



## Selby District Council

### Counter Fraud Progress Report 2018/19



**Counter Fraud Manager:**  
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**Date:**

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## **Background**

- 1 Fraud is significant risk to the public sector. Annual losses are estimated to exceed £40 billion in the United Kingdom.
- 2 Councils are encouraged to prevent, detect and deter fraud in order to safeguard public finances.
- 3 Veritau are engaged to deliver a corporate counter fraud service for Selby District Council. A corporate counter fraud service aims to prevent, detect and deter fraud and related criminality affecting an organisation. Veritau deliver counter fraud services to the majority of councils in the North Yorkshire area as well as local housing associations and other public sector bodies.

## **Counter Fraud Performance 2018/19**

- 4 Up to 30 September, the fraud team detected £10.6k of loss to the council and achieved £4.9k in savings for the council as a result of investigative work. There are currently 10 ongoing investigations. A summary of counter fraud activity is included in the tables below.

## COUNTER FRAUD ACTIVITY 2018/19

The tables below shows the total number of fraud referrals received and summarises the outcomes of investigations completed during the year to date.

	<b>2018/19 (As at 30/9/18)</b>	<b>2018/19 (Target: Full Year)</b>	<b>2017/18 (Full Year)</b>
% of investigations completed which result in a successful outcome (for example benefit stopped or amended, sanctions, prosecutions, properties recovered, housing allocations blocked).	36%	30%	44%
Amount of actual savings (quantifiable savings - e.g. CTS) identified through fraud investigation.	£4,900	£14,000	£22,195

### Caseload figures for the period are:

	<b>2018/19 (As at 30/9/18)</b>	<b>2017/18 (Full Year)</b>
Referrals received	54	81
Referrals rejected	31	43
Number of cases under investigation	10	15 <sup>1</sup>
Number of investigations completed	14	41

<sup>1</sup> As at 31/3/18

## Summary of counter fraud activity:

Activity	Work completed or in progress
Data matching	<p>The 2018/19 National Fraud Initiative (NFI), a regular data matching exercise run by the Cabinet Office, is underway. A wide ranging set of data is currently being gathered and processed before it is securely sent to the Cabinet Office. The results of the exercise are expected to be released in February 2019.</p> <p>The council is also participating in an NFI pilot project alongside regional partners looking at business rate fraud. Results have recently been released and there are over 4,400 matches to review.</p>
Fraud detection and investigation	<p>The service continues to use criminal investigation techniques and standards to respond to any fraud perpetrated against the council. Activity to date includes the following:</p> <ul style="list-style-type: none"><li data-bbox="421 967 2009 1134">• <b>Council Tax Support fraud</b> – To date the team has received 33 referrals for possible CTS fraud. Over 8.7k of fraud has been detected during the current financial year. One person has been issued a warning relating to fraud in this area. There are currently 5 cases under investigation.</li><li data-bbox="421 1203 2009 1326">• <b>Council Tax/Non Domestic Rates fraud</b> – 17 referrals for council tax fraud have been received in 2018/19. There are currently 2 cases under investigation. One person has been given a warning this year.</li></ul>

Activity	Work completed or in progress
	<ul style="list-style-type: none"> <li>• <b>Housing fraud</b> – The team has received 3 referrals for investigation in the year. There are currently 3 ongoing investigations in this area. One property has been recovered in the period following an investigation where a tenant was found to be illegally subletting a property.</li> <li>• <b>Internal fraud</b> – There have been no reports of internal fraud.</li> <li>• <b>Parking Fraud</b> – One person has been issued a warning relating to parking fraud after an investigation found a blue badge being misused by a third party.</li> </ul>
Fraud liaison	The fraud team acts as a single point of contact for the Department for Work and Pensions and is responsible for providing data to support their housing benefit investigations. The team have dealt with 81 requests on behalf of the council in 2018/19.
Fraud Management	<p>In 2018/19 a range of activity has been undertaken to support the Council's counter fraud framework.</p> <ul style="list-style-type: none"> <li>• In May, the council's counter fraud transparency data was updated to include data on counter fraud performance in 2017/18 meeting the council's obligation under the Local Government Transparency Code 2015.</li> <li>• The council participated in the annual CIPFA Counter Fraud and Corruption Tracker (CFaCT) survey in June 2018. Information provided will form part of an upcoming CIPFA report which aims to provide a national picture of fraud, bribery and corruption in the public sector and the actions being taken to prevent it.</li> </ul>

<b>Activity</b>	<b>Work completed or in progress</b>
	<ul style="list-style-type: none"><li data-bbox="465 256 1998 379">• As part of the 2018/19 National Fraud Initiative council forms and privacy notices have been checked to ensure they are compliant with national guidance relating to datamatching exercises.</li><li data-bbox="465 432 1998 512">• The counter fraud team alerts council departments to emerging local and national threats through a monthly bulletin and specific alerts over the course of the year.</li></ul> <p data-bbox="421 560 1984 683">We are also pleased to report that the counter fraud team have been named as a finalist in two categories of the Institute of Revenues Rating &amp; Valuation (IRRV) 2018 performance awards – Excellence in Counter Fraud and Excellence in Innovation.</p>