

**HOUSING AND COUNCIL TAX BENEFIT FRAUD STRATEGY &
PROSECUTION POLICY
(Report by Head of Customer Services)**

1. Introduction

- 1.1 This report considers a review of the existing Benefit Fraud Strategy and Policy for the prosecution and sanction of those persons found to have been committing benefit fraud.
- 1.2 The councils Fraud Team undertakes investigations of allegedly fraudulent applications for housing benefit and council tax benefit. This work complies with various legislative requirements as well as providing protection of the public purse.
- 1.3 The Team are part of the Benefit Service and report through the Benefit Manager to the Head of Customer Services.

2. Benefit Fraud Strategy

- 2.1 The council has in place a robust Anti-Fraud and Corruption Strategy to cover the councils services as a whole but reports from the Audit Commission and the Department for Work and Pensions require that the council has in place a separate Strategy to identify how it will deal with benefit fraud.
- 2.2 The council has had an effective Benefit Fraud Strategy since 2003 but this has been identified as being in need of review due to changing legislation and the needs of the council.
- 2.3 The previous and revised Strategies both incorporate the council's core objectives and values whilst ensuring that the council can show that it takes a strong stance to deter, prevent and investigate fraud.

3. Prosecution Policy

- 3.1 All cases of Benefit Fraud identified following investigation are referred to the Head of Customer Services (HoS) by the Fraud Manager (FM). The FM will make recommendation on disposal of every case where offences have been identified based on the public interest, evidential test and the councils own Policies. The HoS will approve or amend these recommendations in line with the existing Policies.

- 3.2 The Fraud Team undertake in excess of 350 investigations into alleged benefit fraud each year. The success of these investigations resulted in 120 sanctions and prosecutions 2007/2008 and in 119 in 2008/2009.

4. CONCLUSIONS

- 4.1 The existing system of issuing sanctions by the FM has proved to be effective and efficient.
- 4.2 Due to the increasing volume of cases being detected and considered for sanction or prosecution, the manner in which these cases are agreed between the HOS and FM should be amended. A panel composed of the HOS, FM, HDC Legal advisor and Benefit Manager meet to discuss all cases so that the HoS, having taken into account legal and welfare advice and the likelihood of securing a conviction, makes an informed decision.
- 4.2 The Fraud Manager now presents all cases in court for first, plea and sentencing hearings where the cases are relatively straight forward. This has been found to be very successful and reference to the council's own solicitor where required has been maintained.
- 4.4 The Fraud Team provide a service to the Benefit Section. However, its expertise and specialist knowledge has led to its use by the Local Taxation and Housing Departments. There are no formal arrangements in place to allow such investigations and no funding or internal recharges made for this type of work by the Fraud Team.

5. RECOMMENDATIONS

- 5.1 It is

RECOMMENDED

that the Corporate Governance Panel

- (a) note the contents of this report;
- (b) agree and authorise the reviewed Benefit Fraud Strategy attached at Annexe A;
- (c) agree and authorise the reviewed Benefit Fraud Prosecution Policy attached at Annexe B;
- (d) amend the delegated functions to allow the Fraud Team to undertake investigations in fraud affecting Local Taxation and Housing Services and other services and report to the

