

Project Update for March / April Audit Committees

1. Cotswold District Council and West Oxfordshire District Council

S113 Secondment Agreements have now approved by appropriate legal teams and signed by all parties to enable both Counter Fraud Investigators to conduct work as needed for both authorities.

Two Cotswold cases of alleged theft and corruption against the Council are being investigated.

2. Cheltenham Borough Council

The Counter Fraud Officers currently undertake the single point of contact role and act as the Department of Work and Pensions liaison following the transfer of Benefit Fraud investigation to the Single Fraud Investigation Service, Department for Work and Pensions. The team also investigate any allegations related to Council Tax Reduction Scheme offences on behalf of the Revenues and Benefits Department. Agreed financial contribution made annually by the Council for this work – secured to 2020.

- 141 fraud referrals received
- 83 referred on to the single fraud investigation service for investigation
- 34 cases opened within the team
- 4 cases referred to a Housing Provider for further action
- Remaining 20 cases closed

Investigation cases involving Council Tax Reduction Scheme dealt with by the team

- Overpayments identified (open cases after 01/04/15) = £16,737.95
- 3 prosecutions – all sentenced
- 2 prosecutions – listed for trial
- 2 Administrative Penalties (Fines generated for the Council £796.04)
- 2 Formal Cautions
- 5 on-going investigations

The Housing List review is almost complete and has resulted in 25 cancelled applications and 6 band reductions. Currently 150 queries are outstanding with Housing Options. Each cancelled application represents a property which can be reallocated to another eligible family. For each reallocation, a figure of £18,000.00 per annum can be identified as a loss avoidance figure because there is no need for temporary accommodation to be utilised.

A sample single person discount review has also been undertaken for the Revenues (Council Tax) Department. 50 cases were subjected to more robust verification; discounts were removed retrospectively and for the financial year 2016/2017 which generated £37,000.00 for the Council. Council Tax Penalties were not administered but could have been where appropriate generating £70.00 per account – approximately £3,000.00 in total.

Service of Court documents on behalf of Housing Benefit debt recovery:

- Customer debt of £634.28 paid in full
- Customer debt of £870 paid, arrangement agreed for outstanding £300
- Customer debt of £905.58, arrangement agreed & £211.30 paid to date

- Customer debt of £1858.46, arrangement of £40 per month agreed.

3. GO Shared Services

Sample of debts checked via the National Anti-Fraud Network to assist in debt recovery on behalf of the Accounts Receivable Team to reduce the number of debts passed for write off. This was a small sample of 24 cases to test the merits of Accounts having direct access to the system on behalf of each client Authority within GOSS.

Utilising only the free consent data check on the system, further information was found in 18 cases out of 24 – including email addresses, phone numbers and confirmation in many cases that the debtor was still resident at the address held, and also indications that some customers may have used a false name when registering.

4. Internal Investigation Referrals

Internal Audit undertakes work for Cotswold, West Oxfordshire and Cheltenham – any internal cases referred to Internal Audit are referred to the team where criminal offences are identified. Reports and recommendations are being referred to the appropriate Director at suitable intervals.

5. Cheltenham Borough Homes

Tenancy Fraud work has been on-going for approximately 18 months. This has been successful and Cheltenham Borough Homes have contributed financially towards the fraud unit for 2015/2016.

- 2 Right to Buy Applications prevented
- 8 properties recovered
- 5 on-going investigations
- 5 prosecutions – all sentenced
- 2 prosecutions – listed for trial

A corporate strategy is being developed with regard to referral mechanisms, investigating and reporting.

6. Tewkesbury Borough Council

S113 Secondment Agreements have been approved by the appropriate legal teams and have been signed by all parties.

Work to commence with the Head of Revenues and Benefits and a retained Fraud Investigator with regard to the Housing List review and single person discount fraud drive in March 2016.

7. Gloucestershire County Council

Meetings held with the Head of Audit Risk Assurance and Insurance Services and key team members. The Head of Audit Risk Assurance and Insurance Services is a member of the Project Board.

S113 Secondment Agreements are with the legal department to enable the team to attend County and investigate reactive fraud cases as appropriate with a view to County pursuing prosecutions themselves. The County currently undertake a number of internal

investigations but the cases are handed to the Police and the Crown Prosecution Service. The hope is that we can assist with this process being considered internally when appropriate.

8. Stroud District Council and Gloucester City Council

I have met with the Head of Internal Audit however he is leaving on 1 April 2016 and the service is joining with County. Therefore discussions to be held with the Chief Finance Officers following the commencement of the shared service to ensure both Councils are fully updated.

9. Forest of Dean District Council

A meeting with the Head of Internal Audit Team is to be arranged to discuss the project and appropriate engagement.

10. Housing Associations / Registered Social Landlord's

Severn Vale and Two Rivers have approached the team with regard to work. There is currently a work stream with the legal department to develop the best legal framework for this; either a Partnership Agreement or Goods and Services Contracts.

A meeting is to be planned in the new financial year to discuss tenancy fraud work with the team and liaison with Revenues and Benefits / Housing Teams within the authority.

11. Training

22 March 2016 - HR, Audit and Investigation staff across the County in relation to undertaking Employment / Internal Investigations,

Criminal Procedure and Investigations Act; refresher and updates being planned and rolled out across the County for all Enforcement, Legal and Audit members of staff (April / May 2016).

Regulation of Investigatory Powers Act; refresher and updates being planned and rolled out across the County for all Enforcement, Legal and Audit members of staff.

Proceeds of Crime Seminar planned provisionally for 3 May 2016 with Barristers from Albion Chambers for all Enforcement, Legal and Audit members of staff across the County.

12. Data Warehouse / Case Management System

We are working with Procurement on the tender documentation – we are also discussing the project with the Head of ICT due to the size of IT involvement.

One Legal are being consulted with a view to drafting the legal documentation for data sharing / storing across the county.

This also involves a large work stream with regard to Fair Processing notices on the internet and paperwork across all partnership Councils.

13. Policies

Counter Fraud and Anti-Corruption Policy agreed by Audit Committee at Cotswold District Council and Cheltenham Borough Council; scheduled for 31 March 2016 at West Oxfordshire District Council.

Cabinet approval at Cotswold District Council received, on the agenda at Cheltenham and West Oxfordshire in April 2016.

A new Regulation of Investigatory Powers Act policy has been drafted to cover staff obtaining Communications data; approval across the partnership to be commenced

The team have been given responsibility for the Whistle Blowing Policy which needs to be redrafted for use across all partners. We are also looking at the Money Laundering and Proceeds of Crime Policies (if they exist).

14. Procedures

The investigation referral procedure needs to be worked on and adopted accordingly across the county and the partners.

We are working on a Lone Working Procedure for the team. We have researched and found appropriate lone working devices and pending legal agreement these will be obtained.

15. Other work streams

Work has also been planned in relation to a generic document pack for Gloucestershire for criminal investigation to include all the relevant investigation, interview under caution and prosecution processes.

A new referral inbox for county use; this will be advertised as we update the relevant intranet / internet pages to be used by staff, members or the general public. We are also trying to find an appropriate fix re telephone referrals.

Paperwork received in relation to signing the memorandum of understanding with HM Revenue and Customs – liaison with all enforcement teams.

A work stream to engage the Police and enter into an appropriate joint working mechanism is to be commenced.

Work on transparency reporting for fraud work – again this involves capturing information from around the organisations across the different sites.

Staff and Member Awareness Training Plan to be commenced.

16. Budget

This is now up to date for 2015/2016. Agreements for 2016/2017 to be finalised.