

Accounts, Audit & Risk Committee

Sanctions Policy

14 December 2009

Report of Benefit Investigations Manager

PURPOSE OF REPORT

The report is to bring the Council's policy on Sanctions in line with the Department for Work & Pensions policy. In doing so, we offer a consistent approach to joint investigation work. The policy will also introduce 2 small amendments which will help target the more serious abuse of the system and assist in reacting to the current recession. However, the policy will remain fit for purpose following the Country coming out of recession.

This report is public

Recommendations

The meeting is recommended:

- (1) To adopt the new policy

Executive Summary

Introduction

- 1.1 In February 2009, the Department for Work & Pensions (DWP) amended their Sanctions Policy slightly, by removing the need to show remorse during an Interview under Caution.
- 1.2 Prior to this policy being adopted by the DWP, in order to offer an out of Court settlement of a Caution, it was a requirement for a person to show remorse at an interview.

Proposals

- 1.3 To adopt the Sanctions Policy recommended.
- 1.4 To increase the deminimus on potentially fraudulent overpayments

from £50.00 to £150.00

- 1.5 To introduce the minimum length of a fraudulent overpayment to 4 weeks.
- 1.6 Proposals 1.4 and 1.5 are discretionary where 'aggravating factors'(see policy – para 4.3) play a part in the risk assessment.

Conclusion

- 1.7 In adopting the Sanctions Policy, we are able to offer a consistent approach to investigations when investigating cases jointly with the DWP.
- 1.8 By introducing the higher deminimus and length of fraudulent attack in cases with no 'aggravating factors' we make the process fairer and more cost effective.

Background Information

- 2.1 The DWP Sanctions Policy
- 2.2 The Sanctions Policy provides information which explains the whole process from investigation through to case disposal. It provides a natural bridge to the Council's Prosecution Policy.

Key Issues for Consideration/Reasons for Decision and Options

- 3.1 The policy regarding the disposal of cases involving benefit fraud has always been agreed and adopted by The Elected Members of The Council. Historically, we have always followed the guidelines contained within the DWP policy, for the reasons mentioned above.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

- Option One** Adopt the new policy
- Option Two** Retain the existing policy

Consultations

C Jones FIS Manager	The DWP
Pam Wilkinson	Cherwell District Council Legal Department
BI Investigators	Cherwell District Council Benefits Investigation Team

Implications

Legal: Consultation with Legal asked that some consideration be given to the length of the fraudulent attack, in first time offences. The agreement was that the length of a fraudulent attack should exceed 4 weeks for it to pass risk assessment. The reasons for this are that cheques are issued on a 4 weekly basis and that the claimant has 28 days to report changes in circumstances. It also makes investigation cost effective by ruling out minor breaches or indeed referrals which should be dealt with administratively, rather than by the fraud team.

Comments checked by Pam Wilkinson, Principal Solicitor - 01295 221688

Investigation: Analysis of previous years sanctions, has shown that had this policy been in place then that 8 cases would not have been pursued to sanction.

Comments checked by Jeff Brawley, Benefit Investigations Manager - 01295 221978

Wards Affected

All

Document Information

Appendix No	Title
Appendix A	Sanctions Policy
Background Papers	
DWP Sanctions	
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