

2009 – 2010 Performance Report Audit & Investigations Team

Introduction

Luton Borough Council's Audit & Investigations Team remains fully committed to the prevention, detection and deterrence of fraud within the Housing and Council Tax benefits scheme and continues to provide high levels of service to the people of Luton.

Over the last 12 months the Audit & Investigations Team has conducted a significant number of criminal investigations into a wide range of offences against the benefits scheme administered by the Local Authority.

The unit has successfully completed 70 prosecutions through the Courts which is an all time high for the unit and truly reflects the dedication and hard work of the team.

Some of the cases have been extremely complex and resulted in a number of trials at Luton Crown Court where successful convictions were obtained.

Working in partnership with the Department for Work and Pensions and Bedfordshire Police continues to play a pivotal role in the team's efforts to detect crime. This year there has been an increase in the number of joint working operations undertaken and this is set to increase further over the next financial year. In particular efforts will be made to tackle 'Living Together' cases which are of particular concern.

The local media has published a significant number of fraud convictions throughout 2009/10. This has promoted public awareness of our work to prevent and detect fraud and promoted the fraud hotline to those who wish to provide us with information on benefit fraud within the community.

This performance report has been produced as a guide to reflect the ongoing efforts of the team in combating fraud and abuse within the Borough.

Paul Lincoln Taylor
Investigations Manager
Audit & Investigations

September 2010

APPENDIX A

Performance Statistics

Detecting and investigating fraud

	08/09	09/10
Referrals Received	709	1041
Referrals Rejected	283	428
Referrals Accepted	426	613

Source Audit & Investigation Team Management Information.

All allegations of fraud received by the investigations team are examined and subject to a risk assessment process before being accepted for further investigation. Where appropriate, joint working with partner agencies is actively sought, this avoids duplication of effort and saves costs.

Fraud hotline

	08/09	09/10
Fraud hotline referrals	127	229

Source Audit & Investigation Team Management Information.

To encourage individuals to report allegations of fraud to the Council a confidential fraud hotline is displayed on benefits correspondence, news releases and the Council's website. During 2009 – 2010 the team ran a successful week long fraud awareness campaign to promote the counter fraud culture within the borough.

Interviews under caution

	08/09	09/10
Interviews conducted	192	191

Source Audit & Investigation Team Management Information.

Formal tape recorded interviews are conducted under the Police and Criminal Evidence Act to ensure that evidence is secured through formal questioning. Customers are advised in writing to seek legal representation should they wish to do so. Where necessary, interpreters and appropriate adults are used to facilitate interviews in full compliance with the law.

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Sanction files submitted to Legal Services

	08/09	09/10
Sanction files submitted	71	73

Source Audit & Investigation Team Management Information.

Where evidence of fraud is identified cases are referred to the Council's Legal Services Department in accordance with the Sanctions and Prosecutions Policy.

The Council's Solicitors will independently review the evidence under the Guide for Crown prosecutors before they consider instigating criminal proceedings.

Applying Sanctions

	08/09	09/10
Cautions	5	7
Administrative Penalties	3	8
Summons Served	44	61
Prosecutions	36	70
Total Sanctions	88	146

Source Audit & Investigation Team Management Information.

Guidance from the Department for Work and Pensions allows the Investigations Manager in appropriate cases to offer formal cautions and administrative penalties to offenders who commit fraud below £1,500 in certain circumstances. Cautions normally apply to cases where the loss is less than £500 and **full** admissions are made during an interview under caution. Administrative Penalties are applied where the overpayment is in the range £500 - £1,500 and in these cases the overpayment is required to be repaid as well as 30% of the overpayment value.

Sanction Outcomes

	08/09	09/10
Imprisonment	1	5
Suspended Sentence	3	7
Fine	8	26
Community Order	8	21

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Conditional Discharge	15	11
Absolute Discharge	1	-
Total Penalties	36	70

Source Audit & Investigation Team Management Information.

The total value of the overpayments behind the 70 sanction cases stands at £497,850.24.

Court sanctions are decided on the nature of the offending, the amount of the fraud and a person's antecedent history. Sentencing discounts are granted upon an early 'guilty' plea and all of these factors reflect in the statistics detailed above.

The deterrent effect

	08/09	09/10
Press Releases	27	51

Source Audit & Investigation Team Management Information.

The Investigations Manager seeks in all appropriate cases to issue a press release through the Communications Department. The purpose of these articles is to inform the public of successful convictions as and when they occur. This activity is viewed as an important means of informing the public of the work of the Council in its efforts to counter fraud within the benefits system. It is also used to promote the fraud hotline and encourage referrals from individuals who have concerns about fraud within their local communities.

Data Protection Requests

	08/09	09/10
Data Protection Requests Actioned	655	852

Source Audit & Investigation Team Management Information.

All requests for information received into the Council must be submitted quoting the relevant section of the Data Protection Act before information is released. The investigations team work on a rota basis within the team to respond in a timely manner to the many requests received.