



North Hertfordshire DC
Shared Anti-Fraud Service
Report
March 2017

Recommendation

Members are recommended to:

Note the progress of the Shared Anti-Fraud Service and progress against the Anti-Fraud Action Plan 2016/2017.

Agree the Anti-Fraud Action Plan 2017/2018.

Contents

1 Introduction and Background

1.1 Purpose

1.2 Background

2 SAFS Update

2.1 SAFS Staffing

2.4 Fraud Awareness & Reported Fraud

2.10 Pilot Projects

3 Anti-Fraud Documents

3.1 Performance against the Anti-Fraud Action Plan 2016/2017

3.5 Proposed Anti-Fraud Action Plan 2017/2018

3.7 Anti-Fraud Reports 2017/2018

Appendices.

1. NHDC Anti-Fraud Action Plan 2016/2017

2. Draft NHDC Anti-Fraud Action Plan 2017/2018

1 Introduction and Background

Purpose of Report

1.1 To provide Members with:

- the progress made by the Shared Anti-Fraud Service (SAFS) against the Council's Anti-Fraud Action Plan which supports the Council's published Anti-Fraud and Corruption Strategy;
- the proposed Anti-Fraud Action Plan for 2017/2018.

Background

- 1.2 According to reports from the Chartered Institute for Public Finance and Accountancy (CIPFA) The National Audit Office (NAO), and Cabinet Office, it is estimated that fraud loss across local government in England stands at around £2.2billion each year.
- 1.3 The Department for Communities and Local Government, and CIPFA have also issued guidance, advice, and best practice to support local councils in the fight to reduce the risk of fraud and prevent loss to the public purse. This advice includes the need for Councils to be vigilant, to recognise their fraud risks and to invest resources in counter fraud activities that deliver savings.
- 1.4 It is essential that the Council has in place a robust framework to prevent and deter fraud, including effective strategies and policies, as well as plans to deal with the investigation and prosecution of fraud.

2 SAFS Update

Staffing

- 2.1 The Shared Anti-Fraud Service is a partnership of councils and housing providers across Hertfordshire and Bedfordshire with the aim of deterring, preventing, investigating and pursuing fraud for each of its partners providing a robust and resilient service
- 2.2 North Hertfordshire District Council (NHDC) is a founder member of the SAFS Partnership and this service provides the front line of the Council's Anti-Fraud activity.
- 2.3 SAFS was originally created as a two year pilot, in 2015, with an option to extend the service for a maximum of five years. In December 2016 the SAFS Board agreed to continue with the existing service from April 2017 and the Partnership has now been joined by Luton Borough Council from January 2017.

Fraud Awareness and Reported Fraud

- 2.4 One of the key elements of a successful service is for SAFS to ensure that fraud can be reported by both staff and the public. The Council's website has options for the public and staff to report suspected fraud.
- 2.5 SAFS has its own webpage – www.hertfordshire.gov.uk/fraud which has an online reporting tool, a hotline (0300 123 4033) and a secure email account for reporting fraud – fraud.team@hertscc.gcsx.gov.uk. These contact details have been added to Broxbourne Council's own website to capture all fraud reported to the Council.
- 2.6 Between April and December 2016, SAFS received over 600 allegations of fraud across all of its Partners. For NHDC 66 matters had been reported in year and a number of live cases were carried forward from 2015/2016.
- 2.7 A full report on cases dealt with in 2016/1017 will be provided to this committee in the summer of 2017 but currently fraud savings or losses in excess of £91k have been identified:
- 2.8 Training has been delivered to officers of the Council on Anti-Money Laundering, Fraud Awareness and ID Fraud. Elected Members have also been provided with some general fraud awareness as well as an introduction to SAFS.
- 2.9 Being a Partner to SAFS also includes access to the services of the National Anti-Fraud Network, CIPFA Centre for Counter Fraud and the latest fraud alerts and emerging fraud risks from Action Fraud and Hertfordshire Police.

Pilot Projects

- 2.10 SAFS has developed a good relationship with the Councils Revenue and Benefit Service and this has included fraud awareness training and an improved reporting fraud process. SAFS have also worked with the Housing, Customer Service and Parking Enforcement Teams.
- 2.11 SAFS has delivered a county-wide Council Tax Review Framework to identify fraud in Council Tax, particularly around fraudulent discounts and exemptions, as well as empty homes, and council tax support schemes. This will be introduced in the Spring of 2017 for all districts, and will be funded by the County Council and all participating districts.
- 2.12 NHDC is a pilot site (one of 5 in the UK) for joint working with the Department for Work and Pensions where allegations of fraud impact on both council tax and housing benefit. These are investigated in partnership by SAFS and DWP Investigators. This pilot has been so successful that DWP have announced a national roll out in the summer of 2017.

3 Anti-Fraud Documents

Performance against Anti-Fraud Action Plan 2016/2017

- 3.1 The Council has in place an Anti-Fraud and Corruption Policy although this is due for review in the near future
- 3.2 A copy of the 2016/2017 Anti-Fraud Action Plan and progress against this can be found at **Appendix 1**. Activity against the plan includes the officer/service with the responsibility for action, and key dates for delivery.
- 3.3 With the introduction of SAFS, delivery of the plan has been shared by various NHDC Officers, SIAS, and SAFS. This has worked well in 2016/2017 with more of the work around proactive counter fraud activity migrating towards SAFS.
- 3.4 All of the objectives set in the 2016/2017 plan have been achieved, or are well on the way to delivery.

Proposed Anti-Fraud Action Plan 2017/2018

- 3.5 Although the format and delivery of the 2016/2017 worked well this still represented the delivery of a new service. The plan for 2017/2018 uses slightly different format which is based on SAFS providing a more business as usual service. See **Appendix 2** for a copy of the plan.
- 3.6 Adherence to the proposed plan for 2017/2018 will ensure compliance with the Council's own Strategy, and the best practice guidance issued by the Government, NAO, and CIPFA.

SAFS Reports 2017/2018

- 3.7 SAFS will provide a full report to this Committee in summer 2017 on the Council's anti-fraud performance and activities in 2016/2017. This will include the number of, and types of, cases investigated with outcomes and the financial savings identified from all anti-fraud activity. In March 2018 SAFS will provide a revised Anti-Fraud Action Plan for 2018/2019.
- 3.8 SAFS will also provide data to meet the requirements of Transparency Code for publication by NHDC.