

Fraud Awareness

Corporate Fraud Team



Agenda for today

- Introduction to the session (Paul Sutton, Chief Finance Officer)
- The Corporate Fraud team – role, how to make referrals (John Short- Interim Senior Fraud Investigations Officer)
- Presentation by Internal Audit
- Questions and close

Corporate Fraud Team

- John Short – Interim Senior Corporate Fraud Officer
- Hannah Simons – Senior Corporate Fraud Officer (maternity leave)
- Nick Addis - Corporate Fraud Investigator
- Phil Goldingay- Admin/Intelligence Officer
- Manager - Belinda Green - Joint Revenues and Benefits Manager

What is fraud?

Fraud Act 2006

- A person is guilty of fraud if they:
- Intentionally or dishonestly make a
- Sect 2- False statement
- Sect 3- Fail to disclose information
- Sect 4- Abuse their position.

To make a gain for themselves or another or to cause another to incur a loss or not receive a gain that they were lawfully entitled to.

Main fraud offences

The Fraud Act 2006

For all criminal fraud other than:- CTRS

Council Tax Reduction Scheme
(Fraud & Enforcement) England Regulations
2013

- Sect 7-False representation to obtain a reduction.
- Sect 8-Failure to notify a change in circumstances.

What types of Corporate Fraud do the team investigate?

- Council Tax Discount Fraud (SPD)
- Council Tax Reduction Fraud (CTRS)
- Tenancy Fraud
- Housing & Homelessness application fraud
- Procurement Fraud
- Payroll & Pension Fraud
- Insurance & Compensation Fraud
- Disabilities facilities grants.

What do we not do

- We do not investigate criminal acts that should be dealt with by the police (Burglary Robbery Theft) etc.
- Staff –Assaults-Bullying-Discrimination.
- General Enforcement matters.
- Staff grievance matters.
- Spy on Staff or Members or the Public (RIPA)

Reporting Fraud

- All reports to Corporate Fraud need to be on the fraud referral form.
- You should put your name and contact details on the form (we may need to speak to you in confidence to ask questions) about the referral. We will not disclose this information !
- Email as an attachment to:
corporatefraud@cherwellandsouthnorthants.gov.uk

What do you need to tell us

- Full names & Addresses for any suspects/witnesses/parties involved.
- Descriptions of persons or vehicles.
- What you believe is the fraud: include-why, when, Where, How it happened. We need as much information as possible, (ask the informant questions!)
- Any vehicle registration numbers.

What you need to tell us - Continued

- How does the person telling you know this information, what is there connection to the suspected person.
- Would they like to leave contact details, please ensure you ask. (We do not disclose them, to anybody) DPA 1998.
- Staff members should include their contact details, unless the reason for Anonymity is discussed with Senior Fraud Officer.

Why we need the information.

- We score referrals, based on quality & Quantity of information, also is it in the public interest to investigate the allegation.
- Is it cost effective for the Council.
- Can we find any information to support the allegation.
- Is there enough information to provide a reasonable prospect of a successful investigation, Prosecution or Sanction.

Main Fraud risk

- Council Tax Reduction Fraud
 - Approximately £15 million CTRS fraud nationally every year.
 - Money lost to fraud & error cost every household £100 per year on average.
 - False identity, using fake passports and other I.D documents to apply for Discount & Benefit.
(Trust I.D)Original Documents must be checked.

Main fraud risk

- Council Tax 'discount' fraud (SPD)
 - £90 million lost per year Nationally.
 - On Average 1/3 of tax payers claim SPD
 - Pilots in 3 LA's found 4-6% of discounts claimed are fraudulent.
 - We can use credit reference agencies and Electoral Register to data match which is cost effective, producing good results.

Main fraud risk

- Housing Tenancy Fraud
 - £900 million lost per year
 - 50,000 homes occupied fraudulently(Sublet)
 - LA cost to house a family approx. £18,000
 - Credit reference agencies used for data matching
 - Potential for cash savings for local authority housing
 - Fosters beneficial partnership working with Social Housing partners.

What is the cost of Fraud & Error

An extract from a recent report by the centre for counter fraud studies at Portsmouth University.

"In a climate where Local Authorities are cutting costs they highlight one substantial area of waste which can be reduced with relatively small levels of investment without compromising the quality of front-line public services.

FRAUD & ERROR

Official estimates for Local Government losses to fraud and Error are £684 million (0.56%) when according to this report, the figure is closer to £5.562 billion, 8 times greater.

How can you help

- **Report** - Instances of Fraud that you become aware of.
- **Communicate**- Are all departments aware of changes/notifications. Please talk to each other about Claims/Accounts, if you make a change, tell other interested departments.
- **Confide**- You can discuss your suspicion in Confidence with Fraud Staff.

How to avoid Fraud & Error

- Check applications and claims carefully
- Be aware of unusual transactions on bank accounts
- Check all documents for tampering (Cut & Paste, also taken from internet).
- Check a persons identity carefully
- Don't just accept what your told - question it.

Revenue Savings for Cherwell

- From 01/04/2015 to date

CTR Saving	£7,799.02
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SPD/Exemption	£8,500.55
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Penalties issued	£ 910.00
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Recorded Revenues savings = £33,712.18

Revenue Savings South Northants

- From 01/04/2015 to date

CTR Saving	£14,762.81
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SPD/Exemption	£ 6,628.92
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Total Revenue Savings =	£29,791.56
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Additional Savings

- Housing Benefit prior to SFIS £ 129,343.04
- Social Housing £ 36,000.00

Reporting Fraud

- Think your aware of a Fraud
 - Not Sure
 - You can call :
 - John Short (Senior Fraud) Tel 2195
 - Nick Addis (Fraud Officer) Tel 2219
 - Phil Goldingay (Admin & Intelligence) Tel 2376
- Please don't leave it to somebody else.

Corporate Fraud

Fraud is a problem for every employee

Imagine if the Fraud was against you personally.

But that is happening, taking the Authorities money, your money !

Joint Service Corporate Fraud

Fraud Prevention comes from YOU, Staff & Partners.

**Any
Questions
Please**