

Uttlesford District Council

Housing Benefit & Council Tax Benefit

Anti-Fraud Policy

Part 1 - Introduction

- 1.1 Uttlesford District Council (The Council) is committed to maximising the award of benefit to those who are entitled to receive it, and assisting in the alleviation of poverty and deprivation (see Benefits Vision Statement and Policy Objectives, approved by the Council in September 2003). Benefit staff, including fraud investigators, have a role to play in ensuring that claimants receive the correct benefit applicable to their circumstances. The Council has to distinguish fraud from the genuine mistakes or misunderstandings caused by the complexities of the schemes.
- 1.2 However, the Council acknowledges that some people will attempt to obtain benefits or continue to receive benefits to which they are not entitled. Where this is the case, the Council will consider the circumstances of the individual and, where appropriate, apply a formal sanction. A copy of the Council's Sanctions Policy is attached as Appendix One.

Part 2 - Staff roles / training

- 2.1 The success of the Council's anti-fraud policy is dependant upon the active involvement and co-operation of all staff within the Council. In particular, Benefits staff are expected to refer all cases where benefit fraud is suspected promptly to the Anti-Fraud Team.
- 2.2 The Anti-Fraud team, which is established and well-trained, embrace all the latest investigation techniques and apply all relevant legislation. The Team is responsible for following up any suspicion or allegation of benefit fraud from many sources including data matching, anonymous sources, staff referrals etc.
- 2.3 The Assistant Chief Executive oversees the work of the Anti-Fraud Team. This officer formally reviews the caseload of the team on a two weekly basis. In addition, key decision stages are built into the investigative process, at which formal approval is required before any further action is taken.

- 2.4 The same expectation is also made of staff who collect evidence on behalf of the Benefits Section; for example housing officers, Council Tax staff and receptionists. Staff should be vigilant when handling documents and ensure that any irregularities are brought to the attention of the Anti-Fraud Team.
- 2.5 It is not acceptable for any member of staff to ignore a potential fraud. To encourage a culture of openness and honesty staff are advised that they can report any concerns in confidence and without fear of reprisal ~ see PPN 61: Confidential Reporting Code.
- 2.6 The Council also actively encourage referrals from the public. All calls are treated in confidence and are dealt with by the Customer Relationship Management Centre which passes information on to the Benefit Fraud Team. The Council provide a freephone telephone service for the public to ring and report their suspicions.
- 2.7 Training - All new staff joining the Benefits Section will receive fraud awareness training and are given the opportunity to accompany investigation or verification framework visiting officers on visits to benefit claimants, to gain an insight into what is expected of them.
- 2.8 Additionally refresher fraud awareness will be delivered to all benefits staff annually. Staff working in other areas of the Council who are required to handle documents or deal with benefit customers will also receive fraud awareness training or guidance.
- 2.9 It is vital that Investigation and Visiting Officers undertake appropriate training to guarantee the quality of their work. It is the Council policy that all investigators are qualified to PINs standard. This qualification provides evidence that all investigators are competent to comply with all appropriate legislation e.g. Regulation of Investigatory Powers Act (RIPA), Police and Criminal Evidence Act (PACE), Criminal Procedures and Investigation Act, etc.
- 2.10 Training requirements for investigators are reviewed annually, as part of the appraisal process, or more frequently following the introduction of new legislation. This ensures that investigation techniques and procedures are kept fully up to date.
- 2.11 Integrity – The Council's expectation is that staff and Members will lead by example in ensuring adherence to rules, procedures and recommended practices. It is a requirement that staff declare any personal or prejudicial interest when dealing with benefit claims. To ensure that they act with

- impartiality at all times employees should not personally deal with benefit claims submitted by a spouse, partner, relative or friend.
- 2.12 If a benefit claim or any supporting documents are received as detailed above, the case should immediately be brought to the attention of the employee's supervising officer who should arrange for another officer to deal with the claim.
- 2.13 Staff should never access any secure systems on behalf of, or to gain information about, anyone, other than as required for the purposes of carrying out their normal duties. Failure to comply with the relevant policies and procedures could render an employee liable to disciplinary action, which may include dismissal.
- 2.14 It is an unfortunate fact that staff working within the Council sometimes commit fraud. Robust recruitment and selection procedures militate against employing staff that falsify qualifications and experience in order to secure employment. Good practice and procedures on recruitment and selection, as advised by Personnel staff, must be strictly adhered to. Proof of qualifications must always be obtained before a candidate is offered employment.
- 2.15 Should however, a member of staff be suspected of committing benefit fraud, the Anti-Fraud team will carry out an investigation in the normal way. The employee's Director and The Head of Human Resources will be notified promptly of the outcome of any sanctioned action.
- 2.16 Potentially Violent (PV) action – Violence, intimidation, threats or abusive behaviour to the Council's employees is unacceptable and will not be tolerated. Incidents of such behaviour will, when circumstances justify, be reported to the Police. Persons who are deemed to be a potential threat to staff will also have their names placed on the Council's Visiting Officer Register in accordance with the laid down procedure. The purpose of the register is to enable managers to devise appropriate strategies to protect staff who may be at risk. These might include:
- (a) Only allowing the potentially violent persons to be interviewed by prior appointment;
 - (b) Only visiting the person/premises by pre-arranged appointment;
 - (c) Ensuring the person/premises are not visited alone;
 - (d) Ensuring the person is not interviewed alone;
 - (e) Only visiting in conjunction with other agencies (e.g. the police).

- 2.17 Before carrying out visits, benefit & investigations staff must check the register.
- 2.18 A number of additional procedures and protocols have been put in place to improve investigation staff safety when making visits. These are set out in the Investigators Procedure Manual, which is issued to all investigations staff. These procedures must be closely adhered to at all times. All Investigation and Benefit Visiting staff receive training in dealing with handling violent and aggressive situations.
- 2.19 Feedback - It is important that staff receive feedback on the cases that they have referred to the Anti-Fraud Team to encourage an anti-fraud culture and to motivate staff to make further referrals. Staff should rightly feel gratified when a case that they have referred results in a fraud being stopped or prevented.
- 2.20 At the completion of an investigation, the Anti-Fraud Team, on a case-by-case basis, give feedback to benefits staff on the outcome of investigations. Although the Anti-Fraud Team is bound by confidentiality rules and cannot give the same level of feedback to staff working in other areas of the Council, they do give general feedback on the success rates of their referrals. Details are provided in the Anti-Fraud Team's annual report.
- 2.21 IT security – Housing benefit-related data requires a high degree of confidentiality and security. The Council's detailed policy on IT security, as contained within PPN 63 IT Acceptable Use Policy (a copy of which is available via the Intranet) should be adhered to at all times. In particular, attention should be paid to password security, use of Council IT equipment, data protection and Incident Reporting.

Part 3 - Prevention / Process

The Council is committed to maximising the award of benefit to those who are entitled to receive it. However there are those who attack the benefits system and take money from customers in genuine need and consequently, safeguards need to be built into our procedures to prevent fraud entering the benefits system. The Council does this in many ways:-

- 3.1 Verification Framework - The Council has fully implemented the national Verification Framework (VF) from the 1st August 2003. This secures the gateway to the system by carrying out more comprehensive cross-checking at

new and renewal claim stage and introduces a pro-active in-year visiting programme linked to a formal risk analysis of cases.

- 3.2 Royal Mail do-not-redirect / Internal data matching - The Anti-Fraud team uses all data matching opportunities such as the Department of Works & Pensions (DWP) Housing Benefit Matching Service, the National Fraud Initiative operated by the Audit Commission and the Royal Mail do-not-redirect service. The team also carry out ad hoc data matching, both with approved organisations and through cross matching of our in-house benefit system with known risk groups, such as taxi drivers.
- 3.3 Controls / audit's role – The work of both the Revenues Section and the Anti-Fraud Team are subject to regular, independent review by both Internal Audit and the Council's external auditor.
- 3.4 Remote Access Terminals (RATs) – The Council uses RATs terminals, which link to the DWP computer systems to check claims and prevent fraud. Tight controls exist over the use of these terminals, which are overseen by two named officers within the Council. The Anti-Fraud Team has direct links to the Land Registry to enable checks on land and property ownership to be carried out.
- 3.5 Service level agreements (SLAs) – The Anti-Fraud team work closely with other organisations including the DWP, the police and the rent officer service, comparing and sharing information to prevent fraud. Formal service level agreements are in place with the main external agencies and regular liaison meetings are held to monitor the effectiveness of the agreements. The team also work closely with other local authorities sharing best practice. The team are also members of the Local Authorities Investigation Officers Group and sit on the committee of the Essex Investigations Group.
- 3.6 Hotlines - Members of the public are encouraged to report concerns they may have to the Anti-Fraud Team. To encourage referrals from the public a free-phone Hotline is provided. This is advertised in a number of ways, including press releases, advertisements in newspapers etc, on Council Tax leaflets etc.
- 3.7 Joint investigations – The Anti-Fraud team carry out joint investigations with the DWP Counter Fraud Investigation Service and have reciprocal arrangements in place to recover overpayments.

Part 4 - Detection

- 4.1. Upon receipt of a report of a suspected housing benefit fraud, whether from a member of the staff or the public, the Investigating Officer will:-
 - 4.1.1. Deal promptly with the matter.
 - 4.1.2. Record all evidence received.
 - 4.1.3. Ensure that evidence is sound and adequately supported and secure.
 - 4.1.4. Determine whether the case is worthy of investigation balancing the likely resources to be required against the probable outcome in accordance with criteria agreed with the Assistant Chief Executive

- 4.1.5. Liaise with other agencies and departments e.g. Department for Work and Pensions Counter Fraud Investigation Service, Internal Audit where appropriate, Police, other departments of the Council and other Local Authorities.
- 4.1.6. Arrange for the claimant's entitlement to be independently re-assessed by the Revenue Section, on the basis of new information gathered by the investigations staff.
- 4.1.7. Consider, in light of the evidence, which type of sanction, if any, should be applied (see Part 5 below).
- 4.2 All investigations are carried out in accordance with the provisions of PACE, RIPA, Human Rights Act and other relevant legislation / best practice policy in operation at the time.

Part 5 - Sanctions

- 5.1 The Anti-Fraud Team has undertaken prosecutions for the most serious cases of benefit fraud since 1997. The range of sanctions available now includes formal local authority cautions and administrative penalties and is likely to be extended to cover conditional cautions and fines.
- 5.2 The choice of sanction applied to any particular fraud depends upon a number of factors. Further details are contained within the Sanctions Policy, attached as Appendix One.
- 5.3 Where appropriate, the Council carry out joint prosecutions and sanctions with the DWP Counter Fraud Investigation Service and have arrangements in place to recover overpayments.
- 5.4 In addition to the application of a formal sanction, it is the Council's policy to actively recover all instances of fraudulently obtained housing benefit. Where necessary, such overpayments will be pursued through the civil courts.

Part 6 - Deterrents

- 6.1 Press releases are issued for all successful prosecutions, in order to publicise benefit fraud cases, as a deterrent to those who seek to defraud the Council. The Council also publicises its work through newspaper articles, advertisements on Council Tax literature etc and posters placed in public buildings.

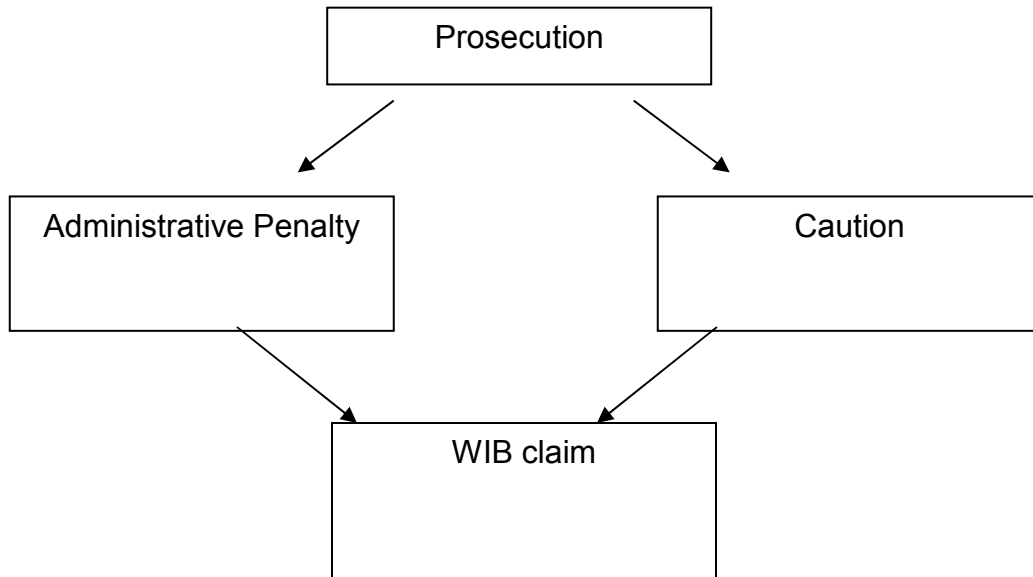
6.2 The Council website (www.uttlesford.gov.uk) gives details of the work of the Anti-Fraud Team, including information about the type of frauds dealt with by the Council. The website contains a form to enable the public to report suspicions of fraud.

Appendix One

Uttlesford District Council

Sanctions Policy

1. Where a benefit claimant obtains, or attempts to obtain, benefit to which they are not legally entitled, the Council will apply one of the formal sanctions available to it under the Social Security Administration (Fraud) Act 1997.
2. The Council operates the following “top down” method of determining the appropriate sanction:



Prosecution

3. All cases should be considered as potential prosecutions. Examples of cases suitable for prosecution would include those where:
 - The claim has been prepared with the sole purpose of obtaining benefit by deception.
 - The fraud has been going on for a long period of time (e.g. over twelve months).
 - A review has been completed and the claimant does not inform the Council of changes in circumstances.
 - The claimant has failed to respond to a request from the Council for information which (if correctly given) would identify a potential overpayment
 - The claimant is a repeat offender.
 - A previous signed statement indicating no changes is proved to be untrue.
 - The overpayment of housing benefit and/or council tax benefit is £3000.00 or more.
 - There is evidence that the claimant has acted dishonestly.
 - The person concerned was in a position of trust.
 - The person concerned encouraged or assisted others to commit offences.
 - The overpayment is less than £3000.00 and the offer of an administrative penalty or caution is not accepted.
4. Unless a prosecution is indicated by any of the factors referred to in paragraph 3 cases where the amount of the overpayment is less than £3000.00 will usually be considered suitable for an administrative penalty of 30% of the amount of the overpayment unless this would impose great hardship upon the person concerned. In cases where the overpayment is less than £3000.00, an administrative penalty is inappropriate and a prosecution is not otherwise indicated a formal caution will usually be considered suitable.
5. Consideration should be given to any mitigating facts. These may include:
 - Severe debt.
 - Mental illness.

- Physical incapacity
 - Death of a close family member.
6. Whilst mitigating circumstances can influence the sanction applied, mitigation is generally a factor to be taken into account by the court when sentencing. Therefore a potential prosecution should not be stopped on the grounds of a mitigating circumstance unless the wider public interest would be better served by not proceeding. If there is any doubt as to the suitability of a case for prosecution the final decision should be made by the Assistant Chief Executive.
 7. Any cases where the overpayment is above £3000.00 and no prosecution is undertaken must be fully documented with appropriate reasons for not prosecuting.
 8. All successful prosecutions must be publicised. This would involve:
 - Faxed press release to the local newspapers.
 - Letter to Member(s) representing the Parish of the offender informing them of the prosecution.
 - If appropriate, faxed press release to other newspapers/magazines to target specific groups e.g. dog magazines for convicted dog breeders.

Recording of Sanctions

9. Whichever sanction is chosen the rules for recording and reporting, in force at that time, must be followed in full. Failure to comply with legislation may result in Government funding being withdrawn.

Last Reviewed: February 2007