PART I – DELEGATED

6.   FRAUD ANNUAL REPORT 2020/21
      (DoF)

1   Summary

1.1   This report informs Members of the work of the Fraud Section for the financial year 2020-21.

2.   Details

2.1   In response to the coronavirus (COVID-19) pandemic, and the first lockdown restrictions being imposed with effect from 23 March 2020 the resources from the fraud section were diverted to assisting with front line services dealing with the immediate impact.

2.2   The table shown below sets out the timeline and activities involved for officers.

Dates	Service	Description
March 2020 2 Investigation Officers	Revenue and Benefits - calls	Assisting online applications for those needing assistance, call backs, benefit queries.
April 2020 to August 2020 2 Investigation Officers	Secondment – Revenue and Benefits	One officer dealing with benefit queries and online applications and one officer processing Business Rates Covid grants
April 2020 – August 2020 Fraud Manager	Community Partnerships Operation Sustain and Operation Shield	Data matching exercise with County to identify vulnerable groups during pandemic and those required to isolate.
April 2020 onwards Fraud Manager	Data Hub/ NNDR Grants	Implementing a data hub to facilitate a proportionate response to administering business rates grants.
August 2020 Fraud Manager	Risk assessments	Completed risk assessments and protocols with a view to staff being able to commence face to face interviewing and Interviews under caution.
October 2020 2 Investigation Officers further Secondment	Test and Trace support payments	Setting up test and trace grant payments for those persons having to self-isolate. To date 1100 applications having been received between the standard and discretionary schemes.

October 2020 – to date Fraud Manager	Project work	Supporting the customer experience strategy
December 2020 – to date Fraud Manager	Recovery Group	Recovery and Silver group
All – March 2020 -to date All	Various	Processing FOI requests, DWP intelligence checks, referrals, Intelligence requests
December 2020 – to date Fraud Manager	SPD Review	Collating data for SPD review.
December 2020 – to date Fraud Manager	NFI	Collating data for National Fraud Initiative – data matching.

2.3 COVID-19 has facilitated new opportunities for criminals. Many current and emerging risks are identified from a number of sources including the National Anti-Fraud Network (NAFN) and other law enforcement agencies. By raising awareness, we can prevent some of the most vulnerable in our communities from falling victim to Fraud. These threats are also disseminated to relevant Council staff.

2.4 The fraud team continue to play an important role in assisting other enforcement agencies to prevent and detect crime and protect the public purse. The team are the Single Point of Contact in the Council for the Department for Work and Pensions (DWP) fraud investigation team and also for other enforcement agencies including the Police, UK Border Agency and other Local Authorities.

2.5 Operation Sustain referred to in the table above was a Hertfordshire wide initiative to define – in collaboration with health and third sector partners – the population cohort who were not captured by SHIELD, but had an associated vulnerability meaning they required support / supplies to maintain their isolation and health. We utilised emergency legislation to match data from internal records across the Council using algorithms' with that of stakeholders and organisations such as NHS, Carers in Herts, CVS, Age UK, housing providers and Herts CC.

From the resulting data an additional 6000 vulnerable residents within the district being identified we were able to provide support during lockdown and beyond. The support included specific financial and practical support, emotional help, medical and health advice.

2.6 Data mining has now commenced for the 2021 Single Persons Discount review (SPD). Data matching/mining allows us to better target existing and new frauds with increased volume and frequency of data. Embracing new technologies and techniques improves detection. SPD is available to Council Tax payers who are the only countable adult, over the age of 18, living at their property. People who qualify for the discount have their Council Tax bill reduced by 25%. We match Council Tax records against a variety of other data and identify addresses where the householder is in receipt of Single Persons Discount on the basis that they live alone yet intelligence suggests there is at least one other person aged 18 or over in the household.

2.7   We have now finalised data uploads for the National Fraud Initiative – a Cabinet Office facilitated data matching exercise. It is an exercise that brings together a wide range of organisations, working together to tackle fraud using techniques to compare information about individuals held by different public bodies, and on different financial systems, to identify circumstances (matches) that might suggest the existence of fraud or error. Participants of the NFI comprise of 1200 organisations that include for instance other local authorities, police authorities, NHS bodies etc. These matches are not just confined to fraud but also include erroneous payments in respect of creditors and payroll. This year additionally we have matched business rates grants and will also be conducting post assurance checks on the various Business Rates Grants administered.

3   Options/Reasons for Recommendation

3.1   The purpose of this report is to inform Members of the work of the Fraud Section for 2020/21.

4   Policy/Budget Implications

4.1   The recommendations in this report are within the Council's agreed policy and budgets. The relevant policy is entitled Anti Fraud and Corruption Strategy and was agreed on 10 July 2012(CL41/12).

5   Financial, Legal, Equal Opportunities, Staffing, Environmental, Community Safety, Customer Services Centre, Website and Risk Management Implications

5.1   None specific.

6   Recommendation

6.1   That Members note the content of this report.

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Background Papers

None

APPENDICES / ATTACHMENTS

None