

Protecting the Public Purse

Fraud Briefing 2014

Cheshire East Council



Purpose of Fraud Briefing



Provide an information source to support councillors in considering their council's fraud detection activities



Extend an opportunity for councillors to consider fraud detection performance, compared to similar local authorities



Give focus to discussing local and national fraud risks, reflect on local priorities and the proportionate responses needed



Be a catalyst for reviewing the council's current strategy, resources and capability for tackling fraud

Understanding the bar charts

Outcomes for the first measure for your council are highlighted in yellow in the bar charts. The results of your comparator authorities are shown in the green bars.



Outcomes for the second measure for your council are highlighted as a green symbols above each bar. The results of your comparator authorities are shown in the white triangles.



A ‘*’ symbol has been used on the horizontal axis to indicate your council.

All data are drawn from council submissions on the Audit Commission’s annual fraud and corruption survey for the financial year 2013/14.

In some cases, council report they have detected fraud and do not report the number of cases and/or the value. For the purposes of this fraud briefing these ‘Not Recorded’ records are shown as Nil.

Interpreting fraud detection results



Contextual and comparative information needed to interpret results



Detected fraud is indicative, not definitive, of counter fraud performance (*Prevention and deterrence should not be overlooked*)



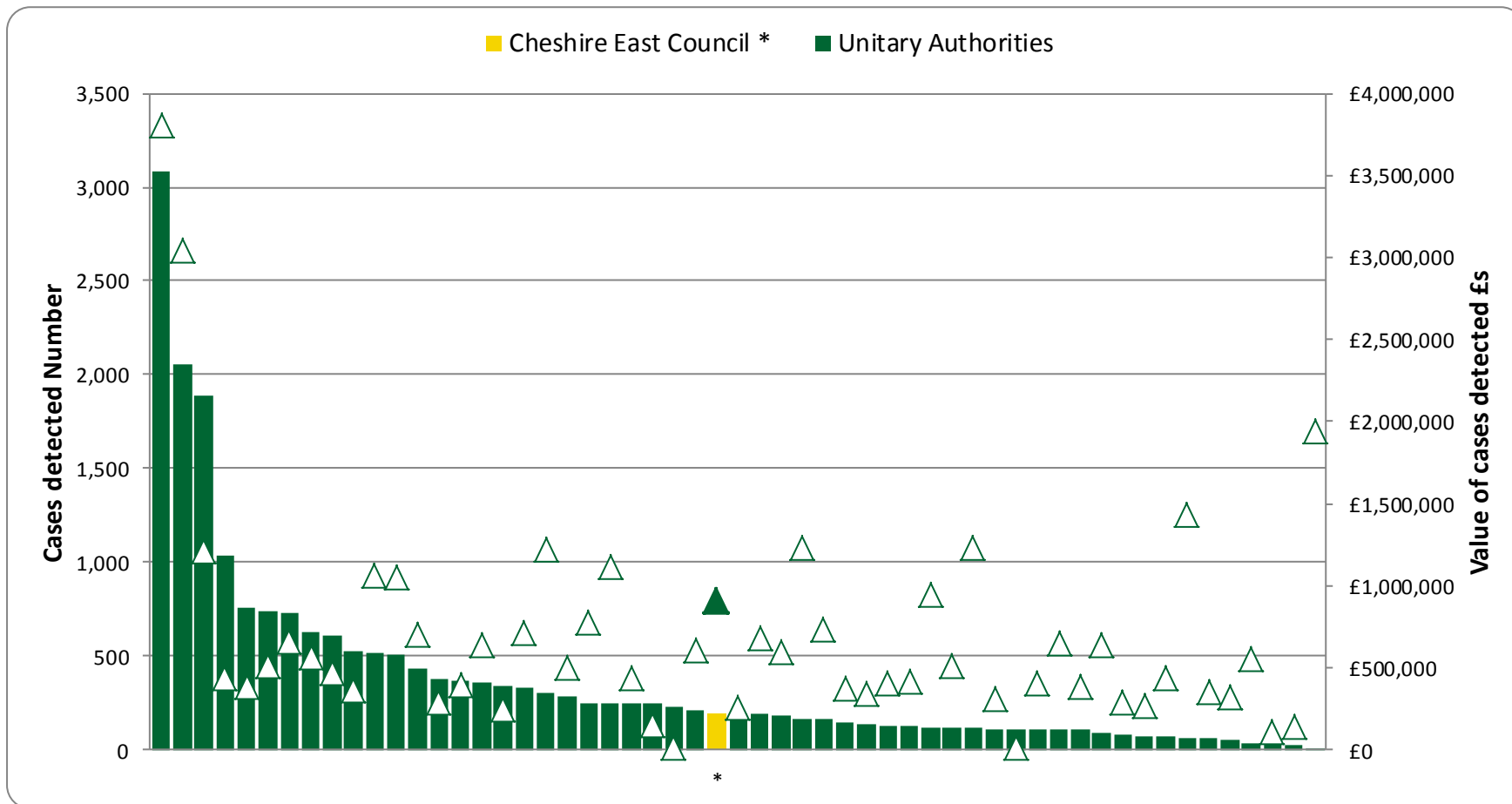
No fraud detected does not mean no fraud committed (*Fraud will always be attempted and even with the best prevention measures some will succeed*)



Councils who look for fraud, and look in the right way, will find fraud (*There is no such thing as a small fraud, just a fraud that has been detected early*)

Total detected cases and value 2013/14 (Excludes Housing tenancy fraud)

Cheshire East Council



Cheshire East Council detected 195 cases #. The value of detected fraud was £897,058 #.

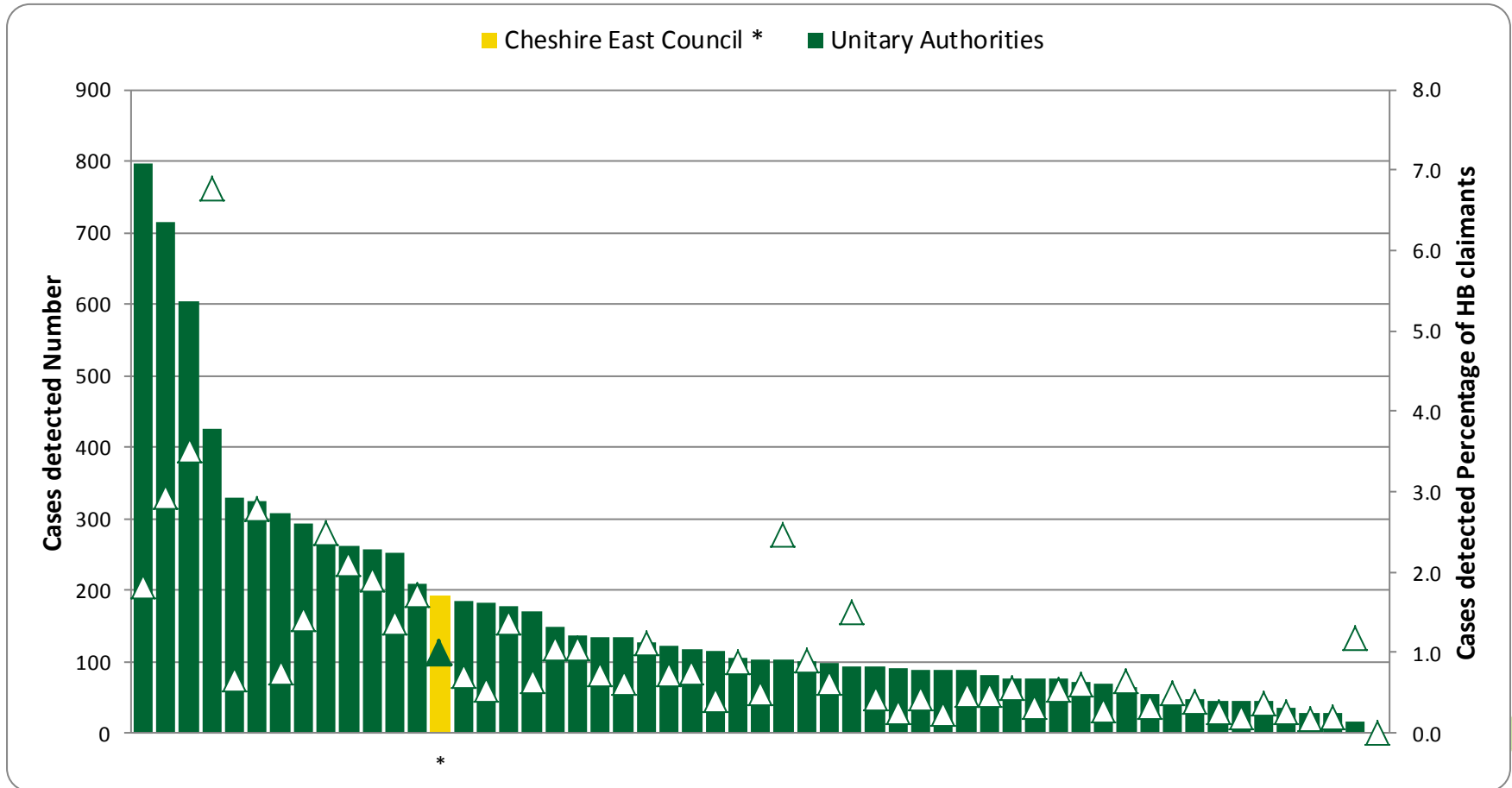
Average for other Unitary Authorities: 373 cases, valued at £690,187



Housing Benefit (HB) and Council Tax Benefit (CTB) 2013/14

Total detected cases, and as a proportion of housing benefit caseload

Cheshire East Council



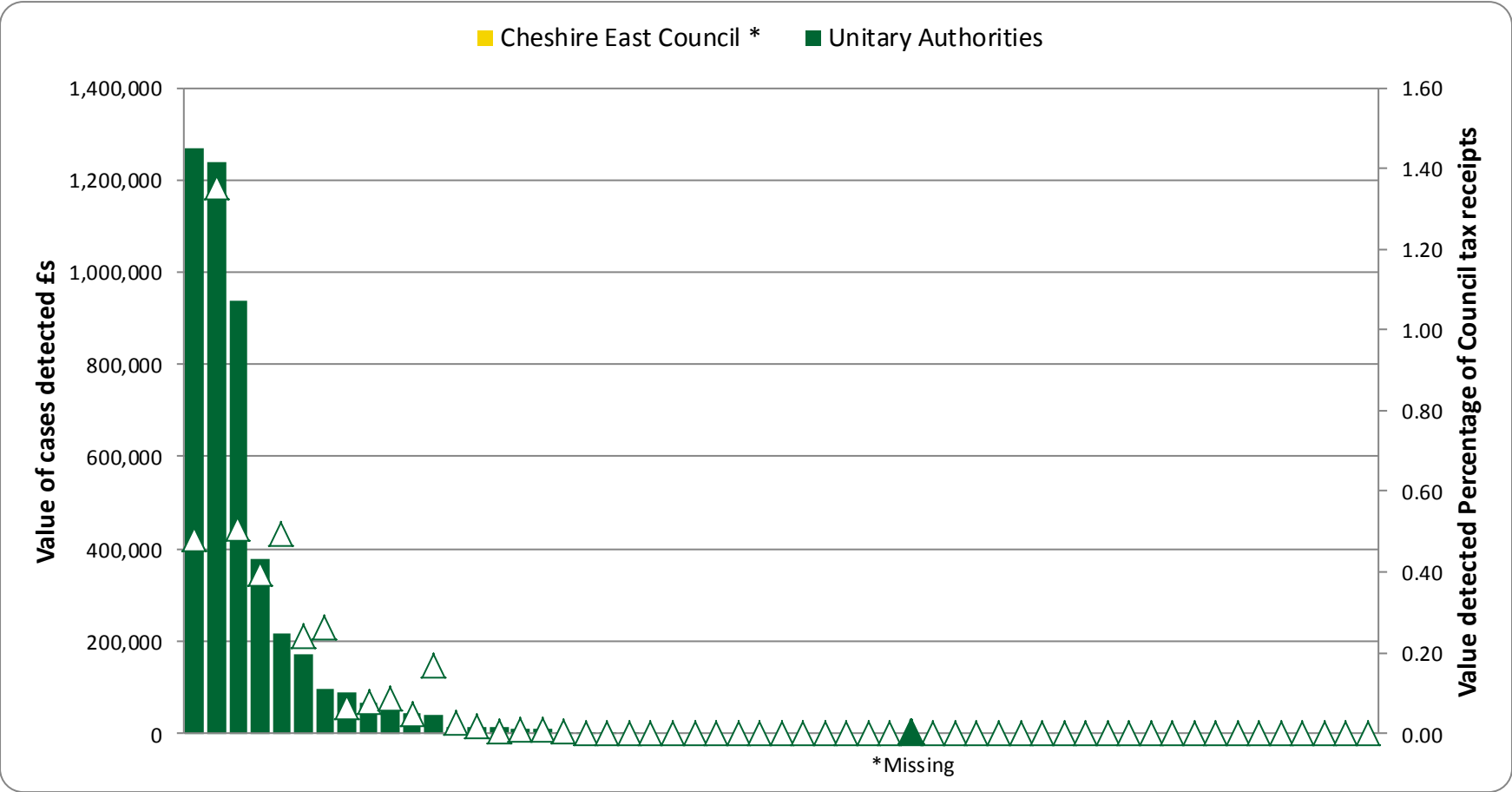
Cheshire East Council detected 192 cases of this type of fraud. The value of detected fraud was £889,379.

Average for other Unitary Authorities: 162 cases, valued at £538,412

Council tax discount fraud 2013/14

Total detected value, and value as a proportion of council tax income

Cheshire East Council



Cheshire East Council detected this type of fraud and did not report the number of cases.

Average for other Unitary Authorities: 170 cases, valued at £86,424



Councils without housing stock 2013/14

Housing tenancy fraud

4 per cent of social housing stock in London and 2 per cent outside London is subject to tenancy fraud

Second largest fraud loss to local government, £845 million

Combined with housing associations the total loss in England, £1.8 billion

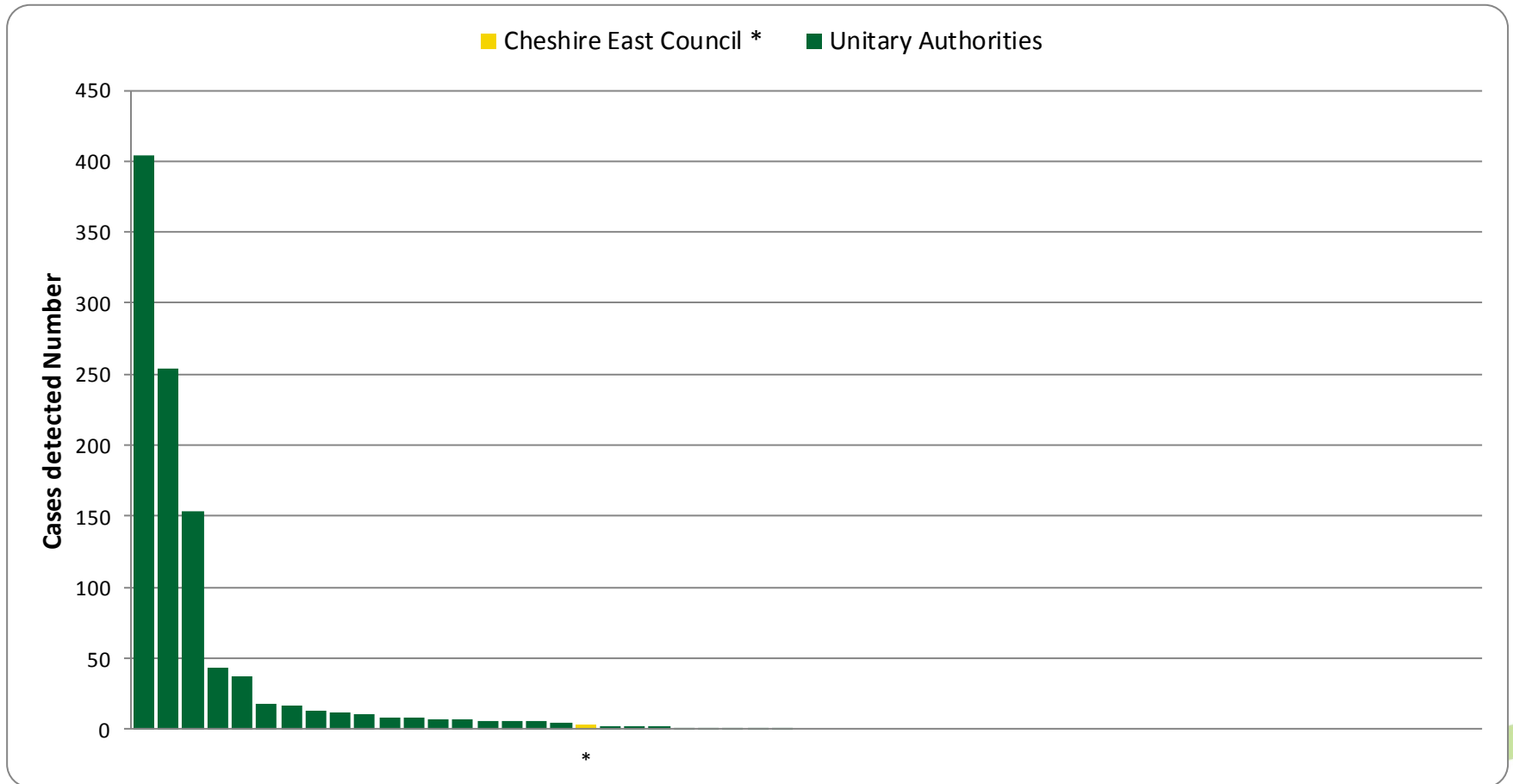
The Prevention of Social Housing Fraud Act 2013: criminalises tenancy fraud

Councils have powers to investigate and prosecute tenancy fraudsters on behalf of housing associations

Should you be using this legislation and powers to work in partnership with local housing associations?

Disabled parking (Blue Badge) fraud 2013/14

Cheshire East Council



Cheshire East Council detected 3 cases of this type of fraud.
Average for other Unitary Authorities: 19 cases

Other frauds 2013/14 Cheshire East Council

Procurement: Cheshire East Council detected this type of fraud and did not report the number of cases. The value of detected fraud was £7,679.

Total for other Unitary Authorities: 25 cases, valued at £824,511

Insurance: Cheshire East Council did not detect any cases of this type of fraud.

Total for other Unitary Authorities: 34 cases, valued at £988,636

Social care: Cheshire East Council detected this type of fraud and did not report the number of cases.

Total for other Unitary Authorities: 47 cases, valued at £731,379

Internal: Cheshire East Council detected this type of fraud and did not report the number of cases.

Total for other Unitary Authorities: 320 cases, valued at £1,030,498

Correctly recording fraud levels is a central element in assessing fraud risk.

It is best practice to record the financial value of each detected case

Questions elected members and decision makers may wish to ask

Post SFIS

Local priorities

Partnerships

Using information and data

Are our remaining counter-fraud resources and skill sets adequate after our benefit fraud investigators have left to join SFIS?

Are local priorities reflected in our approach to countering fraud?

Have we considered counter-fraud partnership working?

Are we satisfied that we will have access to comparative information and data to inform our counter-fraud decision making in the future?

Any questions?

