

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>COMMITTEE:</b>	<b>AUDIT COMMITTEE – EXTRAORDINARY MEETING</b>
<b>DATE:</b>	<b>09 FEBRUARY 2015</b>
<b>TITLE OF REPORT:</b>	<b>ROLE OF THE COUNTER FRAUD OFFICER</b>
<b>PURPOSE OF REPORT:</b>	<b>FOR INFORMATION</b>
<b>REPORT BY:</b>	<b>CORPORATE FRAUD OFFICER</b>
<b>ACTION:</b>	<b>NONE</b>

## **1. BACKGROUND**

- 1.1 The role of Corporate Counter Fraud Officer (CCFO) was created in response to the transfer of the responsibilities for investigating Housing Benefit (HB) fraud to the Department for Work and Pensions (DWP) following the creation of the Single Fraud Investigation Service (SFIS). The two Housing Benefit investigators within the authority were scheduled to transfer to SFIS on the 1st November 2014. The result of these transfers would have been that there would have been no experienced counter fraud investigators within the authority from that date.
- 1.2 The DWP SFIS had decided that their investigators would not investigate fraud offences carried out against the Council Tax Reduction Scheme (CTRS), the new version of the Council Tax Benefit, as the Government did not regard CTRS to be a benefit. This decision meant that there would be no one left within the authority to investigate CTRS fraud and as the vast majority of HB claimants also receive CTRS this could have resulted in a significant loss to the authority.
- 1.3 Further examination of potential fraud risks revealed that there was a potential to investigate other Council Tax fraud such as single occupiers discount and non-domestic rates fraud. In addition the Government has identified Social Housing tenancy fraud to be a high risk area and it was felt that this was another area where an experienced counter fraud investigator could be utilised.

## **2. ROLE OF THE CORPORATE COUNTER FRAUD OFFICER**

- 2.1 Having regard to the above it was decided that the authority would create the CCFO post and on the 1st November 2014, Mr Hywel Ellis was appointed as the CCFO. The post has been located within the Internal Audit section and the role has been expanded from being purely reactive investigation to include a proactive role in preventing fraud occurring in the first place, promoting a better counter fraud culture within the authority. As the first stage in this process the CCFO has been meeting with the various Heads of Service within the authority to ascertain what fraud risk assessments have been carried out within their respective services, what policies have been put in place to counter any perceived risks and how these policies are implemented and brought to the attention of their staff. It is hoped that a full report and recommendations will be completed in the near future.

The Corporate Counter Fraud Officer attended the Heads of Service meeting held on 13 January 2015 to introduce himself to the Heads of Service and to

outline his role in supporting them and the Council in developing a robust counter fraud culture.

- 2.2 To promote and improve the corporate anti-fraud culture within the authority it is envisaged that, with the cooperation of HR training, counter fraud courses may be arranged with external providers, such an exercise was carried out for Revenues and Benefits staff and Housing staff in 2013. The CCFO will always be available to advise and assist any service in the promotion of a counter fraud culture.
- 2.3 With regard to investigations, the CCFO is actively pursuing CTRS fraud referrals received from the benefits section, he liaises with the benefit staff and managers on a regular basis and procedures for referring and investigating such matters have been put in place. The CCFO is consulting with the housing department with regards to combating tenancy fraud within the authority, however this is an ongoing project as it is possible non L.A social housing associations may wish to get involved, as non LA social housing authorities may investigate tenancy fraud, under the Prevention of Social Housing Fraud Act 2013 (POSH) only L.A's may prosecute such cases to the courts.
- 2.4 The CCFO will also take on the responsibility of investigating any other possible offences that may be referred to him from any service within the authority that is, he may take on any investigation that was previously investigated by the Internal Audit team, e.g. missing school meals monies, irregularities in expenses claims etc.

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