

## ANNEX B

### Benefit Fraud Investigation Team (BFIT)

#### Summary of Work 1<sup>st</sup> April 2011 to 31<sup>st</sup> July 2011

##### 1. Caseload and Results

1.1. The following table shows the number of investigations undertaken by BFIT and analyses the results.

Result Outcome	Period Apr '11 – Jul '11	As % of cases investigated
<b>Cases Investigated</b>	289	
<b>Results</b>		
Fraud Proved	68	23
Not Resident	17	6
Incorrect Benefit	<u>8</u>	<u>3</u>
Total Positive Results	93	32
No fraud	<u>196</u>	<u>68</u>
	289	<u>100</u>
Not Investigated	21	
Total Cases	<u>310</u>	

1.2. It can be seen that the Team has returned an investigation success rate between April 2011 and July 2011 (inclusive) of 93 cases out of 289, a success rate of 32%. The percentage of cases closed with a positive result has been lower than normal for this quarter, however, a check of all cases closed 'no fraud' during the above period has shown that this may be due in part to the BFIT receiving HBMS referrals that have been 'duplicated' (where the same information on a different code has already been dealt with by the Intervention Team) and also where referrals have been generated by the HBMS as a result of a back-log of work within the LA. The information has been held by the Authority, but has not been assessed in time to stop the referral from being produced. The Client is aware of this issue and regular meetings are being held in order to address work clearance. In future, cases HBMS cases such as these will be closed 'HBMS no action', in order to provide a true reflection of the work undertaken by the BFIT. The BFIT will also continue to react to both internal and external referrals and will also incorporate pro-active exercises, such as following up overpayments generated by the benefits section.

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### 2. Sanctions and Prosecutions

2.1. Sanctions in the period 1<sup>st</sup> April 2011 to 31<sup>st</sup> July 2011 are as follows:

Type	April '11 – Jun '11 (1 <sup>st</sup> quarter)	Apr '11 – Jul '11
Convictions	9	10
Cautions	10	21
Ad Pens	<u>3</u>	<u>5</u>
Total	22	36

The Key Performance Indicators (KPIs) for BFIT are currently under review.

Other aspects of BFIT work highlighted for Members is noted below.

### 3. Housing Benefit Matching Service (HBMS)

3.1. HBMS is a branch of the Department for Work and Pensions dealing with data-matching. Each month the Council submits HB/CTB data to the HBMS who then match this against a range of other data from the DWP, Revenue and Customs, Pensions etc. Matches, which are normally of high quality, are then returned to the Council for further investigation. Between April 2011 and July 2011 the BFIT received 64 referrals from the HBMS that required further investigation. In the same period, 89 cases derived from HBMS were closed after investigation. Positive results were recorded on 29 cases (33%). Again the decrease in the number of positive results can be seen, in part, to reflect some of the 'duplicate' referrals received and any delays in processing changes from the LA side which can result in the referral being created.

3.2. HBMS continually look for new data sources to match against and Sefton is one of a number of Councils who evaluate various new rules.

### 4. National Fraud Initiative (NFI)

4.1 The BFIT have begun work on the Audit Commissions latest National Fraud Initiative (NFI) exercise. During this latest exercise, 3558 referrals have been created in respect of potential discrepancies in relation to benefit claims within the Authority, with 486 highlighted as 'recommended matches' for investigation.

### 5. Fraud Awareness

5.1. Several Fraud Awareness sessions have recently been held with employees at 'One Vision Housing' (OVH). These sessions were well received and steps have also been taken to roll-out the online Meritec Fraud Awareness interactive presentation to Customer Services staff, with a view to including staff from the Revenues and Benefit Sections over the next few months.

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### 6. Joint Working

- 6.1 Of the 10 convictions obtained by BFIT during the period Apr '11 – Jul '11, 7 have been as a result of joint working with The Department for Work & Pensions. Sefton MBC continues to enjoy a good working relationship with DWP Investigators, which is reflected in the many positive cases investigated during the year. During the above period overpayments totalling £38,755.65, £8652.01 and £75,185.30 were raised in respect of Housing Benefit, Council Tax Benefit and Income Support/Jobseekers Allowance respectively (in respect of prosecution cases). In total overpayments totalling £122,592.96 have been created for the above period and at present there are additional cases in various stages of preparation in respect of both joint and non-joint prosecutions.