

SUBJECT:	ANNUAL FRAUD REPORT
DIRECTORATE:	CHIEF EXECUTIVE AND TOWN CLERK
REPORT AUTHOR:	AMANDA STANISLAWSKI, AUDIT MANAGER

1. Purpose of Report

- 1.1 This report informs Committee of performance against the 2022/23 Counter Fraud Work Plan and the outcomes of pro-active fraud work and investigations.
- 1.2 To provide Audit Committee members with an update on the fraud risk register.

2. Executive Summary

- 2.1 The report summarises the number of cases during 2022/23 comparing them with the previous year. Overall there has been a general reduction in cases with the exception of NFI where the 2022 exercise has resulted in a significant increase from 322 to 622 for Housing Benefit and Council Tax Reduction (HB/CTR). The 2020 NFI exercise resulted in 27 errors being identified within HB/CTR saving £39,351 with an additional £39,076 currently being recovered. There has not been a review of Single Person Discounts undertaken this year.
- 2.2 Some progress has been made against completing the actions within the Counter Fraud Action Plan and these are detailed within the report. There have been some delays due to capacity within the Teams involved. There are 3 which are still in progress and these have been added onto the 2023/24 action plan. These include the Single Person Discount Rolling review, Self Assessment against the Counter Fraud Strategy and Counter Fraud training. There are also 2 which have been removed as no-longer required.
- 2.3 Whistleblowing referrals slightly decreased this year, most of these related to Housing Benefit, Housing Tenancy and Single Person Discounts. Allegations made were mainly in respect of partners being resident or not occupying the property. There has been a change in the spread of allegations including more related to residents parking and other more unique allegations.
- 2.4 Actions continue to be put into place to reduce the risks around Cybercrime. These include rolling out e-learning refresher to staff and members, external annual assessments and participating in regional and national initiatives.
- 2.5 Other areas of fraud related activity include 15 notices to quit being issued by Housing Tenancy and an attempt to change the bank details of a member of staff.
- 2.6 As part of the Council's fraud strategy a counter fraud risk register is maintained. An interim review has been undertaken which has considered the risks on the register and the mitigating actions.

- 2.7 The Fraud Risk Register contains 24 risks, this is a reduction from 27 reported last year due to some consolidation of risks. None are Red, 12 are Amber and 12 are Green. The 2 highest rated are IT/Data/Cyber Fraud and Council Tax.

3. Organisational Impacts

3.1 Finance (including whole life costs where applicable)

There are no direct financial implications.

3.2 Legal Implications including Procurement Rules

There are no direct legal implications

3.3 Equality, Diversity & Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities.

There are no direct E and D implications arising as a result of this report.

4 Recommendation

- 4.1 Audit Committee consider and comment on the contents of the report and appendix.

Key Decision No

Do the Exempt Information Categories Apply? No

Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply? No

How many appendices does the report contain? One

List of Background Papers: None

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