

ANNEXE B

Benefit Fraud Investigation Team (BFIT)

Summary of Work 1st August 2011 to 31st October 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 Aug – Oct (incl)	As % of cases investigated	Period Apr – Oct (incl)	As % of cases investigated
Cases Closed	182	100	492	100
Results				
Fraud Proved	44	26	112	25
Not Resident	16	9	33	7
Incorrect Benefit	<u>4</u>	<u>2</u>	<u>12</u>	<u>3</u>
Total Positive Results	64	37	157	34
No fraud	<u>109</u>	<u>63</u>	<u>305</u>	<u>66</u>
	173	100	462	100
Not Investigated	9		30	
Total Cases	182		492	

1.2. It can be seen that the Team has returned an investigation success rate between April 2011 and November 2011 of 157 cases out of 462, some 34%. The overall success rate of positive investigations has reduced - however, of the 305 cases closed 'no fraud' in the above period, 95 have been in respect of HBMS referrals. A sample of these closed cases has identified some of the reasons for no further action being taken on these cases, such as backlog of work in the Benefits Section (where the information has been received, but not processed in time for the referral to be produced), no change to the amount of benefit being paid or (in the case of capital matches), the capital having been reduced or spent before the claim for benefit has been made.

2. Sanctions and Prosecutions

2.1. Sanctions in the period 1st August 2011 to 31st October 2011 are as follows:

Type	Aug '11 – Oct '11	Apr '11 – Oct '11
Convictions	2	13
Cautions	14	35
Ad Pens	<u>3</u>	<u>8</u>
Total	19	56

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The Client has reduced the BFIT sanction target to a minimum of 85 for the year 2011 / 2012 to take account the assistance the Team will be providing to the Benefit Assessment Teams (see below)

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 very high quality, are then returned to the Council for further investigation. Between August 2011 and November 2011 the BFIT received 44 referrals from the HBMS that required further investigation. In the same period, 65 cases derived from HBMS were closed after investigation. Positive results were recorded on 28 cases (43%). The Intervention Team still continue to process many of the referrals received from the Housing Benefit Matching Service.
- 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. Sefton have recently signed up for the new credit reference agency referrals (CRA matches) are awaiting the first batch of data to be sent through.

4. National Fraud Initiative (NFI)

- 4.1 Work is still continuing on the matches from the National Fraud Initiative. So far 404 cases have been looked at, with 63 being identified for further investigation. An update of investigation work in respect of these data-matches will follow in future reports.

5. Fraud Awareness

- 5.1. Work is still being undertaken to get the Meritec Fraud Awareness interactive presentation up and running again and face-to-face training in respect of 'One Vision Housing' employees has already been completed.

6. Joint Working

Of the 2 convictions obtained by BFIT during the quarter Aug '11 – Oct '11, both were as a result of joint working with The Department for Work & Pensions (DWP). Sefton MBC continues to enjoy a good working relationship with DWP Investigators, which is reflected in the many positive cases highlighted during the year. During the above period overpayments totalling £3,333.07, £870.30 and £5,976.75 were raised in respect of Housing Benefit, Council Tax Benefit and Income Support respectively. In total overpayments totalling £10,180.12 were created during the period Aug '11 – Oct '11 in respect of these 2 joint working cases with the DWP.

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7. 'Living together' referral

One of the above cases concerned a female from the Maghull area, who had allegedly been co-habiting with an undeclared partner whilst in receipt of benefits from both the LA and the DWP and enquiries made by both agencies suggested that these claims were not valid. When interviewed under caution the customer initially denied the allegation, however, after being shown evidence obtained by both agencies she ultimately admitted that she had been living with her partner since she had moved into the property in July '10. She stated that she knew she should have declared her true circumstances, but did not do so for financial reasons.

As a result of her failure to declare her real circumstances, the customer was overpaid LA and DWP benefits totalling £5,514.25. At court, she was found guilty of 2 charges under the Social Security Administration Act 1992 and was given a community work order for 200 hours and ordered to pay £100 costs.

8. Assistance to the Benefit Section

Since October the BFIT has been providing assistance to the claim assessment teams within the Benefits Service to help with the outstanding backlog of work. BFIT has provided valuable support by answering telephone queries on their behalf thereby freeing up assessment resource.

9. Consultation work

The BFIT has worked with the Client in order to provide a response to the DWP consultation document regarding the proposed Single Fraud Investigation Service. This proposed service will see the implementation of a joined-up approach to benefit investigation, incorporating investigators from the Department for Work & Pensions (DWP), Local Authorities and Investigating Officers from Her Majesty's Revenues & Customs (HMRC).