

BUSINESS ASSURANCE

Counter Fraud Progress Report to Audit Committee: 2021/22 Quarter 3

21st January 2022



HILLINGDON
LONDON

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1. Introduction

1.1 The Role of the Business Assurance Counter Fraud Team

- 1.1.1 The Business Assurance Counter Fraud Team (BACFT) supports the Council in meeting its statutory responsibility under section 151 of the Local Government Act 1972 for the prevention and detection of fraud and corruption. The work of the BACFT underpins the Council's commitment to a zero-tolerance approach to fraud, bribery, corruption, and other irregularities, including any money laundering activity.
- 1.1.2 As well as counter fraud activity, there is also a range of preventative work that the team is responsible for carrying out. This includes fraud awareness training and ensuring the Council have up-to-date and appropriate investigation policies and procedures.

1.2 The Purpose of the Counter Fraud progress report

- 1.2.1 The Counter Fraud Progress Report provides the Council's Corporate Management Team (CMT) and Audit Committee with summary information on all counter fraud work carried out during the Quarter 3 period (1st October to 31st December 2021). In addition, it provides an opportunity for the Head of Counter Fraud (HCF) and the Deputy Director of Exchequer Services & Business Assurance (DDEBSA) to highlight any significant issues arising from the counter fraud work in Quarter 3 (Q3).
- 1.2.2 The progress report also highlights to CMT, the Audit Committee and other key stakeholders, the performance of the BACFT in meeting its strategic and operational objectives (as set out in the Counter Fraud Strategic Plan), which provides an opportunity for the HCF and DDEBSA to be held to account in this respect.

2. Executive Summary

- 2.1 The BACFT has continued to build upon the success of Q2 delivering a variety of counter fraud workstreams, proactive projects and investigations. This has led to **the BACFT achieving c£639k in loss prevention savings in Q3 alone** across Revenues, Social Care and Housing services, bringing the **total year to date loss prevention financial savings to c£2.47m**. This makes **2021/22 the most successful financial year ever** for the BACFT and that is before Q4 work has been completed. This achievement can be partly attributed to the new innovations the BACFT has introduced to tackle the risk of fraud and loss to the Council.
- 2.2 During Q3 the BACFT has been committed to tackling tenancy fraud through risk based proactive projects and investigative work. The work carried out by the BACFT in this area has generated a significant return during the quarter with **17 Council properties recovered** for sub-letting or non-occupation. This represents the **highest property return in a single quarter on record** for the team, bringing the total number of properties recovered to **34 for the financial year to date**. With an increase in housing referrals received in Q2 and Q3, a large number of housing fraud investigations are ongoing with further positive outcomes in this area due to be reported in Q4.
- 2.3 As part of a new initiative to support the BACFT in combatting tenancy fraud, Hillingdon commenced its first ever **Key Amnesty Campaign** during Q3. The campaign gave the opportunity for those committing tenancy fraud to relinquish their Council accommodation whilst receiving a pardon from any criminal proceedings. To raise awareness of the amnesty, an extensive media campaign was conducted across social media, as well as a press release in Hillingdon people. The Key Amnesty itself has now concluded with the final results due to be reported in Q4 once all keys have been returned following the expiration of notice periods. Early indications are that the campaign has been very successful in relation to similar exercises conducted at other authorities.

- 2.4 In the area of Revenues, the BACFT has primarily focused this quarter on developing workstreams to maximise revenue. A new proactive project working with two external suppliers is now underway where they are identifying businesses that are not listed for rates and are highlighting businesses that have had a significant change to their hereditament/ rateable value. Although this project is in its infancy, the HCF is confident that this project will have a notable impact in increasing the Council's income. The outcomes of this work will be reported in Q4.
- 2.5 In conjunction with Parking Services, the BACFT conducted a **proactive Blue Badge Operation** this quarter. The operation was held in Hayes Town Centre and the surrounding areas, following intelligence received of multiple occurrences of misuse. The operation resulted in **5 badges being seized for misuse** and **3 Parking Charge Notices (PCNs)** being issued, with all 5 investigations ongoing. The close working relationship with Parking Services has led to a more efficient risk-based approach to blue badge misuse, identifying hotspot areas across the borough through intelligence gathering. This methodology will continue to ensure BACFT resources are deployed effectively to combat the risk of blue badge misuse.
- 2.6 Throughout the year the BACFT has dedicated resources to creating a positive counter fraud culture across the organisation, as well as engaging with the public to raise awareness of the importance of reporting fraud. During Q3 the BACFT promoted its **awareness campaign** to coincide with the **International Fraud Awareness Week**. We released daily social media posts across a variety of platforms, as well as several members of the team manning a fraud awareness stand within the Pavilions Shopping Centre, Uxbridge. A further **7 Fraud Awareness presentations** were also delivered across a range of council services including Procurement, Technical Administration, Direct Payments and Libraries.

3. Analysis of Counter Fraud Activity in Quarter 3

3.1 Housing Fraud

- 3.1.1 The BACFT has continued in Q3 to deploy its resources effectively to combat tenancy fraud through proactive projects and investigative work within the area of Housing. This has led to the **recovery of 17 Council properties in Q3**, meaning Q3 has seen the highest property return figures on record in a single quarter. As per **Table 1** (over the page), this brings the **year to date property recovery to 34**, which represents an increase in properties of 55% compared to the 22 recovered in all of 2020/21. These achievements, alongside other positive outcomes in housing fraud prevention and detection, has seen the BACFT reach **c£418k in loss prevention savings** for Housing fraud in just Q3.
- 3.1.2 The Courts are now showing signs of returning to pre-pandemic levels of operation with tenancy fraud cases being listed in a much timelier manner. This gives the BACFT the ability to recover properties through the legal system where necessary, as well as through means other than court. This development is positive news as the BACFT has now **instigated legal proceedings on 8 cases**, with more cases likely to require legal intervention during Q4.
- 3.1.3 As at the end of Q3, the team had **105 ongoing investigations** into suspected fraud within the area of housing. This consists mainly of a variety of non-occupation, illegal sub-let and wrongful succession cases. This continues the pattern that emerged in Q2 with a substantial increase in the number of live investigations the team is used to conducting within the area of housing. This can be attributed to many factors including the easing of covid restrictions and an increase in the quality and volume of housing referrals received during the last two quarters (which has in part been influenced by the Key Amnesty Campaign).

Table 1 ~ Housing Tenancy Fraud Cases

Housing Tenancy Fraud Cases	2021/22*		2020/21		2019/20	
	Cases*	£k/value**	Cases	£k/value	Cases	£k/value
Total number of properties recovered	34	£612k	22	£396k	28	£504k
Total number of ongoing cases	105	£1,890k				

* As at end of Q3 (31st December 2021).

** In 2014, the Audit Commission reported the national average temporary accommodation costs to Local Authorities for one family as **£18k per property**. We continue to use this prudent estimate for reporting purposes, although across London many authorities are reporting that the true cost of each tenancy fraud case is more accurately estimated as **£94k per property** and some as high as **£150k per property** as a representation of property replacement costs.

- 3.1.4 The Key Performance Indicator (KPI) 4 (refer to **Table 5** in **Appendix A**) targets an outcome of a Council property to be recovered for 20% of tenancy fraud referrals received. The BACFT has continued to investigate housing fraud effectively with **38% of tenancy fraud referrals resulting in property recovery**.
- 3.1.5 The team continues to carry out checks on all **Right to Buy (RTB) applications** submitted to Housing Services. The RTB process is a statutory scheme whereby a tenant can apply to purchase their property at a significant discount from its market value. There are strict conditions that must be met by the applicant if they are to qualify for the discount. During Q3, the BACFT has prevented **1 fraudulent RTB application**, leading to **loss prevention savings** of **c£112k**. A further **8 cases of suspected RTB fraud** are currently being investigated.
- 3.1.6 The team launched the Council's first ever **Key Amnesty Campaign** this quarter which was designed to highlight to residents that **social housing fraud is a crime** and also raise awareness that the council has a responsibility to investigate any suspected cases. The amnesty gave anyone misusing their council property, an opportunity to **surrender their tenancy** within a set period, with a guarantee of no further legal action being taken.
- 3.1.7 The Key Amnesty ran for 6 weeks, with its launch coinciding with **National Fraud Awareness week**. To raise awareness of the amnesty, an extensive communications campaign was run across the Council's social media platforms, Hillingdon People and Council website. Posters were put up in libraries, noticeboards across the borough and in public areas of the Civic Centre. Leaflets were also distributed to identified tenancy fraud 'hot-spot' areas within the borough. In-house training was given to front line services to provide them an overview of the campaign and how to signpost any queries.
- 3.1.8 The campaign was also picked up by other counter fraud professionals on their LinkedIn accounts and other social media platforms. This included LBFIG (London Borough Fraud Investigators Group), tenancy fraud solicitors and an article was published on the Public Finance website regarding the amnesty. The campaign itself has now concluded with full results to be reported in Q4 once all keys have been returned.
- 3.1.9 In Q3 the BACFT completed its proactive housing project involving outstanding **gas safety inspections**. Working collaboratively with internal departments including Housing, Repairs and Legal Services, the BACFT conducted **unannounced visits to 35 properties** that had long overdue gas safety checks. The purpose of the project was to reduce the number of properties that have outstanding gas safety checks of 12 months or longer, whilst also identifying potential cases of non-occupation or sub-letting.

- 3.1.10 In total **31 properties resulted in successful appointments**, which has saved the Council over **£12k in legal costs**. The project has also highlighted **4 cases of suspected housing fraud** which are currently under investigation.
- 3.1.11 Although the council no longer offers the First Time Buyer (FTB) scheme, the BACFT continues its **fraud prevention work** by carrying out periodic unannounced post-sale residency checks on properties purchased through the scheme. The conditions of the scheme specify that the homeowner(s) must occupy their property for the first 36 months after purchase to retain the grant. So far, **3 FTB cases are under investigation for sub-letting** and legal proceedings have been instigated for one investigation. These post sales checks will continue for those already in receipt of the grant.
- 3.1.12 Per **Table 2** below, the BACFT as part of its prevention activity, carry out eligibility checks on applicants who register for social housing. In Q3 the BACFT has **completed 492 verifications**; these checks include gathering information on an applicant's income, savings, assets, as well as their stated current housing situation.

Table 2 ~ Housing Tenancy Verification Cases

Housing Tenancy Verification Cases	Q1	Q2	Q3*	2021/22*	2020/21
Total number of cases reviewed	756	511	492	1,759	2,010
% identified by BACFT for rejection	29%	24%	25%	26%	31%
Total number of applications closed	1	3	6	10	14

* As at end of Q3 (31st December 2021)

- 3.1.13 During the quarter a further **6 Social Housing applications** have been completely closed. Applications are closed due to a range of reasons, such as they no longer have a housing need, they have no immigration status, they own a property elsewhere or they have over the threshold in savings or assets. Without the BACFT's enhanced verification checks, these applicants may have been successful in obtaining a council property that they were not entitled to.
- 3.1.14 KPI 2a (refer to **Table 5** in **Appendix A**) targets an **outcome of 95%** of Housing allocation verifications to be completed within the target date set by the Housing department. In Q3 the team has successfully achieved **99% of verifications** being completed within their target date. The BACFT have consistently performed at this level throughout the financial year, this is due to the risk-based changes and efficiencies implemented within the team's verification process.

3.2 National Fraud Initiative & Internal Data Matching

- 3.2.1 The National Fraud Initiative (NFI) is a data matching exercise co-ordinated by the Government Cabinet Office and conducted every 2 years. The NFI matches data from over 1,200 organisations, including councils, the Police, NHS organisations and almost 100 private companies to identify potential fraud and error. In the year to date, the BACFT has identified loss prevention **savings of c£48k** in this area. Most of these savings are due to residents continuing to claim Single Person Discount (SPD) when they were no longer entitled to do so.
- 3.2.2 The Cabinet Office has collected further data sets from Local and Central Government in Q3 and will release the next round of NFI annual matches in January 2022. These will be reviewed in Q4 to identify any fraud, loss, or error and outcomes will likely be reported in the new financial year.

3.3 Revenues Fraud & Inspections

- 3.3.1 Per **Table 3** below, in Q3 the Revenues Investigation Unit (RIU) has **conducted 2,292 inspections, with 2,242 (98%) completed within the 10-day target**. The BACFT has continued to work hard to consistently meet this KPI target over the course of the year (refer to **Table 6** at **Appendix B**). This has been achieved against the backdrop of two high profile areas of work that have been undertaken during the last two quarters within this area of fraud.

Table 3 ~ Revenues Inspections Performance 2021/22

Revenues Inspections	Q1	Q2	Q3	2021/22*	2020/21
Total number of inspections completed	1,981	2,459	2,292	6,732	6,005
Percentage within 10 day target	94%	97%	98%	97%	59%

* As at end of Q3 (31st December 2021).

- 3.3.2 Proactive project work has continued to identify '**Beds in Sheds**' within the borough during Q3. 'Beds in Sheds' is the term used to describe habitable outbuildings, or annexes to private properties being utilised without the awareness of the Council or the Valuation Office Agency (VOA). RIU staff have followed up on outstanding inspections covering four roads in a specific part of the borough. A further **43 properties** were visited during this period which resulted in the identification of **1 self-contained annexe/outbuilding**. The details of this property have been shared with the VOA and the financial outcome will be reported in Q4. A total of **21 properties** require further inspection with visits to be conducted in the coming weeks.
- 3.3.3 Outside of the proactive 'beds in sheds' projects a further **7 previously unlisted self-contained annexes/outbuildings** have been added to the Council Tax listings during Q3. This has resulted in over **£12k** of loss prevention savings being identified. A further **5 outbuildings** have also been identified and their financial outcomes will be reported in Q4. Beds in Sheds will remain a key area of focus for the BACFT, with further proactive visits planned to continue for the remainder of the year.
- 3.3.4 The BACFT has continued to develop its efforts to maximise revenue for the Council. New relationships have been developed with data providers to assist with the identification of previously unlisted businesses, and to identify changes that would result in the re-evaluation of the rateable value. The data from these providers was shared and reviewed late in Q3 and the results from this **Revenues Maximisation project** will be shared in Q4 and will continue to be developed over the coming months.
- 3.3.5 During Q3 the BACFT has continued to proactively identify previously unlisted businesses by utilising internal intelligence and open source data. This has resulted in the BACFT identifying **6 businesses** that were previously not listed for NNDR. The investigations on all 6 businesses have been concluded, and all the relevant evidence was sent to the VOA. It was confirmed by the VOA that all 6 businesses should be brought into rates, and this has resulted in **£37k of loss prevention savings**. Although only 15% of this is retained by the council, this highlights the importance of proactive intelligence led investigations in this area of work.
- 3.3.6 The BACFT's RIU will be aiming to further develop revenue inspections work by utilising technology and other internally held data. Meetings have been held with colleagues from Waste Services and Environmental Health to promote the sharing of internally held data. The pre-emptive utilisation of internal data will assist the BACFT to identify unlisted businesses sooner. This is a vital area of work for the council as businesses have no legal obligation to inform the Council Tax Team that they are trading, and every unlisted business is a potential loss of **legitimate revenue** to the council.

3.4 Small Business Rates Relief Project

- 3.4.1 The Small Business Rates Relief (SBRR) scheme is designed to reduce the amount of business rates payable by small businesses. This reduction is available to ratepayers who occupy a property with a rateable value of no more than £15k. During Q3 the BACFT have worked with colleagues from Exchequer Services to identify businesses that are still eligible for SBRR. This is an important area of work as it helps to support small local businesses and the Council receives guaranteed income from central government for every eligible business identified.
- 3.4.2 The team conducted **409** checks that involved unannounced visits along with interrogation of internal systems. As a result of these SBRR checks **27** premises required a change of occupier and **38** premises were identified as unoccupied requiring further monitoring. Following this project, **3 commercial** and **1 domestic** premises are due to be merged and **3 commercial premises** require further investigation. Amendments have been shared with the VOA to action and accounts will be updated accordingly once confirmation has been received from the VOA. The outcomes of any changes will be reported in Q4.

3.5 New Homes Bonus Empty Property Project

- 3.5.1 The New Homes Bonus (NHB) is a grant that is paid by central government to incentivise local housing growth. Following the conclusion of our NHB project late in Q2, the Local Government Council have given a **provisional settlement figure of £2,765k**. This is a **£380k increase** from the original figure that was included in the Consultation Budget presented to Cabinet in December 2021. The work conducted by the BACFT helped directly increase the grant money that will be received by the Council.

3.6 Social Care Counter Fraud Work

- 3.6.1 The BACFT has continued to focus on areas of loss prevention and counter fraud activity within **Financial Assessments (FA)**. The **Financial Assessment verification process** is now in its third quarter and continues to see an increase in verification requests by the FA Team, with the BACFT receiving **124 requests** in Q3. The council is under a financial and legal obligation to carry out this means tested assessment for each service user. The assessment identifies whether the applicant(s) is eligible to receive funding towards their care costs. The verification process also allows the BACFT to provide assurance to key stakeholders that any anomalies such as hidden assets, income or capital are highlighted and investigated prior to any funds being administered.
- 3.6.2 The Team's robust approach to this process has enabled all 124 verifications requests to be carried out, with a total of **8 cases undergoing additional checks** where further information is required and **2 cases currently under investigation**. The BACFT delivered a **bespoke Fraud Awareness session** to staff within the **Direct Payments Team** during the quarter. This has given staff involved a greater understanding of the potential fraud threats within their service area and the process for reporting any suspected cases.
- 3.6.3 A direct payment can only be provided to applicants if they have been assessed as needing care and support services. The payments are made to allow applicants to access care to meet their needs. The financial obligations can be substantial, and it is vital that the council identifies applicants who are able to fund these services via their own means. There are currently **3 Direct Payments cases under investigation**, with outcomes expected to be reported in Q4.
- 3.6.4 The council offers a range of financial support schemes for people with disabilities, such as the **Disabled Facilities Grant (DFG)**. The DFG is a means tested scheme that allows eligible applicants to receive financial support to make adaptations to their home, if they, or someone living at the property is disabled. The BACFT undertakes reactive investigations into suspected cases of fraud within this scheme.

- 3.6.5 Q3 has seen the positive conclusion of **2 DFG cases** that were linked to 2 ongoing tenancy fraud investigations. In both cases it was established that the offenders were not occupying the property that the DFG had been applied for which meant they were ineligible for the grant. Both applications were subsequently closed and **loss prevention savings of c£14K** identified. Both these cases highlight instances where unfortunately attempts are being made to defraud the council across different services areas, with a further **3 cases currently under investigation**. This underlines the importance of the BACFT working across multiple fraud risks whilst operating a proactive risk-based approach.
- 3.6.6 The team provide assurance and mitigate the risk of fraud within **Children's Social Care**, in particular the allocation of emergency accommodation provided under Section 17 of the Children's Act 1989. The verification process seeks to validate a family's reason for approach as well as their financial circumstances, as applicants claim to be destitute and requiring accommodation and or financial support. the BACFT conducts verification checks on all applicants approaching the Council.
- 3.6.7 **Table 4** below, illustrates the outcomes in this area and highlights the importance of these low volume, yet high monetary value cases. The BACFT evidenced in **1 case** that an applicant already had access to public funds, therefore financial support from the council for the family was not required, resulting in **accommodation cost savings of c£13k**.

Table 4 ~ Section 17 Verification Cases 2021/22

Cases	Q1	Q2	Q3	2021/22*	2020/21
Total number of cases reviewed	6	7	7	20	N/A
Total number verified as accurate	4	6	6	16	N/A
Total number of cases closed	2	1	1	4	N/A
Loss Prevention Savings	£26,256	£13,128	£13,128	£52,512	N/A

* As at end of Q3 (31st December 2021).

- 3.6.8 Q3 seen the commencement of a project proactive in relation to residency checks of **Unaccompanied Asylum-Seeking Children (UASC)**. UASC are children and young people who are seeking asylum in the UK but have been separated from their parents or carers. Whilst their asylum claim is processed, they are cared for by the council and provided with accommodation and/or financial support. The BACFT's proactive project was designed and orchestrated to provide assurance to key stakeholders within Social Care that all UASC supported in shared accommodation were lawfully occupying their placement. Any instances of non-occupation or sub-letting identified are investigated.
- 3.6.9 This project is nearing completion and a total of **287 visits** have been conducted to **98 properties**. A total of **6 cases are under further investigation** for possible non-occupation or sub-letting. The BACFT will report any outcomes from this project in Q4.

3.7 Blue Badge Fraud

- 3.7.1 A Blue Badge provides parking concessions and helps people with **non-visible and visible disabilities or health conditions** park closer to their destination. The Blue Badge enables holders to park in designated disabled person's parking bays either on the public highway or privately owned car parks. In addition, badge holders can park on single or double yellow lines for up to 3 hours.

- 3.7.2 Following the success of the Blue Badge operations in Q2, the **BACFT ran a third operation in Q3**. This intelligence driven proactive project saw BACFT officers deployed in and around Botwell Leisure Centre and Hayes Town Centre. Officers focused on ensuring that disabled residents and visitors to the area were able to access the disabled parking facilities on offer during the busy festive period and where appropriate took enforcement action to address those found to be flouting the scheme. A total of **24 Blue Badges** were inspected by officers, leading to the **seizure of 5 badges** due to potential Blue Badge misuse. All 5 cases remain under investigation with results expected in Q4.
- 3.7.3 Q3 also saw the successful conclusion of **2 Blue Badge cases** that were under investigation following the team's operation at Ruislip Lido in Q2. The result was that both offenders received a **£100 fixed penalty notice and a Simple Caution**. Positive feedback was received from members of the public during the operation and these successful results further emphasise Hillingdon's zero tolerance approach to all types of fraud.

3.8 Onsite Immigration Official

- 3.8.1 The BACFT has had a Home Office Onsite Immigration Official (OSIO) working as part of the service since April 2018, providing enhanced access to Home Office data for the purpose of assessing cases involving immigration issues and for assisting in a range of counter fraud work. The OSIO has continued this quarter to work closely with colleagues from the **Social Care** finance team to identify UASC service users who are eligible to access mainstream benefits. The early identification of eligibility can produce significant savings in social care budgets. Due to the regular additions to the UASC case load, this will be an ongoing piece of work for the OSIO moving forward.
- 3.8.2 Information provided by the OSIO has directly contributed to loss prevention savings of **c£46k** in Q3 (refer to **Table 6** in **Appendix B**). These savings are in relation to clients who had approached Social Care for assistance but were subsequently found to be ineligible due to their immigration status. These savings highlight the continuing benefits of having direct access to Home Office information to assist Council staff with their decision-making process. The advice and information provided by the OSIO has also assisted the BACFT with an ongoing legal case. This has proved invaluable to the Council's Legal team when challenging the counter arguments that have been raised on behalf of the defendant. This is an example of the indirect and not necessarily quantifiable benefits of the information that is directly accessible by the OSIO.

3.9 Other Counter Fraud Activities

- 3.9.1 To coincide with **International Fraud Awareness week** the BACFT undertook a significant social media and in-person fraud awareness campaign. The campaign was launched in conjunction with Hillingdon's **Key Amnesty Campaign**. Members of the staff from the BACFT manned a fraud awareness stand for the week in the Pavilions Shopping Centre in Uxbridge. Fraud prevention advice was offered along with information about the services provided by the BACFT to members of the public.
- 3.9.2 The BACFT has continued to support colleagues from the **Community Safety Team** and has taken part in monthly targeted problem-solving days. These targeted days aimed to highlight areas within the borough which have been identified by residents, businesses, and local Councillors as a problem. Senior staff from the BACFT manned awareness stands in local libraries across various locations during these tasking days offering fraud prevention advice to members of the public.
- 3.9.3 As part of the BACFT's continued commitment to creating a strong counter fraud culture within the organisation, the team has continued to deliver fraud awareness training sessions to colleagues in other services. In total, **7 Fraud Awareness sessions** have been delivered this quarter across Technical Admin, Procurement, Direct Payments and Library services.

4. Analysis of the Counter Fraud Team's Performance in Quarter 3

- 4.1 Attached at **Appendix A** is **Table 5** which sets out the Q3 performance by the BACFT against the eight KPIs. Also attached at **Appendix B** is **Table 6** provides an overview of the financial performance of the team in Q3 within each of the main areas of counter fraud activity.
- 4.2 As already mentioned in section 3 of this report, the BACFT has achieved a consistent level of performance across the majority of the KPIs this quarter. The details of this are that **7 of the 8 KPIs are at or above targeted performance**, with **1 at red**. The HCF will continue to prioritise and monitor the team's performance closely to ensure this high level of performance continues.

5. Forward Look

- 5.1 Looking ahead to Q4, the BACFT will undertake a proactive visiting programme to all **emergency accommodation** occupied by applicants that have approached Housing Services as homeless. The aim of the project will be to identify any instances of non-occupation, sub-letting, or misrepresentation of circumstances. The BACFT will then investigate any fraudulent cases with the aim of returning any misused accommodation to housing.
- 5.2 With significant financial success recorded in the last two consecutive quarters, the BACFT focus will be on sustaining this level of performance into the new financial year. Linked to this, in Q4 **the HCF will be reviewing the BACFT resource** to ensure that the structure and skills mix of the team is what is needed to maintain this high performance level moving forward.
- 5.3 The BACFT would like to take this opportunity to formally record its thanks for the co-operation and support it has received from the management and staff of the Council during this quarter. There are no other counter fraud matters that the DDESBA needs to bring to the attention of CMT or the Audit Committee at this time.

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Head of Counter Fraud

21st January 2022

APPENDIX A**Table 5 ~ BACFT KPIs and Actual Performance**

BACFT KPIs	Target	Q1	Q2	Q3*	21/22*	20/21
1. Percentage of fraud referrals risk assessed within 3 working days	95%	100%	100%	99%	100%	87%
2. Verification work timescales for completion:						
a. Housing Allocations completion within the target date set by Housing	95%	99%	99%	99%	99%	95%
b. First Time Buyer completion within 5 working days	95%	100%	N/A**	N/A**	100%	33%
c. Right to Buy case completion within 28 working days	95%	100%	100%	100%	100%	100%
3. Investigation plan completion within 5 working days of case allocation	95%	100%	95%	98%	97%	90%
4. Tenancy fraud referrals received resulting in property recovery	20%	39%	23%	38%	34%	41%
5. Investigations resulting in sanction (prosecution/penalty/caution)	10%	12%	4%	4%	6%	5%
6. Investigations resulting in loss prevention/financial saving outcome	25%	44%	51%	64%	55%	39%
7. Revenue inspections completed within 10 days of raising	95%	94%	97%	98%	97%	59%

* As at end of Q3 (31st December 2021).

N/A** = KPI has been retired as the scheme has disbanded.

APPENDIX B**Table 6 ~ BACFT Quarter 3 2021/22 ~ Financial Performance**

Work Area	Description	Quarter 1	Quarter 2	Quarter 3	2021/22*
Housing	Right to Buy discounts	£0	£108,000	£112,300	£220,300
	Property Recovery (notional savings)	£180,000	£126,000	£306,000	£612,000
	Other savings/loss prevention	£0	£4,122	£0	£4,122
Social Services	Section 17 and UASC**	£27,775	£13,128	£13,128	£54,031
	Financial Assessments and Direct Payments	£0	£1,754	£0	£1,754
	Disabled Facilities Grants	£30,000	£0	£14,209	£44,209
Revenues	Single Person Discount	£3,247	£37,172	£18,629	£59,048
	Council Tax Reduction	£4,930	£4,081	£4,623	£13,634
	Beds in Sheds	£12,367	£13,202	£12,224	£37,793
	Housing Benefit Overpayments	£23,312	£41,419	£74,718	£139,449
	NNDR***	£5,866	£1,165,672	£37,003	£1,208,541
Blue Badge	Simple Caution & Financial Penalty	£500	£100	£200	£800
Immigration Officer	Housing Homelessness Applications**	£0	£9,999	£0	£9,999
	Social Care Savings	£20,303	£0	£46,592	£66,895
Totals	Loss Prevention Savings	£78,078	£132,882	£186,229	£397,189
	Notional Savings	£203,312	£167,419	£380,718	£751,449
	Cashable Savings	£26,410	£1,223,250	£72,478	£1,322,138
	Costs awarded and penalties	£500	£1,100	£200	£1,800
	Total	£308,299	£1,524,651	£639,625	£2,472,576

* As at end of Q3 (31st December 2021).

** Average weekly cost against average length of support. This figure fluctuates but has been provided by the Council's Business Performance Team.

*** NNDR operates under a business rates retention model with the Council keeping 15% of income.