

Agenda Item No:

Report To: Audit Committee

Date of Meeting: 3 October 2023

Report Title: Annual Report - Investigation & Enforcement Support Team

Report Author: Debbie Dansey – Investigation and Enforcement Support
Job Title: Manager

Portfolio Holder: Cllr. Ovenden

Portfolio Holder for: Prosperity and Resource



Summary:

2022/23 was positive year for the Investigation and Enforcement Support Team who were finalists in two categories at the IRRV (Institute for Revenues, Rating and Valuation), awards, ***Excellence in Counter Fraud*** and ***Excellence in Education/Development***.

Operationally the team received 438 cases across a diverse range of Council activities, and through intervention generated a mixture of tangible and non-tangible savings of £441,000 have been made to the public purse.

The service continues to achieve its core objective of supporting the Council with the prevention, detection and investigation of Fraud. The service has also secured ongoing contracts with Thanet and Dover which provides an income stream to the service.

In 2022/23 the Council worked with Moat Housing Association in a pilot scheme to perform tenancy audits in Stanhope (PFI Properties). Although no fraud was detected, this work provided positive results in relation to tenancy management and has now been extended to the remainder of the Council stock.

Key Decision: NO (delete as appropriate)

Recommendations: **The Audit Committee is recommended to:-**

- I. **Note the performance of the Investigation and Enforcement Support Team for 2022/23.**

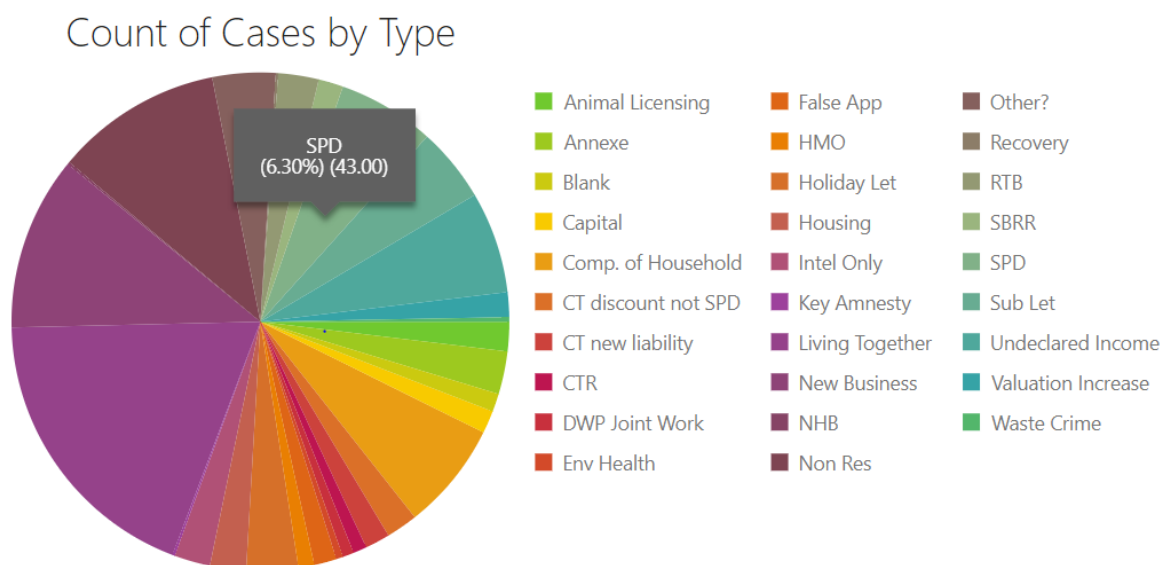
Exempt from Publication: No

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Report Title: Annual Report - Investigation & Enforcement Support Team

Introduction and Background

1. This report provides an update on the work of the Investigation and Enforcement Support Team for 2022/23, where the team represented the Council as finalists in the 2022 IRRV (Institute for Revenues, Rating and Valuation) awards in two categories. ***Excellence in Counter Fraud*** and ***Excellence in Education/Development***.
2. The objective of the team is to provide high quality investigation services, designed to prevent and detect fraud and error for the Council and also partner organisations on a commercial basis. Through this activity, financial losses are prevented, additional revenue is identified for recovery, income is secured through the supply of services and redress is sought in cases of civil or criminal offending.
3. The Corporate Investigations & Enforcement Support Team works across the whole authority to support Services where fraud is a risk, and develop processes which will prevent, detect and deter fraud
4. The team's workload is varied, and covers a wide programme of both reactive and pro-active investigations, as well as providing support for teams with an enforcement role. The diagram below demonstrates the diverse nature of the 438 referrals received, and range of case types covered within the year;



Project Areas and Savings

5. **Investigations** have taken place throughout the year to identify fraud and error and the benefits received are detailed below. It should be noted that the savings use a standard methodology which covers a number of years. The figures for council tax and business rates are based on total liability so the benefit is split between major preceptors, predominantly KCC who provide a grant to the Team.

Amended Council Tax Liability	£165,455
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Invoicing Fraud and Recovery	26,807
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6. **Single Persons Discount Fraud** (this continues to be highlighted as an area of high financial risk) following 128 reviews by the Revenue and Benefits Team the following savings have been attributed;

Single Persons Discount	£64,000
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7. **Business Rates** is another high risk area for the Council. We identify Businesses' that have not registered, as well as property amendments/changes of use which are not on the rating list. Ongoing additional income attributed is as follows;

Undeclared Business Rates	£95,439
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8. **Housing** - In partnership with our Housing Team, we aim to safeguard our homes to ensure that only those with genuine entitlement are allocated Housing. Investigations into unlawful possession resulted in 2 properties being returned, and one duty to re-house refused.

9. The Team, alongside Private Sector Housing identified an unlicensed House being used as a House in Multiple Occupation resulting in additional licensing income;

Properties Returned for Use	£84,000
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Housing Duty Discharged	£4,700
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HMO Licenses	£564
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Total benefit to the public purse	<u>£440,965</u>
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Commercialisation

10. Extensive work has taken place to promote and develop the team to secure external contracts with neighbouring authorities and Housing associations who do not have our expertise.
11. Following two successful one year trial periods, the Team has now secured 2 x 3 year contracts to investigate Social Housing Fraud for Dover and Thanet District Councils. These contracts provide an income stream to the team

which has reduced the overall costs of the service, while maintaining performance levels.

12. This investment has also enabled further training and development to be undertaken to strengthen the skills base of the team to further enhance our reputation, and potentially bid for further work if capacity allows. (total enhanced contracts for 2023/25 £49,100)
13. Income Generation from Contracts **£32,000**
14. There are benefits to both Ashford and contracted authorities in providing this service and a summary of the benefits to Dover and Thanet and these are briefly covered below:-
 - a. **Dover District Council** – In year one for Housing we investigated 17 cases and were successful in with 4 properties being returned for use, one Right to Buy application being refused and the issue of 2 notices to quit occupation. The overall notional savings amounted to £252,000.
 - b. **Thanet District Council** – In year one for Housing we investigated 18 cases and verified 15 Right to Buy Applications. We were successful in 2 properties being returned to use and the issue of 2 notices to quit occupation. The overall notional savings amounted to £168,000.
15. In addition to working with other district Councils, in 2022/23, a joint pilot project was undertaken with Moat Housing Association who manage the Council PFI Contract to identify potential abuse/error/fraud through a visiting regime and data matching.
16. The project entitled **Prevention and detection of Social Housing Fraud and Error – Stanhope Estate, Partnership Approach Between: Ashford B.C. & Moat H.A.** covered the following areas.
17. **Data Matching:** To filter correct data sets and match the remaining files to produce a highlighted risk register with a RAG (Red Amber Green) identifier. Data Matching will be facilitated through the IDIS data warehouse within Ashford Borough Councils Investigations Team.
18. **Visiting/Tenancy Audit:** To visit high and medium risk tenants to undertake a tenancy audit for Identification and Verification of the tenants circumstances. The tenancy audits will be undertaken with Officers from both partners jointly.
19. **Case Management:** Investigation cases - details will be kept securely on the Investigations Teams 'Incase' Fraud management system, the system is fully auditable and secure, and access is restricted to Investigation Officers only.
20. As the project developed we identified benefits of joint visits and the update on the data held by both parties. It was then agreed we would conduct tenancy audits on all properties within the Estate.

Outcomes:

No issues	151	49%
Name change	8	2%
Change in household	62	20%
Outstanding repairs	75	24%
Deceased householder	9	3%
purchased	1	<1%
Card left - no reply MOAT DEALING WITH	13	4%
DWP advised of household	1	<1%
Health/safeguard issues	8	3%
Overcrowding	3	1%
CTax large credit	1	<1%
Downsize request	3	1%
RTB request	2	<1%
Signposted to ABC	2	<1%
Fraud Invoice	3	1%

21. As you can see from the above statistic the benefits of carrying out the audits and interacting with residents was amazingly successful picking up on :-
- Downsizing
 - DA reported
 - Elderly residents
 - Updating records
 - Property condition
 - Deceased residents
22. The Investigations team received an official ‘thank-you’ from Moat’s management team commenting on ‘the great work undertaken by both team’s’ and the value to its residents.

Current Position (2023/24)

23. The Investigation Team has 5 full time equivalent staff consisting of; 1 Manager, 1 Senior Investigator, 1 Investigator and 1 Trainee Investigator, 0.75 Intelligence Officer (vacant), and 1 Trainee Intelligence Officer, both trainee posts are career grades.
24. Commercialisation – further contracts are being discussed with Moat Housing Association, Canterbury CC and Southern Area Housing as well as maintaining a pipeline of potential opportunities.
25. Ashford Tenancy Audits. Following the success of the work with Moat Housing Association, a programme of tenancy audits is being planned for the Council’s wider stock in partnership with the Housing Team, this work will be funded by the Housing Revenue Account. This is a key piece of work for the authority and based on the Stanhope outcomes could provide real benefits to the Council, especially around identification of downsizing where we have the opportunity to rotate larger units and support overcrowding. (commenced)

26. Joint Project planned with Housing Options team to undertake identification and verification of all Homeless applications to safeguard our scheme and finances. (commenced)
27. Fraud Awareness Training Package for all staff has been purchased and will be rolled out. The plan is for this to become mandatory and replace the face to face training that was undertaken during corporate induction days. (now launched)

Conclusion

28. This has been another successful year for the team who have also secured 2 x 3 year external commercial contracts.

Portfolio Holder's Views

29. The Team has developed in 2022/23 and this was recognised through being finalists at the IRRV awards.
30. The service continues to provide positive results in identifying fraud and this acts to deter others and protect public funds, for both Ashford and our preceptors.

Contact and Email

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