

**FRAUD SECTION MONITORING REPORT: FIRST QUARTER 2011/12**

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**1.0 FRAUD WORK IN THE FIRST QUARTER 2011/12**

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. Some referrals investigated are from the Housing Benefit Matching Service (HBMS). This is where a monthly electronic download of our benefits system is matched against records held by the DWP and any mismatches are sent back for investigation. Other referrals come from the public in a variety of forms, including our web site and benefit fraud hotline.

1.2 The referrals received are assessed and prioritised for investigation, on a rolling basis. The first 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 1<sup>st</sup> Apr 2011 to 30<sup>th</sup> June 2011**

Number of cases referred:	55
Number of cases accepted for investigation:	28
Number of cases closed (after investigation)	48
Number of cases summonsed for prosecution:	0
Number of successful prosecutions:	0
Number of prosecutions found "Not guilty":	0
Number of prosecutions rejected:	0
Number of Administrative Penalties (fines) given:	3
Number of Cautions given:	3

## 2.0 **PROGRESS AGAINST TARGETS**

- 2.1 The DWP have not set targets for this financial year but our results are still recorded and reported to them. To record ongoing progress we set our own targets based on the benefits live caseload and the previous statutory targets. The target this authority is expected to achieve is 43 successful sanctions.
- 2.2 The sanction figures were below target for this quarter but this could be reflected in an upturn 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.
- 2.3 As a result of their investigations in the first quarter, the fraud team has identified fraudulent overpayments of housing and council tax benefits of £9,888.38. The Revenues and Benefits recovery team will pursue recovery of these overpayments. Through joint working with the Department for Work and Pensions, we also identified overpayments in relation to benefits administered by them.
- 2.4 Administrative Penalties amounting to £1,176.01 were given to fraudulent claimants in the first quarter. This is recovered with the overpayments by a dedicated overpayments officer within the benefits section.

## 3.0 **STAFFING ISSUES**

- 3.1 This Fraud Prevention Team was part of the Shared Services project under Revenues and Benefits and the employing authority from 1<sup>st</sup> June 2010 is Carlisle City Council.
- 3.2 The section is not fully staffed at the moment. One investigator is on maternity leave and will return in October 2011. A Visiting Officer from Allerdale Borough Council has been seconded to the fraud section since April 2011 and currently spends 2 days a week at Copeland.

3.3 Prosecutions are still handled by our Legal Section or, where there is a joint prosecution with the DWP, by the Solicitor's Branch of the DWP. There are currently 2 prosecution cases with our Legal Section waiting for the information to be laid at court.

4.0 **CURRENT FRAUD WORK**

4.1 As a 22/07/11 the section has a caseload of 68 live investigations.

4.2 Work continues on the National Fraud Initiative (NFI) exercise. The data used for the Concessionary Travel Passes formed part of this year's exercise and the information was checked and updated fully before the new passes were issued. Further matches relating to Single Person Discount for council tax is expected later this year.

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 this is slightly below target at this time.

5.2 Members are recommended to note this report.