



Report

Date: 23rd November 2023

To: The Chair and Members of the Audit Committee

Report Title: Preventing and Detecting Fraud and Error Report October 2022 to September 2023.

EXECUTIVE SUMMARY

1. The attached report summarises the work done by the Council during the period October 2022 to September 2023 to prevent, detect and investigate fraud and corruption in line with the Government's Fighting Fraud and Corruption Locally Strategy and minimise errors whether caused by fraud or not.
2. The report shows that the overall incidence of fraud remains very low in general terms, taking into account the scale of the Council's activities. Proactive counter fraud activities to prevent and detect fraud and error early continue to be a focus in the Council's strategy.
3. Cost of living increases continue to bite. Fraud risks generally increase as the amount of monies available to individuals and businesses falls. This increases the likelihood of frauds, particularly Council Tax, Benefits and business-related frauds as it becomes ever more tempting to not report changes that lead to increased costs. This increase is evident in the data on Council Tax fraud and error with an increase in the values of cancelled single person's discounts as a result of our review initiatives (to be confirmed by the service). The values of discounts cancelled rose by over 30% despite a 27% fall in the number of properties reviewed. In contrast, Council Tax increased during the period by only 4.49%.
4. The report includes (as it has in previous years) information that is required to be published under the Transparency Agenda and includes information about the Council's approach to tackling fraud, corruption and error and how the Council's activities are arranged / set up.

5. Fraud and error highlighted in the report includes:

- | | |
|---|----------|
| • Actual savings from the 2022/23 National Fraud Initiative | £108,013 |
| • 1061 cancelled Council Tax Single Person's Discounts as a result of our rolling programme | £311,544 |

of checks (value is estimated based on the additional tax collectable through cancellation)	
• Housing Benefit – 209 cases referred to the Single Fraud Investigation Service (Department for Work and Pensions) for investigation with 20 Direct Earnings Attachments to recover historically written off debt. Debt recovered has been listed to the right.	£564,753
• Prevented and recovered invoice duplications and invoices identified for recovery from our regular and ongoing creditor invoice matching Please note these figures represent only HALF of the year in question due to issues in recovering summary data after a system transfer (this is discussed in the main report).	£118,286
• Prevented 18 overpayments on pension payments as a result of ongoing data matching (estimated notional value plus actual over payment values)	£47,705
• Identified 1 additional business grant fraud	£10,355

Comparative information is provided where possible in the main body of the report. This doesn't raise any concerns and overall processes and systems are effective and fraud levels remain very low.

EXEMPT REPORT

6. This report is not exempt.

RECOMMENDATIONS

7. The Audit Committee is asked to support the production of the Preventing and Detecting Fraud and Error report and agree to appropriate publicity being produced to highlight the outcomes from the Council's anti-fraud activity and to act as a deterrent to fraud.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

8. Fraud and corrupt activity divert scarce resources away from Council services. They cost the taxpayer money that could have been used for the benefit of local citizens. Maintaining a strong counter fraud stance helps to minimise fraud losses and deter fraudulent activity.

BACKGROUND

9. The production of an annual fraud response report, which details the work done to counter fraud and corruption, is in line with the requirements of the Fighting Fraud and Corruption Locally Strategy for local government. Doncaster Council adopts a risk based approach to fraud and seeks to educate staff on identifying fraudulent behaviour, educate managers to assess the risks of fraud in their areas and to detect and investigate fraud where it is identified. The Council's commitment to

combatting fraud and corruption is contained in the Anti-Fraud and Corruption Framework which is approved by the Audit Committee.

OPTIONS CONSIDERED








10. Not applicable.


REASONS FOR RECOMMENDED OPTION

11. Not applicable.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

12.

Great 8 Priority	Positive Overall	Mix of Positive & Negative	Trade-offs to consider – Negative overall	Neutral or No implications
 Tackling Climate Change				✓
 Developing the skills to thrive in life and in work				✓
 Making Doncaster the best place to do business and create good jobs	✓			
<p>Comments:</p> <p>Fraud and error reduces the money available to the public purse and, therefore, has an impact on the Council's ability to provide services and develop Doncaster for its citizens. Blue badge fraud has a direct negative impact on the available parking spaces in the town centre for individuals with reduced mobility.</p>				
 Building opportunities for healthier, happier and longer lives for all				✓
 Creating safer, stronger, greener and cleaner communities where everyone belongs				✓
 Nurturing a child and family-friendly borough				✓
 Building Transport and digital				✓

connections fit for the future				
 Promoting the borough and its cultural, sporting, and heritage opportunities				✓
Fair & Inclusive				✓
Comments:				

13. Legal Implications

Legal implications were not requested in relation to this report

14. Financial Implications

Financial implications were not requested in relation to this report

15. Human Resources Implications

Human Resources implications were not requested in relation to this report

16. Technology Implications

Technology implications were not requested in relation to this report

RISKS AND ASSUMPTIONS

17. Failure to address fraud and corruption risks causes:-

- reputational damage to the Council from fraud and corrupt practices;
- diverts scarce resources away from priority services to the detriment of our citizens.

CONSULTATION

18. Not applicable.

BACKGROUND PAPERS

19. The Council's Anti-Fraud and Corruption Framework (available on the Council's website and approved by the Audit Committee).

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

20. All abbreviations and acronyms are written in full in the report with their abbreviations used only after the first instance. Items used are:

- NFI – National Fraud Initiative
- DWP – Department of Work and Pensions
- CTRS Council Tax Reduction Scheme

- SFIS – Single Fraud Investigation Service (the benefits fraud investigatory arm of the Department of Work and Pensions)
- DEA – Direct Earnings Attachments
- BEIS – The government Department for Business Energy and Industrial Strategy
- HMRC – His Majesty's Revenue and Customs

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