

COMMITTEE: AUDIT AND GOVERNANCE

DATE: 22 SEPTEMBER 2010

SUBJECT: ANNUAL BENEFITS FRAUD REPORT 2009/10

REPORT BY: INVESTIGATIONS MANAGER

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IMPLICATIONS:

LEGAL	✓	COMMUNITY	□
		SAFETY	
EQUALITIES	□	ENVIRONMENT	□
FINANCIAL	✓	RISKS	✓
STAFFING	□	OTHER	

WARDS AFFECTED: NONE

PURPOSE

1. To provide an opportunity for the Audit and Governance Committee to consider the Annual Benefits Fraud Report for 2009/10.

RECOMMENDATION

2. **The Committee is asked to receive the Annual Benefits Fraud Report for the financial year 2009/10.**

BACKGROUND

3. The Council has responsibility to prevent, detect and deter fraud within the Housing and Council Tax benefit, Student Loan and Renovation Grant schemes. The newly formed Investigations Team within Internal Audit (which was the previous investigations team within Revenues) has the responsibility in terms of the work that it undertakes to tackle criminal activity within the various benefits, loan and grant schemes. This is an important element of the Council's risk management arrangements. The aim of this annual report is to provide an overview of the work undertaken by the section in the financial year 2009/10.

REPORT

4. The Annual Benefits Fraud Report for 2009/10 is attached as Appendix A. The main matters to note are:-
 - Officers completed 191 interviews under caution in response to allegations of fraud.
 - 73 cases were referred to the Council's legal Service for sanctions action.
 - 61 summonses were issued.
 - The team secured 7 cautions, 8 administrative penalties and 70 convictions.
 - Sentences handed out included, 5 custodial sentences, 7 Suspended Sentences, 26 Fines, 21 Community Orders and 11 Conditional Discharges.

FINANCIAL AND RISK IMPLICATIONS

5. There are no financial or risk implications to this report other than those set out in the body of the report. This has been agreed with the Head of Corporate Finance on 1st September 2010.

LEGAL IMPLICATIONS

6. There are no legal implications to this report other than those set out in the body of the report and this has been agreed with Richard Stevens, Head of Legal Services on 1st September 2010.

RISK IMPLICATIONS

7. The whole essence of the Investigations Team is concerned with risk and control. If cases are not identified or investigated there is a risk to the Council of financial loss through criminal behaviour.

APPENDIX

8. Appendix A - Annual Benefits fraud report. (Pages 6/3-6/6)

BACKGROUND PAPERS

None.