

HUNTINGDONSHIRE DISTRICT COUNCIL

CORPORATE FRAUD TEAM - WORK PLAN 2019/20

1. INTRODUCTION

- 1.1 Huntingdonshire District Council (HDC) aims to set and achieve the highest standards of service provision in all of its services. This is underpinned by the strategic objective in the Corporate Plan to:

Become a more efficient and effective Council.

- 1.2 HDC is committed to actively safeguard public funds by preventing and detecting fraud and corruption. Maintaining high levels of probity, governance and ethics will ensure that HDC's resources can be focussed in providing services that matter to local residents.
- 1.3 HDC's commitment to dealing with fraud and error is demonstrated by having in place systems, resources and procedures designed to:
- limit the opportunities to commit fraudulent acts
 - enable such acts to be detected at the first opportunity
 - deal with investigations promptly, thoroughly, professionally and legally.
 - where appropriate use and publicise its sanction activity as a deterrent to future offending.
 - reduce the financial loss caused by fraudulent activity

To enable this, HDC retains a professional, fully trained Corporate Fraud Team (CFT). The work of this team is directly aligned to meet the priorities set out in the HDC's Countering Fraud and Corruption Strategy and CIPFA Fraud and Corruption Tracker 2018.

2. BACKGROUND

- 2.1 The work of the Team has included investigations into all areas of services provided by HDC but in particular around Council Tax Support, Single Person Discount, Tenancy Fraud but also includes advice given to other HDC enforcement teams.
- 2.2 In order to identify current fraud and loss the following documents have been used to develop this work Plan. The Chartered Institute of Public Finance & Accountancy (CIPFA) Code of Practice on Managing the Risk of Fraud and Corruption, the CIPFA Fraud & Corruption Tracker and HDC's Countering Fraud and Corruption Strategy 2018-2021.

3. SET UP OF CORPORATE FRAUD TEAM

3.1 The team's substantive structure is currently:

- 1 Fraud Manager (CFM)
- 1 Investigating Officer (IO)
- 1 Fraud Intelligence and Analyst Officer (AO)

All staff hold accredited fraud qualifications, e.g. Professionalism in Security (PINS) or the equivalent to a BTEC Level 5. The team will attend conferences and training workshops to keep up to date with current trends and emerging risks. This also enables us to network with colleagues and exchange ideas and best practice.

3.2 Sifting of referrals: The AO will sift all reported fraud in line with current procedures and select those cases suitable for full investigation and those which can be dealt with in other ways. The sift will include an assessment of potential loss with those cases highlighted as producing larger or more immediate savings being prioritised.

3.3 Investigations: The IO will undertake investigations into all cases selected for full investigation.

3.4 Management: The CFM will work to develop working with partners to identify services at risk of fraud. The FM oversees all investigations, prepare files for disposal in line with the Fraud Prosecution Policy and produces reports for senior officers and Members.

4. WORK PRIORITIES FOR THE TEAM 2019/20

4.1 In setting the work priorities of the team for the forthcoming year, reference has been made to a number of documents including Fighting Fraud & Corruption Locally 2016-2019, Fraud and Corruption Tracker 2018 both published by CIPFA and HDC's Anti Fraud and Corruption Strategy 2018- 2021. In setting these priorities we have also taken into account the pressures on our own services and have identified the following areas:

- Council Tax Reduction Support (CTRS).
- Housing Benefit – this is still an area we are involved in due to its close links with CTRS and if investigating this type of case our findings will also have an impact on the Housing Benefit award.
- Since December 2018 joint working has recommenced with the Department for Work and Pensions on cases including Housing benefit and CTRS.
- Council Tax Discounts.
- Housing Tenancy Fraud - illegal subletting.
- Housing/ homeless Applications.

- Housing Benefit Matching Service referrals.
- National Fraud Initiative
- Business Rates – This has been identified by CIPFA to be an area of growth as far as fraud is concerned and the CFT will look to do some work in this area.

Targets

Council Tax penalties	20
CTRS Ad Pens	15
Recover 4 properties through work with Housing Associations	4
Identify fraud and error across council services	£300K

With the overall level of individual overpayments on cases this year reducing, the team has looked at how to deal more effectively and efficiently with lower level cases and how we may apply penalties. Serious cases of fraud will always be considered for more serious action or prosecution however it is also necessary to look at the cost of prosecuting lower level frauds and if this is time and cost effective disposal method.

- 4.2 In addition the Corporate Fraud Team is the Single Point of Contact (SPoC) for dealing with enquiries received from the Department for Work and Pensions (DWP) in relation to Housing Benefit investigations in line with the requirements and deadlines set by the DWP.
- 4.3 The CFT is called upon to provide expertise and mentoring for other enforcement services in collection of evidence and interview facilities. The CFT offers a wide variety of services including credit reference data, local intelligence, checking for previous convictions or even hands on interview specialism to other sections within the council.
- 4.4 The Corporate Fraud Manager is also the Council's co-ordinating officer for RIPA and responsible for maintaining the central register of applications. Requests for communications data under RIPA are dealt with by the National Anti Fraud Network (NAFN) and following changes to this legislation the investigating officer is now responsible for making these types of request.
- 4.5 With the merger of Luminus with Places for People we continue to have discussions with them and managed to secure some training last October for a large number of their staff regarding tenancy fraud. This

has made a dramatic difference in the level of communication and referrals received.

- 4.6 For securing the gateway to ensure that HDC services are only provided to people legitimately entitled to receive them, all proof of ID is put through the Trust ID scanners and the CFM has audit permissions for this system so is aware of any documents that are referred for further verification. The scanners are now also used to verify the right to work for all new HDC employees.
- 4.7 The CFT will investigate and assist the HDC HR service when requested in any matters concerning fraud or disciplinary action in relation to staff.
- 4.8 The CFT will work with the HDC Audit Section and partners to determine whether there is a risk to HDC and take appropriate action.

5. PROCESSES FOR PROACTIVE / RESPONSIVE WORK.

- 5.1 The CFT receives regular data sets from internal services such as Electoral Registration, Licensing, Benefits, etc. to enable data matching. This identifies potentially fraudulent access and use of Council services.
- 5.2 Housing Benefit Matching Referrals are received on a monthly basis via secure email from the DWP. These types of matches highlight claims where certain benefits have ceased yet Housing Benefit is still being paid on the basis that the customer is entitled to Income Support or Job Seekers Allowance. These types of referrals also highlight matches against undeclared bank or savings accounts that may not have been declared to HDC.
- 5.3 In the case of Housing tenancy fraud a full report is provided to the Housing Association and then joint discussions would be undertaken on how best to proceed and if the case is to be prosecuted then HDC CFT will take the lead.
- 5.4 The National Fraud Initiative are also releasing additional reports throughout the year which highlight potential cases for investigation relating to Single Person Discounts and CTRS cases. They also highlight and enable us to cleanse our data regarding mortality checks and ensure it is up to date and relevant.
- 5.5 The CFT meets weekly with other HDC enforcement teams from Planning, Housing and Communities to discuss any cases that may be of interest or could have an impact across other service areas. This is a useful platform for sharing information, problem solving and collaboratively working.

6. RISKS

- 6.1 The level of resource on the CFT means that there could be a capacity issues if levels of fraud allegations referred to the team increase. The role of the Intelligence and Analyst Officer is key in ensuring that the allegations carrying most risk (financial or reputational) are prioritised by the team.
- 6.2 Although the CFT does collaborate on proactive work with other enforcement teams across the Council, there is a risk that fraud in some service areas is not identified. It is vital that all managers take responsibility to identify risks specific to their service area and put controls in place to minimise loss. The CFT is keen to work with any team to assist in this piece of work. Some risks will be identified through the internal audit programme and the CFT will work with the Internal Audit Team as and when necessary.

7. PUBLICITY

- 7.1 The CFT encourages allegations of fraud to be reported to HDC through the following:
- a 24-hour telephone line (automated voicemail system) that is checked daily
 - a further phone line manned during office hours
 - an e-mail account linked directly to the CFT
 - on-line referral forms on the HDC website
 - at any of the Council's offices in person or in writing
- 7.2 Prosecutions are regularly publicised in the local press as both a deterrent to prospective fraudsters and as a way of encouraging further referrals.
- 7.3 Any decisions made in the disposal of cases are made in line with the council's prosecution policy.