

Benefit Fraud Investigation Team (BFIT)**Summary of Work 1st November 2011 to 29th February 2012****1. Caseload and Results**

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

Result Outcome	Period Nov – Feb (incl)	As % of cases investigated	Period Apr – Feb (incl)	As % of cases investigated
Cases Closed	359	100	851	100
Results				
Fraud Proved	48	15	160	20
Not Resident	12	4	45	6
Incorrect Benefit	<u>5</u>	<u>2</u>	<u>17</u>	<u>2</u>
Total Positive Results	65	21	222	28
No fraud	<u>263</u>	<u>79</u>	<u>566</u>	<u>72</u>
	328	100	788	100
Not Investigated	31		63	
Total Cases	359		851	

1.2. It can be seen that the Team has returned an investigation success rate between April 2011 and February 2012 of 222 cases out of 788, some 28%. The overall success rate of positive investigations has reduced - however, of the 566 cases closed 'no fraud' in the above period 249 (44%), 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 work outstanding in the Benefits Section (where the information has been received, but not processed in time for the referral to be produced), out of date/incorrect information on the data-match, no change to the amount of benefit being paid or (in the case of capital matches), the capital having been reduced or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. In addition, work has recently begun on evaluating the Credit Reference Agency (CRA) data-matches. Early indications are that the information held on the majority of these referrals is relatively poor, which is clearly indicated by the increase in 'no fraud' cases during Nov '11 – Feb '12 (shown above). In view of these results it may be necessary to review our approach on how best to deal with these particular referrals in order to make the best use of resources.

2. Sanctions and Prosecutions

2.1. Sanctions during the period 1st Nov 2011 to 29th February 2012 are as follows:

Type	Nov '11 – Feb '12	Apr '11 – Feb '12
Convictions	9	27
Cautions	24	59
Ad Pens	<u>2</u>	<u>10</u>
Total	35	96

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 November 2011 and February 2012 (inclusive) the BFIT received 217 referrals from the HBMS that required further investigation. In the same period, 180 cases derived from HBMS were closed after investigation. Positive results were recorded on 21 cases (12%). The decrease in the level of positive results has been addressed above and is mainly due to the poor quality CRA data-matches. The Benefit Claim Processing Teams 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.

4. National Fraud Initiative (NFI)

- 4.1 Work is still continuing on the matches from the National Fraud Initiative. So far 494 cases have been looked at, with 94 being identified for further investigation. Of these 94 cases, 56 are under investigation or awaiting reassessment, whilst 44 have been closed. Of these closed cases, 34 (85%) have been closed with no further issue.

5. Fraud Awareness

- 5.1. Enquiries were recently undertaken to see if the Meritec Fraud Awareness interactive presentation could be integrated with the arvato e-learning training tool. Unfortunately, the format is not compatible and therefore work will shortly start on customizing this package for roll-out. Face-to-face training in respect of 'One Vision Housing' employees has already been completed.

6. Joint Working

Of the 9 convictions obtained by BFIT during the quarter Nov '11 – Feb '12, 7 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 £17,980.48, £5,137.15 and £51,997.67 were raised in respect of Housing Benefit, Council Tax Benefit and DWP benefits respectively. In total overpayments totalling £75,115.30 were created during the period Nov '11 – Feb '12 in respect of these 7 joint working cases with the DWP.

7. 'Undeclared working' referral

One of the above cases concerned a female from the Litherland area, who had allegedly been working whilst in receipt of benefits from both the LA and the DWP. Enquiries made by both agencies suggested that her claims for Housing and Council Tax benefit, Income Support and Jobseekers Allowance may not have been valid. When interviewed under caution the customer stated that she was only working 10 hours per week and that she would have declared if she had worked any extra hours, however, her employment details showed her to be working around 20 hours per week and she could not give a reason as to why she had failed to declare this. She admitted to acting in a dishonest manner and as a result she has been overpaid LA and DWP benefits totalling £9,747.40. At court, she was found guilty of 4 charges under the Social Security Administration Act 1992 and was given a 6 week Curfew Order (between 9pm and 5am) and ordered to pay £100 costs.

8. Assistance to the Benefit Claim Processing Teams

The BFIT has continued to provide assistance to the claim assessment teams within the Benefits Service to help with work outstanding. BFIT has provided valuable support by answering telephone queries on their behalf thereby freeing up assessment resources.

9. Proposed Single Fraud Investigation Service (SFIS) and Welfare Reform

The BFIT continues to participate in any DWP workshops etc regarding the design of the proposed Single Fraud Investigation Service and – which 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). In addition, the Team will continue to response to any legislative changes brought about by the forthcoming Welfare Reform Bill.