# Doncaster Council

# Preventing and Detecting Fraud and Error Report

## October 2020 to September 2021



GOVERN   ACKNOWLEDGE   PREVENT   PURSUE

**PROTECTING ITSELF AND ITS RESIDENTS**
*Recognising the harm that fraud can cause in the community.*
*Protecting itself and its' residents from fraud.*

# Fraud and Error Prevention

Doncaster Council is committed to protecting the public purse and preventing (and detecting) fraud and corruption against public monies.

This year has been extremely challenging with the fast pace changes to combat the Covid-19 pandemic. Government initiatives to support businesses during lockdowns and various forms of restriction continued throughout the period. These have continued to present an ever developing fraud challenge for the Council.

Despite the fast changing nature of the current fraud environment, the Council has continued to deploy fraud checking and testing where possible to prevent and detect fraud and error with Covid grants being no exception.

The investigation of fraud within the Council is de-centralised. Most investigative work is carried out by Internal Audit Services, with additional investigative work being undertaken within Parking Enforcement (in respect of Blue Badge fraud) and within Revenues and Benefits (in respect of Council Tax and occasionally Business Rates).

This report documents the Council's activities in respect of fraud prevention, detection and pursuit and reports on both proactive counter fraud work and responsive investigative work. Our strategy in this respect is documented in the Council's Anti-Fraud and Corruption Framework which is available on the Council's internet site at http://www.doncaster.gov.uk/. This framework was refreshed and re-published in 2021 after updates to the strategy and guidance for combating fraud in local government.

Information within this report is required to be published under the Government's Transparency Agenda.

## The Overall Picture

The Council remains exposed to fraud risks but is consciously aware of them and their effects and takes proactive steps to prevent and detect fraud across the Council.

The overall level of fraud experienced by the Council remains thankfully very low for a council of this size with a proactive approach being taken to manage risks even in new areas such as the payment of grants to business due to Covid. Our arrangements have continued to operate well, throughout the period.

Because each of our activities is different, consolidating everything into one set of figures is not appropriate. Instead, key statistic boxes against all activities give information on the success (and context) of each of our activities individually.

The remainder of this report documents our counter fraud and investigative activities for the period 1st October, 2020 to 30th September, 2021. This reporting period aligns with that of the National Fraud Initiative.

# Counter Fraud Activity – Govern

Key to the overall success of counter / anti-fraud agenda in the Council (and any other body) is support from those charged with the Governance. Ensuring that there is strategic direction and a counter fraud culture embedded across the Council is key to ensuring that we deliver on our objectives.

## Policies and Strategies

Beating fraud is everyone's business and it takes a co-ordinated approach at all levels to tackle fraud and corruption. The *'tone from the top'* is set out in our Anti-Fraud Bribery and Corruption Framework.

This document contains the Council's policy, strategy and plan to combat fraud. It aligns directly with the Fighting Fraud and Corruption Locally Strategy for Local Government 2020. This framework is published on the Council's intranet site and is linked in to all key governance pages for the Council.

The re-launch of the framework was publicised on the Council's internal news channel to ensure that it was communicated to all staff.

## The Counter Fraud Response

Counter fraud work is de-centralised in Doncaster Council and different departments are responsible for investigating and preventing fraud in some fraud risk areas. These departments are:

- Internal Audit – maintain the Council's central counter fraud governance arrangements (the Anti-Fraud, Bribery and Corruption Framework and Money Laundering Polices), fraud reporting and the prevention, detection and investigation of other frauds against the Council whether committed internally or externally. They are also responsible for liaison with the Police (where appropriate) on fraud issues.

- Revenues and Benefits – responsible for the detecting and investigation of Council Tax frauds and for working with the Department for Work and Pensions on joint Housing Benefit fraud investigations;

- Parking Enforcement – responsible for the detection and investigation of blue badge and permit parking frauds;

- Trading Standards – responsible for the enforcement of a wide range of legislation to ensure that Doncaster has a fair, responsible and safe competitive trading environment that supports both consumers and businesses.

# The Counter Fraud Plan

Work on counter fraud in Internal Audit is summarised in the Counter Fraud Plan and this contains all our fraud specific activities to raise awareness of fraud, develop fraud governance arrangements, detect fraud and investigate fraud.

It is approved by Audit Committee and was approved in April 2021 for the 2021/22 financial year. We report on the results of our preventative, detective and investigative work annually in this report covering the period to the end of September. This reporting window has been adopted because this is the investigative and reporting timescale set by the National Fraud Initiative, one of our major pieces of work for the year.

Our Counter Fraud Activity Plan covers a whole range of activity including:

- Work on key governance strategies that have an impact on fraud;
- Training and awareness activities for staff and elected members;
- Fraud awareness week materials for members of the public;
- Proactive data matching initiatives to detect fraud and error in our activities;
- Participation in national fraud detection initiatives and work with our partners across local and central government; and
- The reactive investigation of suspected fraud and corruption and the prosecution of it (working collaboratively with the Police and / or Legal Services) .

Our plan is flexible and reactive and is based on our assessment of fraud risks. These are updated regularly and new risks added as they are found. Our plan consists of approximately 300 days of activity.

# Partnerships

The responsibility for the management of our Housing Stock lies with St Leger Homes of Doncaster Ltd, who are responsible for (and do) investigate fraud in their area. Their internal audit resource is provided by Doncaster Council's Internal Audit Service and we work jointly to cover social housing and right to buy fraud investigations providing counter fraud support where necessary. Where appropriate, their results are also included in this report.

# Fraud Awareness Training

As we have updated the Anti-Fraud, Bribery and Corruption Framework this year, we have also been busy refreshing our counter fraud training.

Our training is e-learning based. Both the Anti-Fraud and Money Laundering courses are currently in testing and are due for release as an on demand training resource at the end of November, 2021. Fraud awareness training was also delivered to members of the Audit Committee on the 5th November, 2021.

# Counter Fraud Activity – Acknowledge

The shape and activities of the Council are constantly changing to keep pace with the changes in economy, society and political environmental within the UK.  These changes represent risk both in terms of business risks and in fraud risks that must be taken into account to effectively tackle fraud and corruption.

## Fraud Risks

The Council has a Fraud Risk Register.  This is a very comprehensive list of fraud risks containing 24 different fraud risks covering things like employee fraud, grant fraud, procurement fraud and bribery and corruption risks.  This register helps us to plan our counter fraud activity and map our coverage of fraud risks between our own Counter Fraud Plan and the work of partner and outside agencies.  In this way we make sure that our resources are targeted at the highest risk areas and that there are no high risk exposures that have no coverage.

We constantly review and update the register.  We also work collaboratively with local and central government to look at fraud trends and develop new strategies to combat fraud and corruption in the sector.

## Counter Fraud and Investigative Resources

The investigation of Council Tax fraud and blue badge / parking frauds are dealt with as part of normal every day activities by the Revenues team and Parking Enforcement teams respectively.

The audit based Counter Fraud Plan deals with all remaining fraud and counter fraud issues, containing approximately 300 days of work on the activities outlined in the previous section.

There are dedicated resources within the Audit team, led by an experienced Internal Audit Manager, and within other teams in the Council which are sufficient to undertake this work

Additional data analyst resources are available on agreement with the Policy Insight and Change team.

# Counter Fraud Activity – Prevent

The prevent elements of our strategy relate, as it suggests, to preventing fraud and corruption.  It links heavily with both the Govern and Acknowledge aspects of the anti-fraud agenda.  Prevent is about preventing fraud through robust governance policies, procedures, internal controls and in the use of technology and inbuilt processes to prevent fraud from occurring in the first place.

## Internal Controls

The responsibility to design effective policies, procedures and internal controls (controls that prevent frauds and errors from occurring), lies predominantly with service managers throughout the Council.  However, they need support in this as it would be unreasonable to expect everyone to be a counter fraud professional.

Internal Audit, provides advice to departments and managers setting up or changing their processes so that developed internal control frameworks, policies and procedures are robust and effective.  Where the need is more specific and relates to counter fraud controls or investigative advice, this is dealt with by those in audit undertaking the counter fraud work.

We look out for anti-fraud controls that can be improved when we undertake routine internal audits across the Council and make recommendations to improve them as we find them with specific counter fraud audits being targeted at higher risk areas or areas with new or developing risks.

As part of the Counter Fraud Plan, we also target the review of key anti-fraud controls and fraud governance mechanisms such as the Declaration of Interest and Declarations of Gifts processes. We also give advice and correctional support to areas that have been hit by fraud to attempt to improve the controls in place to prevent and detect further frauds.

## The Use of Technology

Technology is a double edged sword. It gives us both opportunities to prevent and detect fraud and exposes us to new fraud risks.  As a data driven council, we are investing more and more in data and data analysis to drive our decisions and this equally applies to the counter fraud agenda.

We use internal data matching to bring together data sets across the council to detect fraud and error and are moving towards data led financial audits.  Under these audit types, the performance of financial systems is continually monitored to detect problems early rather than relying on old fashioned sampling audits that base assurance on errors identified on a small sample of records.

# Counter Fraud Activity –Pursue

Pursuing suspected fraud and error is a substantial part of the counter fraud agenda and is the most obvious sign of any activity that we undertake in respect of counter fraud.

We aim to pursue any fraud identified both internally (in terms of disciplinary action) and externally (through prosecution and recovery). All of the action we take is determined by the Sanctions and Prosecutions Policy within the Anti-Fraud, Bribery and Corruption Framework

## The National Fraud Initiative

The Council actively participates in the NFI annually run by the Cabinet Office. It matches the data of public and some private sector bodies in order to identify data conflicts and anomalies that could be fraud or error for investigation. This is a significant piece of work for the council.

NFI matches are released annually although the data checks run follow a 2 year cycle. The 2020/21 NFI cycle completed at the end of September 2021 and looked at the following areas:

- Blue Badge parking permit and residential parking permit data
- Creditor payment data (current and historic)
- Housing tenant and housing waiting list data
- Pensions and payroll data
- Right to buy information
- Licence information for taxi drivers
- Housing Benefit information (supplied by the Department for Work and Pensions)
- The Electoral Register
- Covid business support grants
- Council Tax reductions

Data on Personal Budgets and Residential Care Home clients was not submitted for this cycle. This was due to amendments made to the National Health Service Act 2006. This data is now classified as patient data and the Cabinet Office are still considering their legal data matching powers to ensure this data can be processed legally. It is anticipated that the data will be submitted for matching when any issues are resolved.

Our results are shown on the in the following table.

| Key Statistics | | | |
|---|---|---|---|
| **Results** | **Number Processed** | **Actual Savings** | **Notional Savings** |
| Business Rate Grants | 167 | - | - |
| Payroll and Pensions | 159 | - | - |
| Housing Tenancies | 461 | - | - |
| Housing Benefits | 146 | - | - |
| Right to Buy (Housing) | 16 | - | - |
| Blue Badges | 667 | - | £171,925 |
| Parking Permits | 2 | - | - |
| Housing Waiting Lists | 505 | - | £602,640 |
| Council Tax Reduction Scheme* | 608 | £155 | £33 |
| Creditors and Invoice Duplications | 3,150 | £8,939 | - |
| Council Tax Single Persons Discounts* | 9,735 | £1,708 | - |
| **Totals** | **15616** | **£10,802** | **£774,598** |
| | | | |
| Matches still in progress (all types) | 113 | | |
| New reports released not yet started | 45 | | |

Doncaster Council uses other processes and real time data matching information provided centrally to inform the majority of its Council Tax and Housing Benefit based checking. As a result, the NFI matching in this area, adds little benefit to us as the vast majority of matches are uncovered and investigated much more quickly using alternative methods. The results of this other work are also included in this report.

The savings that are quoted for the NFI exercise are split into 2 main categories, actual savings and notional savings. Actual savings are as they appear, they are monies that can be recovered. Notional savings however, are based on the estimated values of a potential fraud in this area and are essentially a value put on the level of *prevented* fraud. The costings applied per case, are those created by the NFI itself. .In terms of the Housing Waiting list matches and Blue Badge matches, these savings represent the removal of an individual from the Blue Badge or Housing Waiting List registers, usually as a result of the death of the badge holder / applicant. These notional savings represent prevented losses by the removal of these badges / applications as they then cannot be used for fraudulent purposes.

Overall savings provided by the National Fraud Initiative continues to fall. Much of the savings from Council Tax and Benefits come from other more timely initiatives covered later in the report. The overall level of Housing Fraud remains very low, owing largely to the fact that differences between social housing rents and private rents is not as pronounced as in city or greater London areas, which leads to reduced incentives to commit housing based frauds.

## Blue Badge Fraud

Blue badge fraud occurs where individuals misuse a blue badge (issued to someone with reduced mobility). This can include the use of badges by family or friends where the disabled person is not present or the use of badges where the individual the badge was issued to is now deceased.

Blue badge fraud reduces the Council's parking revenue and takes up valuable spaces for less mobile and / or elderly persons.

| Key Statistics | | |
| --- | --- | --- |
| **Results** | **Number / Value** | *2019/20 Comparison* |
| Total number of parking tickets issued | 14,462 | *11,010* |
| Cautions issued | 0 | *2* |
| Written warnings issued | 6 | *11* |
| Unable to take further action | 4 | *3* |
| Prosecuted | 6 | *0* |
| Ongoing cases (awaiting court dates) | 4 | *16* |

Prosecutions have been lower in reporting period, primarily due to the effects of the Covid-19 pandemic. Reduced activity in town centre locations is directly leading to lower levels of contraventions, and therefore, lower levels of enforcement activity. Prosecutions have also been affected with back logs in the courts leading to the cancellation of some prosecutions.
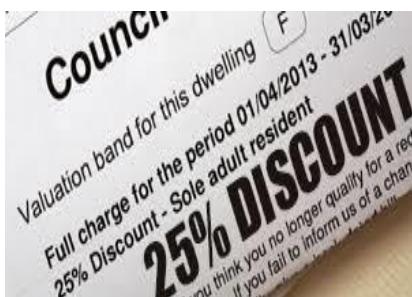
## Single Persons Discount Reviews

The Council carries out a 12 month rolling review of single occupier discounts in a bid to ensure only those entitled receive a discount. This is done with a view to reviewing the discounts in place and identifying and correcting fraud or error within the Council Tax base.

The rolling review targets the borough by postcode issuing review letters to each of the claiming households. These letters prompt individuals to notify us of changes in circumstance that may otherwise have been missed. Where individuals do not respond to the review letter within the specified timescale, discounts are cancelled.

| Key Statistics | | |
| --- | --- | --- |
| **Results** | **Number / Value** | *2019/20 Comparison* |
| Households reviewed in the period | 22,656 | *19,099* |
| Cancelled single persons discounts | 652 | *414* |
| Value of cancellations (estimated) | £183,431 | *£157,260* |

# Housing Benefit Overpayments

Housing benefit overpayments occur for a variety of reasons for example through error or fraud by the claimant, error or fraud by the landlord or the agent, a change to entitlement that is not reported or delays in reporting changes to circumstances for the claimant.  Occasionally errors are caused by the local authority in possessing. Most overpayments happen because there has been a change in the claimant's circumstances that was not communicated to the Council or was communicated late.  Housing benefit fraud happens when these changes are deliberately not reported.   Regardless of the cause, the Council pursues all eligible housing benefit overpayments.  (This is any amount which has been paid to which there was no entitlement).

Activity in the period October 2020 to September 2021, looks very different to that reported in previous years.  All overpayment recovery work was paused at the start of the lockdown in April 2020 and recommenced around August 2020.  However, Direct Earnings Attachments were not re-started until the UK's furlough scheme was ended at the end of September, 2021.  This was done in order to prevent financial hardship and additional business burdens.  As a direct result, the number of attachments is significantly lower than reported in previous years but is expected to return to normal going forwards.

| Key Statistics | | |
|---|---|---|
| Results | Number / Value | 2019/20 Comparisons |
| Cases referred to the Department for Work and Pensions | 197 | 1287 |
| Direct Earning Attachments (to recover overpayments) | 5 | 284 |
| New Invoices Produced for Recovery | 1440 | 222 |
| Cash recovered | £307,652 | £68,504 |



# Local Authority and DWP Joint Fraud Investigations

Since the implementation of SFIS (the Single Fraud Investigation Service) all Social Security benefit fraud has been investigated by the Department of Work and Pensions (DWP).

Council Tax Reduction Scheme fraud (CTRS) is not a social security benefit and is, therefore, not considered in any criminal investigation by SFIS.  However, there is a high degree of correlation between those committing social security benefit fraud and those also committing council tax reduction scheme fraud.  Joint working between councils and the DWP enables those committing both types of fraud to be dealt with under 1 combined investigation.

Investigation of fraud by SFIS has been severely affected by the Covid-19 pandemic with no joint working undertaken between the Council and the DWP in this reporting period. This will re-commence soon as SFIS deals with its backlog of cases.

# Business Rates Grant Fraud

With the onset of a global Covid-19 pandemic, the government recognised the impact on businesses across the country and introduced a series of additional business rate grants to help businesses during the crisis. These grants continued throughout the period covered by this report with various different types of grant available covering everything from businesses being forced to close by the Government's tier system to business restart / recovery grants, all aimed at helping businesses to weather the Covid-19 pandemic and the current economic climate.

We have continued to vet applications for the various types of grant application received and have undertaken a series of post payment sample checks to provide assurance over our payment and checking arrangements and to ensure that we detect as much fraud and error as possible. We have also actively participated in national data exercises with BEIS (the Department for Business Energy and Industrial Strategy, the responsible government department) designed to look for further fraud and error. Feedback is still yet to be received on this. Our reviews however, have shown that are arrangements are robust.

In addition, the Council has provided information to NATIS (the National Investigation Service). NATIS is a law enforcement organisation that is responsible for investigating cross cutting, large and complex crimes relating to the public sector. One fraud, totalling £25,000 which relates to the previous year's Retail Hospitality and Leisure Grant, has been perpetrated at multiple authorities up and down the country. This case has been taken on by NATIS and is currently under investigation. Recovery action for this money is also being taken but further information cannot be published at this time in order to protect the investigation and recovery.

Below is an update on the recovery of frauds and errors identified and reported in the previous Preventing and Detecting Fraud and Error report covering the period 1st October 2019 to 30th September, 2020. All recoveries are being made in line with the guidance issued by the government via BEIS.

| Key Statistics – Update on Fraud and Error Recovery from the previous report | | | | | | |
|---|---|---|---|---|---|---|
| **Grant** | **Fraud / Error Category** | **Fraud or Error Detected** | | | **Recovered so far** | |
| | | **No** | **£** | | **No** | **£** |
| Small Business Rate Relief | Fraud | 6 | £60,000 | | - | - |
| | Customer Error | 5 | £50,000 | | 4 | £40,000 |
| Retail, Hospitality and Leisure Relief | Fraud | 3 | £60,000 | | - | - |
| | Customer Error | 3 | £45,000 | | 3 | £45,000 |
| | Local Authority Error | 1 | £15,000 | | - | - |
| Discretionary Grant | Local Authority Error | 1 | £1,000 | | - | - |
| **Totals** | | **19** | **£231,000** | | **7** | **£85,000** |
| **Total grants in previous period 5419 totalling £57,891,750.** | | | | | | |
| **(0.35% fraud by number and 0.40% fraud by value)** | | | | | | |

Please note that the figures for fraud in the above table are slightly different from those reported in the previous Preventing and Detecting Fraud and Error report for the period ended 30th September, 2020. This is due to the Government publishing guidance in December 2020 and again in March 2021 regarding the classification and recovery of fraud and error for these grants. All previous figures were reviewed in light of this new guidance and as a result the figures were revised. In some cases, additional information was received on appeal that also meant that some cases previously classified as fraud or error were later accepted as eligible for the grant paid. Further monies have been recovered since the previous report which are also reflected in the table above.

| Key Statistics – Business Rates Grants Fraud October, 2020 to September, 2021 | | | | | | |
|---|---|---|---|---|---|---|
| **Grant** | **Grants Paid** | | **Fraud or Error Detected** | | **Recovered So Far** | |
| | **No** | **£** | **No** | **£** | **No** | **£** |
| Local Restrictions Support Grant (Various) | 9,375 | £15,616,173 | 86 | £132,638 | 1 | £2,001 |
| Wet led pub winter support | 164 | £164,000 | - | - | - | - |
| Closed Business Support | 2,157 | £10,085,000 | 22 | £92,000 | 1 | £4,000 |
| Restart Grant | 2,192 | £15,264,867 | 17 | £93,336 | 1 | £8,000 |
| Additional Restrictions Grant (Various) | 4,745 | £7,478,176 | 29 | £85,508 | 1 | £2,000 |
| Digital innovation Grant | 27 | £171,750 | - | - | - | - |
| Capital Expenditure Grant | 13 | £1,112,756 | - | - | - | - |
| Business Productivity Grant | 19 | £210,441 | - | - | - | - |
| Outdoor Hospitality Grant | 75 | £207,244 | - | - | - | - |
| **Total** | **18,767** | **£50,310,407** | **154** | **£403,482** | **4** | **£16,001** |
| **% of fraud by number – 0.82%** % of fraud by value – 0.80% | | | | | | |
| In addition to the above 67 grant payments totalling £230,183 were voluntarily returned by the grant recipient. | | | | | | |

As can be seen above, our choice to undertake checks before payments were made continues to result in low values of fraud with just 0.8% of grants paid by value being identified as fraudulent. Recoveries are being undertaken where frauds and errors have been identified, this recovery is in line with the instructions from BEIS.

# Covid Winter Grants and Local Support Scheme Grants

Covid winter and local support grants were made available nationally to help families affected by the pandemic with the cost of food, energy and other essentials. Covering the periods from the 1st of December, 2020 to the end of September 2021, the payments were made to low income individuals and families providing support vouchers to cover payments such as food, utility bills and other essentials.

Checks were undertaken prior to payment on all of these payments using existing information in the Housing Benefits system and systems maintained by the Department of Work and Pensions and this robust checking prevented any fraud or error with no fraud or error detected or reported on these payments.

| Key Statistics | | |
|---|---|---|
| | **Number** | **Value** |
| Winter Grant Payments | 10089 | £593,787 |
| Local Support Scheme Grant | 1830 | £132,566 |
| | | |
| Frauds / Errors detected | 0 | - |

# Creditor Invoice Matching

The Council runs software on a daily basis against invoices paid (or due for payment) to prevent and detect any possible fraudulent (or more likely duplicated) invoices. These results are worked through by the Council's or Partner's Accounts Payable teams and payments cancelled or recovered as appropriate.

The statistics included here (below) include preventions / recoveries from the Council, St Leger Homes and the Doncaster Children's Trust. This is due to the fact that all of these partners use the same system to prevent, detect and record fraud and duplications.

| Key Statistics | | |
|---|---|---|
| **Results** | **Number / Value** | *2019/20 Comparisons* |
| Prevented Payments | 116 - £1,547,238 | *109 - £439,456* |
| Recovered Payments | 32 - £73,765 | *37 - £ 13,948* |
| Payments From Period Still Being Recovered | 10 - £6,460 | |

# Covid Self-Isolation Support Payments

As part of the Covid-19 pandemic effort, the Government released payments of £500 to help those who were told to self-isolate, were therefore unable to work and would lose income as a direct result of self-isolating. The payments were also in place to support individuals forced to take similar time off to look after self-isolating dependents. The Council processed these payments on the Government's behalf. These isolation payments were paid for the whole period covered by this report but are still in use after this with a current anticipated scheme end date of 31st March, 2022.

A proactive approach was taken by the Council in the payment of these support payments with as much information as possible being verified prior to payment in order to prevent fraudulent applications from being processed. In addition, a further 10% of claims were sample checked AFTER being paid in order to detect fraud and error. These sample checks are confirming that our arrangements were sound and prevented fraud and error with no fraud or error found or reported to us in these payments. Sample checking however, is still ongoing as at the date of this report as these self-isolation payments are still being made and will continue to be paid until at least the end of March, 2022. Our continued sampling is designed to ensure that our arrangements remain robust.

| Key Statistics | | |
|---|---|---|
| | **Number** | **Value** |
| Applications received | 8727 | |
| *Of which……* | | |
| Applications rejected (did not meet criteria) | 1721 | |
| Applications in progress | 70 | |
| Payments made | 3380 | £1,690,000 |
| Frauds identified in payments made | 0 | |
| Applications refused | 3556 | |

Applications rejected contains applications that were rejected on initial vetting and were rejected for reasons such as, not self-isolating, not being in work or not being told to isolate by Test and Trace. Refused applications are those refused after further investigation and are refused for reasons such as exceeding the required earnings threshold, that they have not actually lost any earnings as a result of self-isolating or where they are unable to provide a valid NHS number to validate.

# Teachers Pensions Matching

Teacher's pensions are paid by a specific outside body that deals with the Teacher's Pension Scheme, however, a small number of additional payments are also made to approximately 1000 teachers by Doncaster Council. Historically, there have been issues with these payments when the Teacher's Pension Scheme have been made aware of the death of one of their members and have failed to notify the Council of this change. This has resulted in both fraud and error in the past.
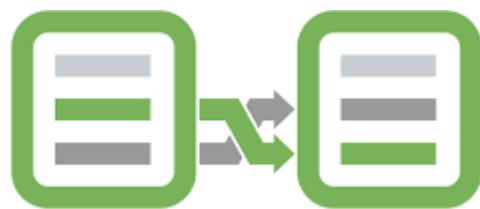
Regular data matching has been set up to check our pensions payments to deceased persons registers in order to detect and in future prevent overpayments as much as possible. Attempts to recover the overpayments are in progress.

| Key Statistics | |
|---|---|
| **Results** | **Number / Value** |
| Number of records checked | 971 |
| Overpayment detected after death | 4 - £18,115 |
| | |

# Counter Fraud Activity – Pursue

The Council aims to take action against any fraud or error that it detects during any of its activities.

The pursuit of individuals responsible for fraud is on 3 main levels.

1) Internal pursuit through the disciplinary policy ;
2) Civil recovery of any losses; and
3) Criminal action where possible through the Police and Courts.

The case listed here give as much detail as possible about fraud and corruption encountered and investigated as is reasonable under the Data Protection Act.  Where a case is ongoing, any information that could prejudice the case has been withheld.

Internal Audit Services has worked on the following case in the 12 months to the end of September 2021.

## Fraud at a school

**This fraud was previously reported in the Preventing and Detecting Fraud and Error report 2020**.

Concerns were raised by the Headteacher of a local authority school, about the financial conduct of a member of their staff.  A full audit investigation was undertaken which identified unusual transactions and other anomalies.  Frauds totalling over £7,600 over a 23 month period were uncovered with missing cash at the school of over £10,000 in just a 6 month period.  Total losses are expected to have been significantly higher as cash handling records were only able to be looked at for a limited 6 month period.

After a disciplinary hearing, the employee was dismissed with the decision upheld on appeal.  The case is being referred to the Police for further action to be taken against the individual concerned.