

SUBJECT:	REVIEW OF FRAUD SANCTION POLICY
DIRECTORATE:	CHIEF EXECUTIVE AND TOWN CLERK
REPORT AUTHOR:	MARTIN WALMSLEY, HEAD OF SHARED REVENUES AND BENEFITS

1. Purpose of Report

- 1.1 To update the Audit Committee on a small number of amendments to the already adopted Fraud Sanction Policy, in respect of the shared Revenues and Benefits service between City of Lincoln Council and North Kesteven District Council.

2. Executive Summary

- 2.1 On 12th September 2013, Revenues and Benefits Joint Committee approved an updated version of the shared Benefit Fraud – Sanctions and Prosecutions Policy, making references to the Council Tax Support schemes (which replaced the national Council Tax Benefit scheme from 1st April 2013). The purpose of the policy is to assist the Councils in the shared service in preventing and detecting fraud in a consistent, effective, efficient and equitable manner.
- 2.2 On 1st October 2014, responsibility for investigation of Housing Benefit fraud in respect of City of Lincoln and North Kesteven transferred to the Single Fraud Investigation Service (SFIS) under Department for Work and Pensions (DWP). However, numerous functions still remain with the local authorities – including;
- Provision of data to SFIS;
 - Consideration of Administrative Penalties;
 - Investigation of Council Tax Support fraud.
- 2.3 On 11th February 2016, Executive Board approved an updated Fraud Sanction Policy, to reflect work being undertaken by SFIS and different levels of overpayment value being considered for prosecution.
- 2.4 The proposed amended policy at Appendix 1, highlights further changes required to the existing policy.

3. Proposed amendments to Fraud Sanction Policy (see Appendix 1)

- 3.1
- Paragraph 5.1.1: ‘Panel’ amended to ‘Benefits Team Leader’ (x4);
 - Paragraph 5.1.1: Existing policy states ‘...will consider cases for sanction...’, amended to ‘...will consider cases for either a warning or penalty...’;
 - Paragraph 5.1.2: ‘Panel’ amended to ‘Benefits Team Leader’;

Paragraph 5.1.2: 'For offences committed against the council tax support scheme, the penalty is 50% of the amount overpaid with a minimum penalty of £100 and maximum penalty of £1000' amended to '..., 'the penalty is £70.00';

- Paragraph 5.1.3: 'Panel' amended to 'Benefits Team Leader' (x2);
- Paragraph 5.2.1: 'Panel' amended to 'Benefits Team Leader';
- Paragraph 5.2.2: 'Panel' amended to 'Benefits Team Leader';
- Paragraph 5.3.3: Inserted new paragraph; The Crown Prosecution Service will require a Witness Statement in each case that is taken forward for a prosecution at court. This will be provided by a Benefits Team Leader.
- The Executive will also be asked to determine the level of delegation for potential future 'minor amendments', to the Fraud Sanction Policy, which may be delegated to officers – for example, a change in job title/role making decisions on sanction, or a legislative change in a £ cost which may be applied

3.2 The revised policy is to go through the consideration/approval process, as follows:

City of Lincoln Council	North Kesteven District Council
Policy Scrutiny Committee: - 19 th June 2018	Performance and Resources Overview and Scrutiny Panel: - 18 th June 2018
Audit Committee - 19 th July 2018	
Executive: - 23 rd July 2018	Executive Board: - 26 th July 2018

3.3 Policy Scrutiny Committee resolved that the amendments to the Fraud Sanctions Policy be supported

4. Strategic Priorities

4.1 Both City of Lincoln and North Kesteven have a number of strategic priorities. Two that have an impact on the Revenues and Benefits Service are:-

- Lincoln: "Let's Reduce Inequality".
- North Kesteven: "Our Community Our Economy".

4.2 The Benefits Service plays a key role in reducing inequality by ensuring residents receive the benefits they are entitled to and providing money / debt advice. The Revenues Section is also mindful of the strategic priorities when engaging with business ratepayers as they recover business rates – and also promoting and encouraging growth in the districts. Digital Inclusion, Channel Shift / Customer Experience, Financial Inclusion and Partnership Working are all key priorities for the shared service.

5. Organisational Impacts

- 5.1 Finance: There are no significant financial costs involved in the amendments proposed to this policy, although they will help to allow more effective and efficient use of officer time.
- 5.2 Legal Implications including Procurement Rules: There are no direct Legal or Procurement implications arising from this report.
- 5.3 Equality, Diversity & Human Rights: There are no direct implications arising from this report.

6. Risk Implications

- 6.1 A Risk Register is in place for the Revenues and Benefits shared service.

7. Recommendations

- 7.1 Audit Committee note the proposed amendments to the Fraud Sanction Policy.

Is this a key decision?

Yes/No

Do the exempt information categories apply?

Yes/No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?

Yes/No

How many appendices does the report contain?

One

List of Background Papers:

None

Lead Officer:

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