

## **EXECUTIVE SUMMARY**

1. The purpose of this report is to review the activities of the benefits investigation team for the year 2007/2008 and to compare results achieved against the targets set in the benefit fraud annual business plan 2007/2008.
2. The investigation team works within the Council's agreed anti-fraud/prosecution policy with regard to imposition of sanctions and during 2007/2008 investigated suspected cases of benefit fraud referred to it from a number of sources and from proactive activities. During 2007/2008 the team received a total of 299 referrals (excluding referrals from the National Fraud Initiative) which resulted in 239 cases of these investigations being classified as fraud.
3. The results of the team's achievements are shown below. We achieved our target for successful prosecutions. The targets for administrative cautions and administrative penalties for 2007/2008 were not achieved as of the cases investigated and proven to have fraudulent activity none fell into the criteria applicable to these type of sanction or were not suitable for a sanction due to our prosecution policy.

The results can be summarised as follows: -

<b><u>Sanction</u></b>	<b><u>Target</u></b>	<b><u>Result</u></b>
a) Cautions	3	1
b) Penalties	10	4
c) Prosecutions	10	10
<b>Sanctions Total</b>	<b>23</b>	<b>15</b>

## **Fraud Report 2007/2008**

### **1. Introduction**

- 1.1 The benefits investigation team has the responsibility for the detection and investigation of suspected fraudulent claims made for housing and council tax benefit within West Dunbartonshire Council.
- 1.2 Referrals come from various sources including, housing benefit matching service, National Fraud Initiative, other government depts and benefit staff.

## 2. Investigation Profile

- 2.1 The following table demonstrates the total number of cases received by the team in 2007/08 for potential investigation and the outcomes of the investigations:

Carried FWD from 06/07	Referrals Received	Overloaded	Not Investigated	No Fraud Found	Fraud Proven	Still Open at 31/3/07
97	299	14	101	201	27	149

- 2.2 Notes to above table: -

- (a) **Carried Forward**- This is the number of cases still under investigation at the end of the previous financial year.
- (b) **Referrals Received** - This is the total number of cases passed to the investigation team during the year.
- (c) **Overloaded** - This is the number of cases accepted for investigation but due to limited investigation resources/evidence, these are closed and a review form is issued instead as part of our Interventions programme.
- (d) **Not Investigated** - This includes cases rejected because they did not meet the required score for investigation
- (e) **No Fraud Found**- This is the number of cases where an investigation has been carried out but there is no evidence to support a fraudulent decision
- (f) **Fraud Proven**- This is the number of cases where we have proven fraud either “beyond reasonable doubt” or “on the balance of probabilities”
- (g) **Still Open** - This is the total number of cases under investigation at year end and carried forward to 2008/09.

- 2.3 A statistical profile of results per referrals received as a percentage of cases investigated (excluding pending cases):

- Not investigated (including rejections & overload) 38.27%
- Investigated and no fraud found 42.24%
- Investigated and fraud found 19.49%

## 3. Training

- 3.1 In 2007/08 all benefit and rent arrears staff received fraud awareness training. The Team Leader (Fraud) also attended the revenues quarterly RSL liaison meeting to raise fraud awareness.
- 3.2 Our intelligence officer successfully passed the PINS9 (Professionalism in Security) qualification, which means that she is now an accredited authorised officer under the Social Security Administration Act 1992. This officer has also successfully passed PINS 1 – 3 in legislation, planning and progress of an investigation and preparing a case summary.

3.3 The Team Leader (Fraud) has successfully passed PINS 12 which qualifies her as a nominated officer for investigating living together cases.

#### **4. National Activities**

4.1 The team also plays an active roll in joint working with the Fraud Investigation Service and a representative from West Dunbartonshire Council attends the Joint Board Meetings with Job Centre Plus.

#### **5. Reporting and Publicity**

5.1 The Team Leader (Fraud) produces a monthly update on fraud referrals received and outcomes of investigations, including sanction activity for senior management. We also submit data on administration and security to the DWP on a quarterly basis that is published on their Information and analysis division website. In addition, fraud work is reported to senior management through the quarterly performance review and is updated on the action planning database which is also reported to the Corporate and Efficient Governance Committee to keep Members informed of activities.

5.2 Anti-Fraud work requires publicity to act as a deterrent to potential fraudsters and each case successfully prosecuted will be reported in the local press.

5.3 Since March 2007 the benefit investigation team has had its own web page on the Council's internet page. It provides examples of fraud and explains how the public can report fraud to WDC with an online fraud referral form.

5.4 We participated in the national anti fraud campaign and advertised the national fraud hotline via our website, on carrier bags issued at the local libraries and on staff wage slips. We also displayed the national poster campaign throughout the West Dunbartonshire area.

#### **6. Other Activities**

6.1 During the year the investigation team carried out a number of pro-active investigations to identify fraud via referrals received as a result of the following initiatives: -

- (a) National Fraud Initiative
- (b) 1<sup>st</sup> Cheque Delivery
- (c) Housing Benefit Matching Service
- (d) High Risk Review Interventions
- (e) Do Not Redirect Scheme

## **7. Financial Targets and Results**

- 7.1 The main targets for the investigation team are to identify benefit fraud and stop the continued payment of incorrect benefit. Where appropriate, sanctions will be issued in terms of cautions, penalties, summons and prosecutions in line with the guidance detailed in the HB/CTB Fraud Strategy.

### **7.2 Overpayments**

Results for 2007/2008:

- Total fraudulent overpayments identified £152,883
- Amount recovered £88,774
- Percentage recovered 58%
- Total amount outstanding £64,109
- Average overpayment per fraud proven £2,831

### **7.3 Penalties**

Results for 2007/2008:

- Administration penalties raised 2007/08 £1072
- Total Admin Penalties due £1072
- Recovered during 2007/08 £0
- Percentage recovered 0%
- Admin penalties outstanding at 31/3/07 £1072

## **8. Conclusions**

- 8.1 Following a focused inspection by the Benefit Fraud Inspectorate (BFI) in June 2005 on security and counter fraud arrangements an action plan was drawn up. All actions were completed within the agreed timescales. The Chief Executive received confirmation in July 2007 from the DWP that the measures put in place to address our performance have achieved significant improvements in this key area.
- 8.2 The Benefit Investigation Team is working with the new procedures that have been put in place over the past year and the investigators are continuing to develop the skills required to maximise the use of sanctions in accordance with the housing and council tax benefit fraud strategy.