

<b>SUBJECT:</b>	<b>INTERNAL AUDIT ANNUAL FRAUD REPORT</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>AMANDA STANISLAWSKI, AUDIT MANAGER</b>

## **1. Purpose of Report**

- 1.1 This report informs the Audit Committee of performance against the 2023/24 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. Background**

- 2.1 The Council is opposed to any form of fraud and malpractice and is committed to operating in an open and honest way. There is a Counter Fraud and Anti-corruption Policy in place which sets out the Councils Strategy and the action it takes to reduce fraud.
- 2.2 A report is presented every six months to the Audit Committee setting out the action taken by the Council, incidences of fraud and, on an annual basis, the results of the review of its fraud risks.

## **3. Annual Fraud Report**

- 3.1 The report summarises the number of cases during 2023/24 comparing them with the previous year. There has been an increase in most cases this year.
  - Referrals to the DWP have increased by 60% from 5 to 8 and there has also been an increase in the number of NFI cases where there has been a further increase to 757 cases from 622 for Housing Benefit and Council Tax Reduction (HB/CTR).
  - So far the 2022 NFI exercise has resulted in 26 errors being identified within HB/CTR saving £31,645.
  - The review of Single Person Discounts undertaken in 2023/24 resulted in an increase in revenue of approx. £105,636.
  - The number of notices to quit issued to tenants has also increased from 15 to 25, freeing up currently unoccupied properties for others.
- 3.2 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 actions which are still in progress and these have been added onto the 2024/25 action plan. These include the Single Person Discount Rolling Review, Self-Assessment against the Counter Fraud Strategy and Counter Fraud training.

- 3.3 Whistleblowing referrals have significantly decreased this year, most of these related to Single Person Discounts. Allegations made were mainly in respect of partners being resident.
- 3.4 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.
- 3.5 The Fraud Risk Register contains 24 risks. None are Red, 12 are Amber and 12 are Green. The 2 highest rated are IT/Data/Cyber Fraud and Council Tax.

#### **4. Organisational Impacts**

##### **4.1 Finance (including whole life costs where applicable)**

There are no direct financial implications arising as a result of this report.

##### **4.2 Legal Implications including Procurement Rules**

There are no direct legal implications arising as a result of this report.

##### **4.3 Equality, Diversity and 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.

#### **5. Recommendation**

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

**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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