

## Corporate Anti-Fraud Team

### **Montgomeryshire 21<sup>st</sup> December 2015**

Historically, Powys County Council operated a Benefit Fraud Investigation Team, looking at allegations and incidences of Housing Benefit and/or Council Tax Benefit Fraud. Transfer of Housing Benefit Investigations went back to the Department for Work & Pensions as of 1<sup>st</sup> July 2015 due to the introduction of Universal Credit rollout.

Following a pilot scheme and resultant Business Case approval for retaining a Corporate Fraud Team at Powys County Council, investigating non-Benefit fraud offences, the Corporate Anti-Fraud Team came into existence as of April 1<sup>st</sup> 2015. The team are committed to the prevention, detection and investigation of all types of fraud and corruption affecting the Council and the services it provides to the public and communities. No area of the Council is immune from fraud. A Council who looks for fraud, and looks in the right places; - will find fraud.

Fraud costs the UK public sector £20.6 billion each year, this amounts to £390 for each adult living in the UK.

Tackling fraud contributes toward delivering “well managed cost effective services”, which in turn supports “**value** for money”. Additionally, such work contributes to ensuring “safe, sustainable and cohesive communities” by aiming to decrease serious acquisitive crime.”

The way Powys County Council reacts to incidents of alleged or suspected fraud will send a strong deterrent message throughout the Council, helping to reduce the number of future occurrences. The consequences of committing fraud must be clearly communicated throughout the Council, promoting zero tolerance to fraud ethos.

When a fraud involving a Local Authority is committed, it is a theft of public money and deprives services of much needed resources. In addition, reputational damage can arise where fraud is not seen to be tackled robustly. Local Authorities throughout the Country are being urged by the Government to do more to seek out and counteract these forms of non-benefit fraud. Powys County Council takes ALL types of fraud seriously.

We have now successfully completed the migration of Housing Benefit fraud cases as of 1<sup>st</sup> July 2015. However this still means work for us to do with ongoing cases for Prosecution that we have already been working on, until they are disposed of at Court. We also are not ‘free’ of HB work as with the HB investigation can come a number of other considerations that we are *still* responsible for, under the new remit, such as Council Tax Reduction, Single Person Discounts, abandonment of properties, (such as LT cases) other forms of tenancy fraud, Direct payments for Social care and so on.

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Right-To-Buy has been an area we have focussed on; and upon finding weakness and opportunity for fraud in the process as was; - we have introduced a new checklist and more robust anti-fraud controls for *all* applications to be scrutinised and come via CAFT upon receipt.

We have been delivering face to face fraud awareness training with staff, identifying and working with potential fraud champions. We are continuing with fraud awareness sessions with each service area we go into as well as look at how we may be needed to assist with cases or carry out health checks re fraud opportunity; and also we have introduced a fraud e-learning package which should be available to all staff shortly on the learning pool.

We have created an Intranet page for our Team and 'launch' the CAFT in November when International Fraud Awareness week is on- 16-20 November, so 'page per day' on Intranet to provide more information and help raise profile.

We have been researching fraud software and found a partner company to provide some fraud related services (tried and tested by a number of other Local Authorities successfully). This software, along with our expertise, could be used if PCC were to undertake fraud work for other Councils or Housing Associations/Social Landlords in due course, thereby generating an additional source of income.

### **What type of cases we have been working on:**

- National Fraud Initiative (NFI)- SPD matches and other work in this area
- NFI Mixed matches- we have reviewed a number of additional matches outside of the 'normal' matches which have created some extra cases opened for investigation
- CTRS cases- usually born out of other matches or referrals (SPD or HB)
- Business Rates (NNDR) cases- just a few identified by the NNDR team so far that they have referred but with some really good results. This is not an income generator for Councils in Wales at this time as any monies identified currently go back to the Welsh Govt, but in time this may change as we catch up with England for example who are finding this area one of priority- small numbers in referrals but high value. It is an area of work we want to continue to handle as will be a service we can offer to other potential Council partners.
- Tenancy Fraud- since we have been doing the fraud awareness training sessions the referrals are starting to come in thick and fast, with some cases in process that may involve Court action for Criminal offences
- Free School Meals- usually born out of other Benefit cases – a number of people rebilled so far for non-entitlement
- Council Tax Exemptions – for example empty unfurnished when in fact occupied, in need of extensive renovation and uninhabitable when in fact people residing
- Disabled Blue Badge misuse- issued several formal cautions already for cases taken and 2 badges returned

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- Residential Parking Permits
- Employee fraud- example case where alleged employee working self-employed whilst off sick (Prosecuted successfully and dismissed from position)
- Intra Familial Financial Abuse cases –working with Appointee/Deputyship team
- Direct Payments for Social Care- we have had several successful cases where the overpaid monies have been recovered in full as a result of the Investigation and a number of additional cases now in progress

Our results so far:

**01/04/15- current date *weekly* savings made: £2,203.77 equates to £114,596.04 per annum we are now not paying out, in addition to this:**

**01/04/15- current date overpayments raised: £128,848.69**

Thank you for your support.

Yvette Kottaun

Senior Investigator

06/10/15