



Corporate Fraud Business Plan

2015-2016

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1. Introduction

2015-2016 will be a year of development and enhancement in the field of corporate anti-fraud activity at South Northants and Cherwell District Councils.

With the transfer of Housing Benefit fraud investigations to the Department of Work and Pensions (DWP) Single Fraud Investigation Service (SFIS) the newly formed Joint Corporate Fraud team will be focussing its approach on antifraud and error across the two authorities and work will involve promotion of anti-fraud and error, training, education as well as prevention, detection and investigative work.

Local authorities have a duty to safeguard public funds and to ensure that any public money is used appropriately. South Northants and Cherwell District Councils have a zero tolerance to fraud and error.

This plan has been produced to document the work of the Corporate Fraud team and outline the objectives for the team in its first year 2015-2016.

2. Aims and objectives

The Corporate Fraud team was formed in April 2015 and forms part of the Welfare and Debt Advice team in the Finance Division. It is a joint team and consists of two officers; a Senior Corporate Fraud Investigations Officer and a Corporate Fraud Investigations Officer. The aim of the team is to provide an effective corporate fraud service to both Councils by working closely with internal and external partners and agencies.

In 2015-2016 the team will concentrate on the following main areas:

- Develop the new team as we leave behind Housing Benefit fraud and develop a wider corporate anti-fraud service for both Councils. This includes training and development for the officers.
- Taking advantage of the shared services arrangements and DCLG funding to develop the team and to promote fraud and error awareness and prevention across the two Councils.
- Develop IT systems to support the work of the team
- Strengthen the fraud and error management processes and governance by reviewing the supporting policies and procedures seeking agreement for any changes from Audit Committee at both Councils

3. Working in partnership

The Corporate Fraud team will proactively work with all services within the Councils to offer an anti-fraud and error service and to identify and investigate any fraudulent activity.

The team will also liaise with other external partners and agencies such as:

- Internal and External Audit
- The DWP
- HM revenues and Customs
- Housing Associations
- The Police
- National Fraud Agency
- Other Local Authorities
- Any other organisations

4. The Corporate Fraud team's focus in 2015-2016

- Housing fraud
- National Fraud Initiative matches for both Councils
- To be a single point of contact for DWP SFIS team
- Housing Benefit Matching Services
- Council Tax (Reduction Scheme and discounts)
- Procurement
- Any other emerging referrals and issues.

5. Performance Measures and reporting

The team will measure success by the following:

- Monitoring the level of National Fraud Initiative matches received and measure the results (outputs) to show success rates.
- Reporting to the Welfare and Debt Advice Manager on a regular basis on key findings. This will in turn be reporting to the Finance Management team and the Head of Finance and Procurement.
- Production of a quarterly report to both Audit Committees
- Providing results to other bodies as required.



South Northamptonshire
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DISTRICT COUNCIL
NORTH OXFORDSHIRE

**South Northants and Cherwell District Councils
Corporate Fraud Business Plan 2015-2016**

Objective	Actions required:	Targets and completion dates	Update for quarter 3
<u>Objective 1 and objective 2</u> To Complete and confirm outcomes of National Fraud Initiative (NFI) referrals for Council Tax and Housing Benefit for both South Northants Council (SNC) and Cherwell District Council (CDC)	To look at each of the following matches and take actions as required CDC Total number of Single Person Discount (SPD) matches received: 811 Total number of HB matches received: 1012 SNC Total number of Single Person Discount (SPD) matches received: 1522 Total number of HB matches received: 361 Total matches 3714	Weekly target of 50 matches to be looked at. All matches to be completed and reported to NFI by 30 th September 2015	Single Person Discount matches <u>CDC</u> Number received – 811 Number processed – 775 Number in progress – 36 <u>SNC</u> Number received – 1522 Number processed – 1509 Number in progress – 13 Council Tax rising 18s <u>CDC</u> Number received – 88 Number processed – 43 Number in progress – 40

SNC

Number received -117
Number processed - none
Number in progress – 117

Total additional income
£126,897.14

Housing Benefit

CDC

Number received – 1031
Number processed – 966
Number in progress and referred
to SFIS - 65

SNC

Number received – 1331
Number processed – 393
Number in progress and referred
to SFIS – 50
Number outstanding - 888

Objective	Actions required:	Targets and completion dates	Update for quarter 3
<p><u>Objective three</u></p> <p>To continue with investigations on 23 cases already opened CDC</p>	<p>To complete the investigations that have been opened</p>	<p>For investigations and action to be completed by 31.10.2015</p>	<p>All cases opened prior to Corporate Fraud team starting investigation (01.02.2015) have been investigated and closed.</p>
<p><u>Objective four</u></p> <p>To consult with SNC Interim Revenues Manager on the possible introduction of financial penalties at SNC for Single Person Discount error, prepare reports for Head of Finance and Procurement and for elected members as appropriate</p>	<p>To consult with SNC Interim Revenues Manager as to the implementation of penalties for Single Person Discounts errors</p> <p>To produce a report for consideration by the Head of Finance and Procurement</p>	<p>Report for consideration by 31.1.2016</p>	<p>Penalties will not be introduced in the financial year 2015-2016 for a number of reasons including financial impact on collection rates in year.</p> <p>New target date of 31.1.2016 now agreed for a report to be produced to consider introducing in 2016-2017.</p> <p>Please note: penalties are in place at CDC</p>

Objective	Actions required:	Targets and completion dates	Update for quarter 2 and comments
<p><u>Objective five</u></p> <p>To successfully recruit to Corporate Investigation Officer post with training/induction plan in place.</p>	<p>To undertake a recruitment exercise</p> <p>To successfully appoint to the post</p> <p>To develop a training/induction plan for successful officer</p>	<p>To have officer in post by the 31.03.2015</p> <p>For training to be completed by 31.09.2015</p>	<p>Officer has been in post since April 2015.</p> <p>Officer has undertaken training in all systems used by the team, Housing Fraud training, Universal Credit training and Council tax and NDR training.</p>
<p><u>Objective six</u></p> <p>To investigate available systems to support fraud work including data sharing and draft any related business case for development</p>	<p>To investigate the systems that are available</p> <p>Draft a recommendation report</p> <p>Procure system</p> <p>Implementation plan in place</p>	<p>30th July 2015 for initial procurement</p> <p>31st December 2015 for IDIS</p> <p>31st January 2016 for TrustID</p>	<p>IDIS data hub system procured for 12 months from 04/08/2015 System will allow for data to be matched, credit checks and checking of credit reference data.</p> <p>The software was installed on 30th July and training took place on the 30th July with a further training day held on the 15th October</p> <p>System went 'live' on 1st November 2015. Data has been received from SNC Housing and awaiting elections and CT data to match against housing data.</p> <p>TrustID software and scanners have been procured and are being trialled for 12 months. This will start in January 2016.</p>

Objective	Actions required:	Targets and completion dates	Update for quarter 3
<p><u>Objective seven</u></p> <p>To work partners and agencies</p>	<p>To identify possible partners to work with on anti-fraud and error.</p> <p>Approach partners</p> <p>Develop relationships</p>	<p>30th October 2015 for initial discussions</p>	<p>Following internal meetings with the following teams: Council Tax, Housing, Procurement, Customer Services the following progress has been made:</p> <ul style="list-style-type: none"> • A review is underway of student exemptions at CDC. 8 addresses were identified for investigation which are now in progress. If investigations are successful and exemptions removed this will result in increased liabilities totalling £10,000 • Charities commission has been approached regarding data matching against their records • Data has been received from SNC Housing list. Awaiting a match via IDIS <p>Informal external partnerships have also been formed with South Northants Homes, Sanctuary Housing and Paradigm. This has resulted in three tenancy fraud investigations – 2 have been successfully concluded and two tenancies returned to the housing providers. This has generated a non -cashable 'saving' of £18,000 per property</p>

Objective	Actions required:	Targets and completion dates	Update for quarter 3
<p><u>Objective eight</u></p> <p>Produce a communication plan to increase fraud awareness and prevention both internal and external</p>	<p>Consider possible methods of communications</p> <p>Develop a timeline for communications to be made.</p> <p>Develop a measure of success (number of referrals received)</p>	<p>30th June 2015 for draft plan</p> <p>Communications will be through year</p>	<p>Article has been placed in In Brief at both Councils in August 2015. Further article is planned for April 2016.</p> <p>Article placed in SNC Review and Cherwell Link</p> <p>Work has started on updating both websites</p> <p>A twitter account has been set up following consultation with the Communications team</p> <p>Fraud awareness session planned for February 2016</p>
<p><u>Objective nine</u></p> <p>To review and update as required corporate fraud policies</p>	<p>To review the policies that underpin the Corporate Fraud team work</p> <p>To make recommendations for any changes</p> <p>Prepare reports for Audit Committees to consider the changes</p>	<p>Originally 30th September 2015.</p>	<p>The following policies have been reviewed and are currently in draft:</p> <ul style="list-style-type: none"> • Anti-fraud and anti-corruption policy • Counter Fraud policy • Prosecution and Sanction Policy • Whistleblowing Policy • Fraud response plan. <p>Other policies including anti-money laundering policy and Cyber Crime Policy will be reviewed in January 2016. All draft policies will be presented to members at March 2016 meeting</p>

Objective	Actions required:	Targets and completion dates	Update for quarter 2 and comments
<p><u>Objective ten</u></p> <p>To agree performance targets and to update on the performance against target</p>	<p>Establish targets</p> <p>Monitor targets regularly</p> <p>Report to senior managers</p> <p>Report to Audit Committee</p>	<p>1st April 2015 for targets to be agreed and then quarterly updates.</p>	<p>Joint SNC/CDC targets</p> <ol style="list-style-type: none"> 1. To achieve CTR savings of £12,000 in 15/16 2. To achieve SPD savings of £12,800 in 15/16 3. Housing allocation £18,000 4. Grant fraud £19,000 5. NDR £10,000 <p>Q3 update</p> <ol style="list-style-type: none"> 1. Target met and exceeded in Q1 so work has been focussed on other areas 2. £126,897.14 additional billed due to NFI 3. £36,000 4. £0 work underway for Q4 5. £4,000 <p>Running totals for 15-16</p> <ol style="list-style-type: none"> 1. £24147.39 2. £126,897 extra billed due to removal of SPD 3. £36,000 4. £0 5. £4,000