatory National Fraud Initiative in October 04. This required us to match council data against national data from other councils and varying other national organisation including Immigration and the Health Service. We received our data hits at the end of Feb 05. This project will be ongoing in financial year 05- 06 and the final reporting date for information is Dec 06.

As part of the ongoing joint working with the department of work and pensions we take an active part in the Cumbria Joint operational Board, and for 04-05 we chaired the Board. As part of this process we made a bid for funding from the Joint working unit on behalf of the six authorities in Cumbria for additional funding to cover the expenses of dealing with the National fraud initiative, and encouraging joint investigations of those that warranted it. The bid was accepted and each authority in the Cumbria received approx £2k (this is over and above our normal funding arrangements).

3. CONCLUSIONS

- 3.1 The fraud unit in 04-05 experienced staffing shortages, which have been dealt with. After an initial period of training the unit will be back to full strength for this financial year. A lack of software support due to a problem with the system used for this area of work also caused significant problems in 04 - 05. The software system is still unreliable and will be the subject of a budget Bid for replacement during this financial year. This will allow us to maximise our earning potential and stay within the legislation for investigation units.
- 3.2 Despite the problems experienced in the last financial year we did reach the financial target that was set and we have increased it for this financial year. We will be looking to get more involved in non benefit fraud cases this year and will generally be taking a more proactive approach to fraud in the Copeland area.
- 3.3 It is recommended that Members note this report

List of Appendices

Appendix one – Fraud Prevention team – Business plan

List of Background Documents: None

List of Consultees: Corporate Team