

Single Meeting Review - Single Person Discount for Council Tax

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REASON FOR ITEM

For this meeting, Members will be provided with a presentation on the Single Person Discount project which the Council's Corporate Fraud Investigations Team (CFIT) has been working on for 12 months.

OPTIONS OPEN TO THE COMMITTEE

1. Members to consider the information contained in the report
2. To receive evidence from the witnesses present at the meeting.
3. To seek clarification or to request any further information from officers.

1. Single Person Discount (SPD)

The Council has a responsibility to protect the public purse through proper administration and control of the public funds and assets to which it has been entrusted. The work of the Corporate Fraud Investigation Team (CFIT) supports this by providing efficient value for money anti-fraud activities and investigates all referrals to an appropriate outcome. The Team provides support, advice and assistance on all matters of fraud risk including prevention, fraud detection, other criminal activity and deterrent measures.

The Corporate Fraud Investigation Team have been working on a project since January 2015 to identify incorrect claims for Single Person Discount in relation to Council Tax. The project is producing positive results in terms of reducing the number of SPD claims and generating additional income to the Authority. There are currently 30,088 SPD claims in Hillingdon. Since the commencement of this project SPD numbers are the lowest they have been for the last five years.

The CFIT are operating 4 work streams to match internal data sources against SPD claims.

Under the first work stream SPD records are being matched against Hillingdon First cards issued since April 2014. The matching exercise establishes if more than one person is registered for a Hillingdon First card at an address where SPD is being claimed. To date 103 SPD cases have been stopped resulting in an overpayment of £62k which will be recovered as additional revenue.

The second work stream concerns 'notices of the intention to marry' submitted to the Registrar's Office. Couples have to include their current residence on these applications and these details have been matched to SPD claims. Records from April 2014 are being checked and to date 55 cases have been identified resulting in an overpayment of £47k which will be recovered.

The third work stream involves data matching SPD records with the Electoral register. To date 247 cases have been identified resulting in an overpayment of £194k for recovery.

The fourth work stream commenced in November to match SPD claims against residents parking permits. The initial data matching has identified 278 matches which require further investigation. The investigations are likely to find that some of these matches are the result of poor data quality, however, any confirmed data matches will be processed for further investigation.

If a suspected SPD fraud is identified the CFIT carries out additional background checks on the claimant, such as housing records, benefit records, school records and Equifax online credit reference checks. A member of the CFIT then contacts the claimant either by telephone, letter or personal visit to discuss the claim and the evidence indicating fraudulent activity. In most instances as a result of this contact, claimants choose to resolve matters swiftly and make arrangements to repay the Council any monies they have previously claimed in discount. They are keen to settle the matter and avoid any repercussions.

Since April 2015 the CFIT team have commenced a significant data matching exercise with a credit reference agency called Experian. This exercise matches all our SPD claims with credit reference information to establish if applications for SPD are genuine. The matches have been rated into categories of high, medium and low depending upon the likelihood of an incorrect SPD claim. Officers from the CFIT are investigating all relevant cases. To date 72 SPD cases have been stopped resulting in a saving of £62k. It is planned to review the data matches by the 31st December 2015.

Officers have also run some additional in house reports to compare information on different systems and this has identified a further 189 cases resulting in savings of £82k.

Since January 2015/16 the CFIT have cancelled 686 SPD claims resulting in overpayments of £459k as shown in table 3.

Table 1

Council Tax - Single Person Discount – since January 2015		
Workstream	Number of claims stopped	Overpaid SPD
Hillingdon First Card data matching	103	£62k
Notices of intention to marry checks	55	£47k
Electoral registration data matching	247	£194k
Experian credit reference agency data matching	72	£62k
In-house data matching reports	209	£94k
Total	686	£459k

Charts 3 and 4 show summaries of the SPD overpayments and the number of households where claims have been cancelled from the intervention of the CFIT.

Chart 1

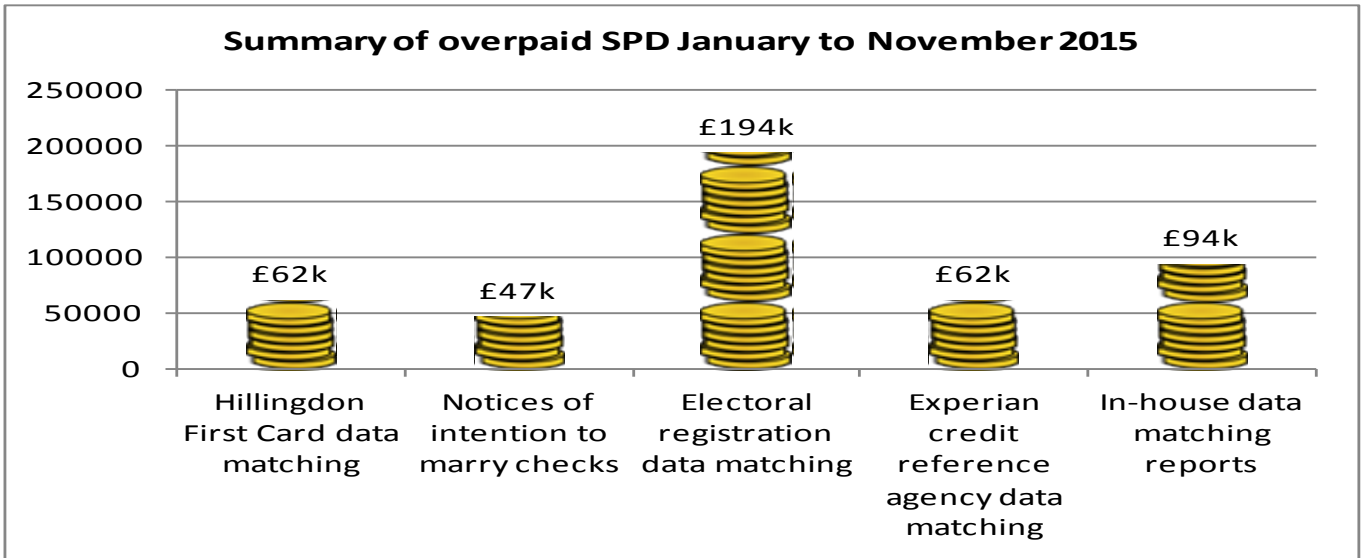
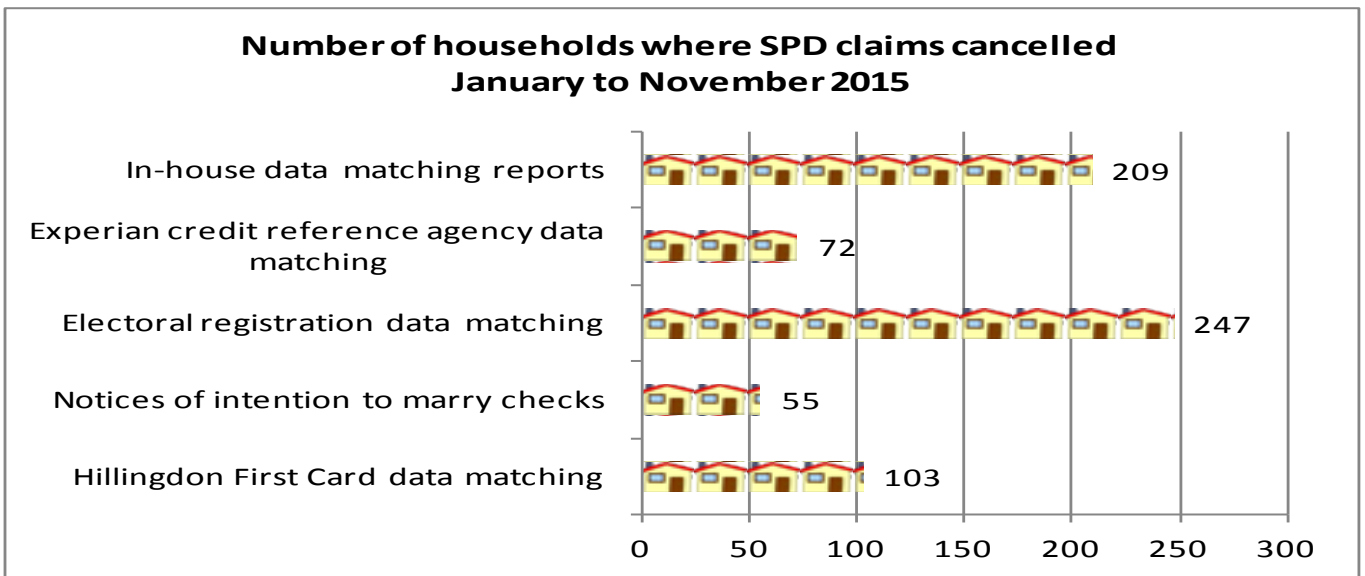


Chart 2



In cases where there is evidence of serious fraud the CFIT will look to pursue the prosecution of the claimant.



The poster opposite appears in issues of Hillingdon People and notice boards around the Borough to raise the profile of Single Person Discount abuse.

WITNESSES

- Garry Coote - Corporate Fraud Investigation Manager
- Alex Brown - Corporate Fraud Investigation Team
- Yvonne Penston - Corporate Fraud Investigation Team
- Laura Piggott - Corporate Fraud Investigation Team

PAPERS WITH THE REPORT

None.