

DRAFT

FRAUD SECTION MONITORING REPORT: Third Quarter 2011/2012

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1.0 FRAUD WORK IN THE THIRD QUARTER 2011/2012

- 1.1 The Fraud Section receives referrals of suspected fraud from a number of sources. The majority are from the Council's own Revenues and Benefits Section. Many are from the Housing Benefit Matching Service (HBMS) where an electronic download of our benefits system is matched against records held by the Department for Work and Pensions (DWP) and any mismatches are sent back for further investigation. Some come from the public, either in writing, telephone, or via the Fraud Hotline, and some from the National Fraud Initiative where our benefits records are matched against records held by various government departments and other Local Authorities.
- 1.2 The referrals received are assessed and prioritised for investigation, on a rolling basis. The third quarter has, therefore, resulted in sanctions being applied from work started earlier in the year. A summary of workload for the quarter is shown below.

1.3 Caseload investigated 1st October to 31st December 2011

Number of cases referred:	31
Number of cases accepted for investigation:	17
Number of cases closed after investigation	38
Number of cases summonsed for prosecution	2
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:	7

**AUDIT COMMITTEE 02/02/12
ITEM**

2.0 PROGRESS AGAINST TARGETS

- 2.1 The DWP do not set targets for Local Authority fraud teams but our results are still reported to them. Our targets are set by management and are based on caseload and previous statutory targets. The target for this authority is 43 successful sanctions.
- 2.2 The sanction figures were above target for this quarter but we are below for the year to date. There is no way of knowing at this point if we will reach the target at the end of the financial year.
- 2.3 As a result of their investigations in the third quarter the fraud team has identified fraudulent overpayments of Housing and Council Tax Benefit of £60,115.53. To date for this financial year we have identified overpayments of £110,930.88. The Revenues and Benefits Recovery Team and Benefits Overpayments Officer will actively pursue recovery of these overpayments. Through joint working with the DWP we also identified overpayments in relation to benefits administered by them.
- 2.4 Administrative Penalties amounting to £1094.78 were given to fraudulent claimants in this quarter.

3.0 STAFFING ISSUES

- 3.1 The Fraud Prevention Team is part of The Revenues and Benefits Shared Service and Carlisle City Council is the employing authority. The fraud team are fully staffed with the equivalent of 2 investigators on each of the three sites.

4.0 CURRENT FRAUD WORK

- 4.1 As at 13th January 2012, the fraud team had a caseload of 71 live investigations.
- 4.2 The results from the data match with the electoral register and council tax single person discount recipients will be sent to the fraud team in February via the National Fraud Initiative exercise. The results of this are given to the Audit Commission.

5.0 CONCLUSION AND RECOMMENDATION

- 5.1 Fraud work is progressing in line with the business plan. The third quarter resulted in sanctions being applied from work started earlier in the year and this continues on a rolling basis.
- 5.2 Members are recommended to note this report.

Out to Consultation with: Corporate Team