Anti-Fraud and Corruption Plan 2019/20

Corporate Resources

May 2019

1.0 Introduction

This document sets out the Council's Fraud Plan for the 2019/209 financial year.

South Derbyshire District Council works in partnership with Derby City Council to provide a team of dedicated counter fraud professionals and utilises management reporting software provided to that Service. This team works to prevent fraud from entering the system by providing a visible presence within the Council and across the area to raise public awareness of the types and sources of fraud that may occur.

The team carries out investigations of corporate, benefit and tenancy related fraud including 'right to buy' and works to identify losses to be recovered either directly or in accordance with the Proceeds of Crime Act.

The team also carries out the annual regulatory data matching checks as required by the National Fraud Initiative (NFI) that results from information uploaded in respect of the following areas of work by officers of South Derbyshire Council.

- Payroll
- Creditors
- Housing Waiting List
- Right to Buy
- Licences
- Electoral Registration/ Council Tax
- Single Persons Discount - Council Tax

2.0 Objectives and Targets

The main objectives are to:

- Embed fraud awareness as a part of competency framework for employees.

- Instil routine fraud checking as part of SDDC operational processes across all services.

- Further develop Fraud Partnership arrangements to include sanction targets.

- Maximise recovery of fraudulent payments and return of Council Assets to exceed in value the in-year budgeted costs of the partnership arrangement.

- Report the results of Team activities on a monthly basis to the Head of Customer Services and Strategic Director (Corporate Resources)

- Continue joint working arrangements with DWP.

- Minimise the potential for misuse of supported accommodation claim arrangements and funding by providers and related financial organisations.

3.0 Work Programme

The Fraud Plan will follow a three strand approach which will inherently have links with the internal audit plan.

Acknowledge	Prevent	Pursue
Recognising the fraud risks	Prevention and detection	Sanctions and recovery
Assessing and understanding	Use of technology and information including external data and data matching	Prioritising recovery and use of sanctions
Support and resources	Better controls and procedures	Capacity to punish offenders
Anti-fraud response	Improved anti- fraud culture	Collaborating with others

Acknowledge

Activity	Detail	Outcomes
Council Tax	Council Tax remains one of the major sources of potential fraud given the wide range of discounts exemptions and relief. Continue to work with NFI. Call Credit and the Derbyshire Partnership.	To give assurance that the current processes are sufficiently robust to mitigate fraud risks and that validation exercises are carried out periodically. Random property inspections will help raise the service profile. Use of the newly appointed Property Inspector will provide increased capacity. To apply penalties where required.

Business Rates	With the move to 100% business rate retention it is vital that relief and exemptions are accurately awarded, particularly where cross boundary eligibility may occur by developing use tracing facilities (LOCTA) for validation purposes.	To give assurance that the current processes are sufficiently robust to mitigate fraud risks and are carried out periodically. Random inspections will help raise the service profile; use of the newly appointed Property Inspector will provide increased capacity.
Housing Benefit and Council Tax Reduction Support	Continue to work with NFI. Develop HBMS processes and routines within the Integrity and Compliance Team.	Identification of cases from HBMS for investigation by trained investigation staff. To Identify fraud and apply sanctions.
Right to Buy	Further develop checks into applications from tenants to buy their homes. Routinely assess all new applications for veracity of deposit and application.	To identify instances of fraud and give assurance that processes are mitigating risks.
Social Housing	Further develop arrangements to identify tenants no longer living in rented SDDC accommodation and subletting or leaving empty for lengthy periods.	To release accommodation back to stock; carry out prosecutions where appropriate; prevent and detect.

Prevent

Activity	Detail	Outcome
Continue to develop fraud awareness training for all staff.

Extend training and awareness to include bribery and money laundering. | Introduce competency for new staff.

Introduce refresher training for all staff.

Roll out key messages and examples of actual events from local casework and NFI bulletins. | Managers and staff aware of fraud risks.

Fraud mitigation processes embedded in operational procedures.

Means to staff to report suspicion of misconduct. Publication of results to encourage other reports. |
| Raise awareness of fraud team's capabilities to identify new areas of activity. | Allow updating of fraud risk register. | Development of fraud activity plans.

Promote controls and focus internal audits. |

Pursue

Activity	Detail	Outcomes
Deal with reports from NFI received as sets of data for matching purposes and allocate staff to these reports.	Work is carried out in priority order based on those reports most likely to generate a financial reward to the Council.

Work will involve other departments of the Council. | To identify errors and overpayments and seek recovery and prosecution in suitable cases. |