

Anti-Fraud Team Update Report - December 2015

1. Introduction

This report sets out the achievements of the Council's Anti-Fraud Team between April 2015 and November 2015 and provides an update on the proposed re-structure of the Council's fraud investigation resources in light of the creation of the Single Fraud Investigation Service (S-FIS).

The Anti-Fraud Team conducts fraud investigations for both Sevenoaks District Council and Dartford Borough Council under a shared service arrangement. This report only relates to work completed by the Anti-Fraud Team on behalf of Sevenoaks District Council.

2. Background

The Anti-Fraud Team performs two main roles for the Council:

2.1- investigates instances of alleged benefit fraud which may require joint investigations with officers from the Fraud and Error Service at the Department for Work & Pensions (DWP); and,

2.2- assists the Council in highlighting instances of fraud which could adversely affect the level of taxes/income it collects/receives.

3. Performance

Benefit Fraud

The Anti-Fraud Team is having another very successful year in detecting Housing Benefit Fraud and retrospective Council Tax Benefit Fraud. Resources have had to be diverted away from this work to prepare the authority for the transfer of benefit fraud work to S-FIS, however, the team are on course to match the record breaking figures attained last year. To date, fraud to the value of £330,285 has been discovered (£315,096 Housing Benefit and £15,189 Council Tax Benefit). Six benefit fraudsters have been successfully prosecuted and penalties totalling over £17,000 have been issued in line with the Council's Sanctions and Prosecution policy.

On 01.02.2016 Sevenoaks District Council loses all powers in respect of benefit fraud investigation and jurisdiction will pass to the Single Fraud Investigation Service (under the control of the Department for Work & Pensions).

Council Tax Support, Discounts & Exemption Fraud

The Anti-Fraud Team, to date, has discovered £29,181 in Council Tax Support Fraud and £6,671 in Single Person Discount Fraud. This means that the team has already discovered more Council Tax Support Fraud than it did in the whole of 2014/15 (£20,184).

4. The Single Fraud Investigation Service

In December 2013, The Chancellor of the Exchequer confirmed in his autumn statement, the creation of a Single Fraud Investigation Service (S-FIS) which is designed to bring together the expertise of welfare benefits investigators from local authorities, the Department for Work & Pensions and Tax Credits investigators from Her Majesty's Revenues and Customs into one body operating within the Department for Work & Pensions. The final transfers of benefit fraud work from local authorities to DWP will be completed by 01.03.2016, with all benefit fraud work at Sevenoaks District Council ceasing officially on 29.01.2016.

Sevenoaks District Council has carefully reviewed its fraud investigation service in the light of the creation of S-FIS and decided to create a new Counter Fraud Team to cover areas which will not fall under the jurisdiction of the Single Fraud Investigation Service. The new team, which will be smaller than the current Anti-Fraud Team (1 FTE Counter Fraud Manager & 2 FTE Counter Fraud Officers), will be specifically responsible for investigating all external related local government fraud, in particular Council Tax Support Fraud and Council Tax Discounts & Exemption Fraud. All internal fraud matters will remain under the jurisdiction of the Internal Audit Department and be co-ordinated by the Audit Manager. The Counter Fraud Team will move into Revenues & Benefits and have a main base at Argyle Road, Sevenoaks. Although re-locating to Sevenoaks, the team will retain hot desks and the ability to interview suspects at the Civic Centre in Dartford. Where deemed appropriate, officers from the new Counter Fraud Team will assist the Internal Audit Section in internal investigations.