

COUNTER FRAUD ANNUAL REPORT TO AUDIT COMMITTEE: 2023/24

1st April 2024



HILLINGDON
LONDON

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Contents

The Counter Fraud key contacts in connection with this report are:		Page
Alex Brown	1. INTRODUCTION	3
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t: 01895 556811	3. COUNTER FRAUD ACTIVITY 2023/24	6
e: abrown@hillingsdon.gov.uk	4. COUNTER FRAUD PERFORMANCE 2023/24	12
	5. FORWARD LOOK 2024/25	12
	<i>APPENDIX A - Loss Prevention Performance 2023/24</i>	<i>14</i>
	<i>APPENDIX B - KPIs and Actual Performance 2023/24</i>	<i>15</i>
	<i>APPENDIX C – Proactive CF Projects 2023/24</i>	<i>16</i>
	<i>APPENDIX D - Counter Fraud Benchmarking 2022/23</i>	<i>18</i>
	<i>APPENDIX E - Glossary of Terms</i>	<i>19</i>
	<i>APPENDIX F - Social Media Campaigns</i>	<i>21</i>

1. INTRODUCTION

1.1 The Role of the Counter Fraud Team

1.1.1 The Counter Fraud Team (CFT) 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 CFT 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, the CFT also conduct a range of other types of investigative work which do not necessarily have a criminal element to them i.e. revenue inspections, disciplinary investigations, etc. There is also a range of preventative work that the team is responsible for carrying out, such as fraud awareness training and ensuring the Council have up-to-date and appropriate corporate investigation policies and procedures. The CFT also leads on the Council's assessment of the risk of fraud and corruption across all council services.

1.2 The Purpose of the Counter Fraud Annual Report

1.2.1 The Counter Fraud Annual Report 2023/24 provides the Council's Corporate Management Team (CMT) and the Audit Committee with information on the counter fraud work carried out during 2023/24. It summarises for CMT and the Audit Committee the key findings from the quarterly progress reports presented during the year. In addition, it provides an opportunity for the Head of Counter Fraud (HCF) to highlight any significant issues arising from the counter fraud work in 2023/24.

1.2.2 The Annual Report also highlights to CMT, the Audit Committee and other key stakeholders, the performance of the CFT in meeting its strategic and operational objectives (as set out in the Counter Fraud Strategy 2022 to 2025 and The Annual Operational Plan), which provides an opportunity for the HCF to be held to account in this respect.

2. EXECUTIVE SUMMARY

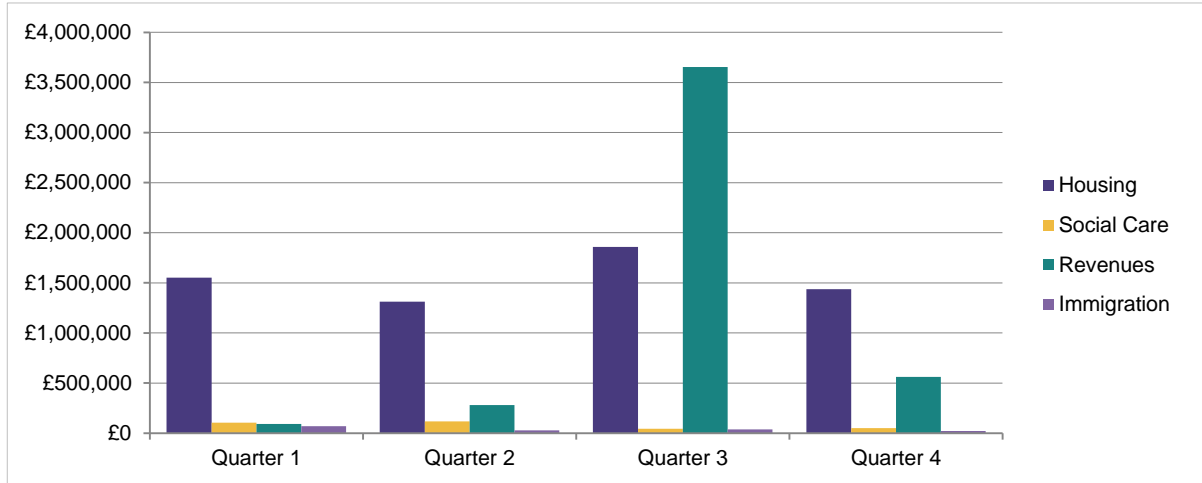
2.1 2023/24 has once again been a challenging year for the Council and its fight against fraud. Front line services continuing to see surges in demand and resources being under pressure creates an environment for opportunistic fraud to thrive. The Council are not alone in this scenario with all of the public sector seeing increases in fraud due to the current economic climate. **However, with the CFT fully resourced and strategically placed across fraud risks the team have achieved c£11.2m in savings during 23/24.** This success can largely be attributed to the work in Housing and Business rates.

2.2 2023/24 has been another successful year for the CFT, in particular with the team being nationally recognised for its achievements and efforts combating fraud. Following on from the CFT's shortlisting for the Outstanding Fraud Prevention, Detection and Recovery award the team attended the awards evening on 28th November in London. Though facing a strong shortlist of fraud teams, **Hillingdon Councils Counter Fraud Team won the award for best in class**, alongside the prestigious **Grand Prix award** which was selected from all of the category winners. The judging panel drawn from industry experts commented that the Counter Fraud Team had "A very strong nomination that showed results over and above target. The team took a holistic approach to audit, creating an organisation-wide counter fraud culture led from the top down." The panel were also impressed by the creation of a fraud risk register, which provides real-time reviews on emerging risks and allows them to deploy resources in an agile way, and the embedded mandatory verification processes across social housing, right to buy and succession applications.

- 2.3 In the first quarter of 2023/24 the CFT embarked on a small scale restructure to ensure the service had the resources to combat fraud for the year ahead. The service reduced its junior management and increased its operational staff to create capacity to undertake further counter fraud activity. This structure change supported the team in meeting its strategic objectives and delivering the financial savings listed above.
- 2.4 Housing fraud, in particular tenancy fraud, has remained the highest fraud risk to the Council and an area of focus for the CFT, with the team conducting civil and criminal investigations into suspected cases of housing fraud, alongside proactive loss prevention projects. This has achieved overall **loss prevention savings of c£6.1m** in 23/24. These savings included the **recovery of 103 Council properties** due to tenancy fraud, this represents a **23% increase** on the previous year's outcomes (22/23). The increase represents the highest property recovery achieved in a single year.
- 2.5 With the cost of living crisis Housing services have seen a significant rise in those requiring support due to homelessness over recent years. This has led to increased numbers currently in emergency accommodation. This increased demand presents the Council with a higher risk of fraud. The CFT currently have two secondees from Housing to residency check all emergency accommodation to highlight any occurrences of non-occupation or subletting. **In total 42 cases of accommodation placements were cancelled saving c£353k.** With these additional resources demonstrating significant loss prevention savings, this work will continue into 2024/25.
- 2.6 The CFT has focused its efforts into improving its coverage and activity within Social Care in 2023/24. In total **c£313k of financial savings have been identified**, demonstrating an **increase of 33%** on the previous year's outcomes. Though this demonstrates a positive move in the direction of travel in combating social care fraud, the HCF and the management team are making arrangements to improve outcomes and risk coverage in this area.
- 2.7 In the area of **Revenues**, the team has delivered **6,829 inspection visits** during 2023/24, which is a **21% reduction** from 2022/23. Though this represents a decrease in the number of visits completed, the CFT has adapted its approach to improve efficiency using data and intelligence to support decision making. This effective way of working has led to the **CFT to generating c£4.3m in additional business rates billings.**
- 2.8 The Head of Internal Audit (HIA) and the HCF have continued to collaborate in their approach to risk, governance and assurance. Following on from the success of 23/24 the teams have worked in partnership on consultancy reviews in areas such as procurement, aligned approaches in risk management and supported each other in identifying fraud risks and fraud controls.
- 2.9 The CFT has operated with a **Home Office Onsite Immigration Official (OSIO)** integrated within the Counter Fraud Team since 2018. The OSIO supports the Council in decision making for those that require assistance for Housing or Social Care by providing real-time Home Office data. **In 2023/24 the OSIO contributed savings of c£158k to the overall counter fraud financial target.**
- 2.10 The CFT has continued to carry out focused proactive projects as part of its strategic approach to tackle fraud in the Council's highest risk areas. These areas are considered to be susceptible to fraud and financial loss. Per the table at **Appendix C** the CFT conducted **nine** proactive projects in 2023/24. The proactive drives provide assurance across the Council and highlights, where needed, any further preventative measures.
- 2.11 Part of the CFT's remit is to create awareness internally and externally of fraud including promoting positive outcomes from its work. Across 23/24 the team has worked closely with the Communications Team to educate on the risk of fraud, how to report fraud and share some of the successes of the CFT. **Appendix F** showcases some of the media work delivered in 23/24.

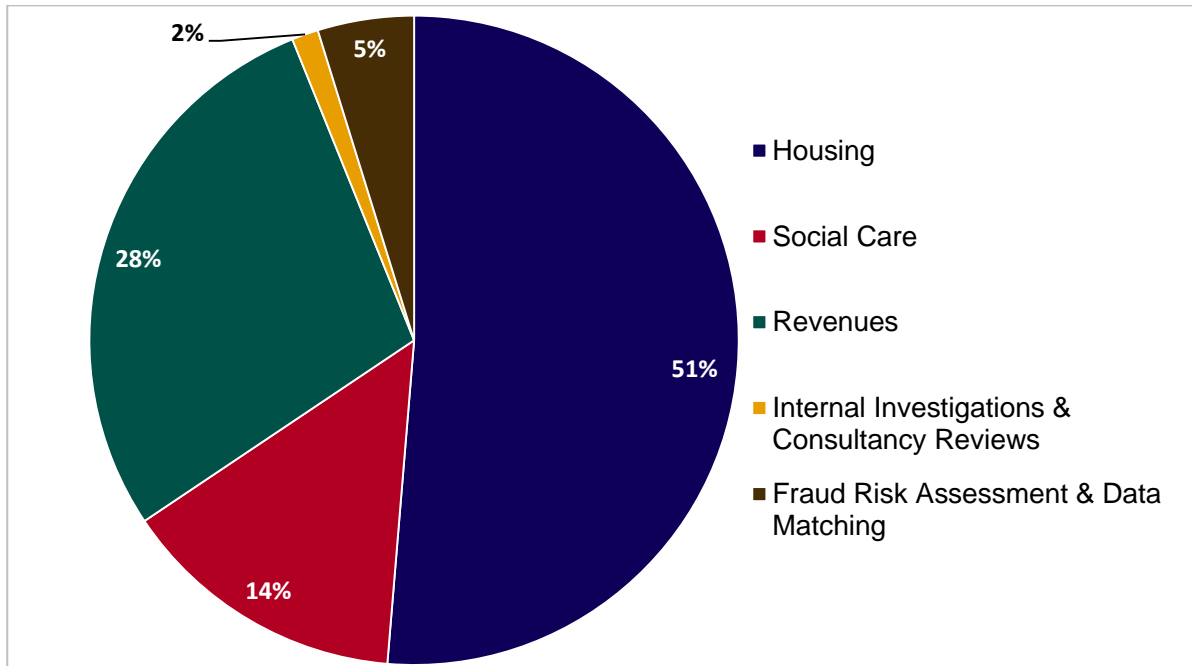
2.12 **Chart 1** below summarises the areas in which the CFT has achieved loss prevention savings (cost reductions) in 2023/24 by each quarter. The majority of loss prevention savings have been achieved by the CFT within Housing due to the team’s work in tenancy fraud. However, Chart 1 also illustrates the consistent level of financial achievements in the area of Revenues compared to previous years. A full breakdown of all CFT loss prevention savings can be found at **Appendix A**.

Chart 1 - CFT Loss Prevention Savings Achieved in 2023/24



2.13 **Chart 2** below summarises the allocation of CFT resource in 2023/24. Similar to previous years, the team has spent the majority of its time working within the area of Housing. The implementation of a new structure in 2023/24 which saw the CFT increase its operational resources has delivered an additional 35% capacity. Due to this increase, it is difficult to draw any correlation in time allocation against previous years.

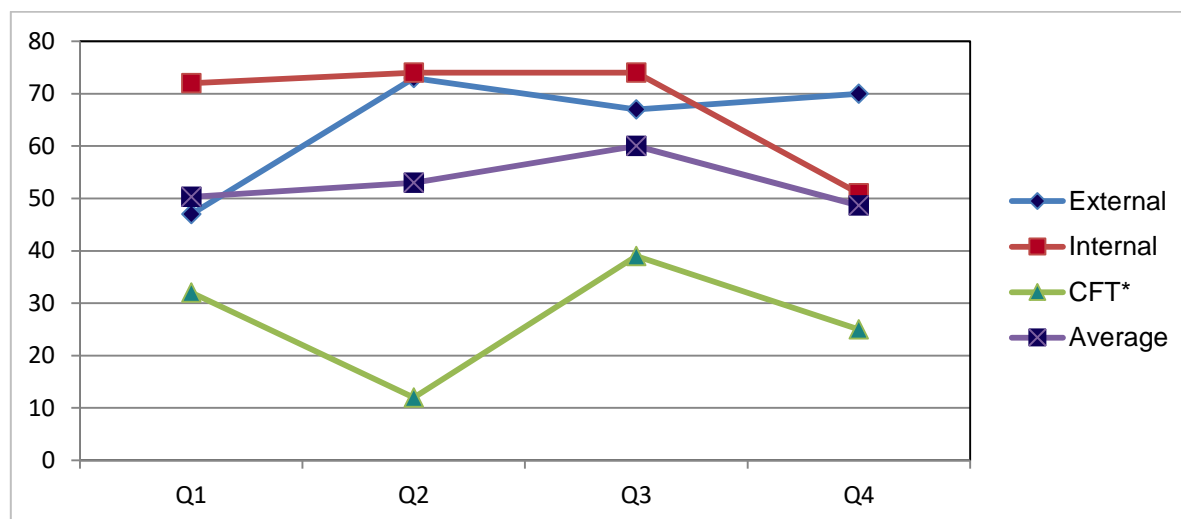
Chart 2 - CFT Allocated Resource in 2023/24



2.14 In 2023/24 the CFT received a total of 638 referrals for investigation from both internal and external sources (compared to 628 in 2023/24). **Chart 3** provides a summary of the trend in referrals over the year. In Q1 the CFT received a sharp increase in external referrals which remained consistent for the rest of the financial year, this can be attributed to the external communications and media coverage of counter fraud activity and awareness.

- 2.15 The HCF notes that referrals in Q4 were in a slow decline from internal sources. To combat this the CFT is preparing a new fraud awareness package to engage with staff in 24/25 which will be consistent throughout the financial year, with the anticipation of increased fraud referrals from a variety of service areas across the Council.

Chart 3 - Number of 2023/24 Referrals by Quarter



*Referrals generated through CFT proactive projects or data matching exercises

3. ANALYSIS OF COUNTER FRAUD ACTIVITY IN 2023/24

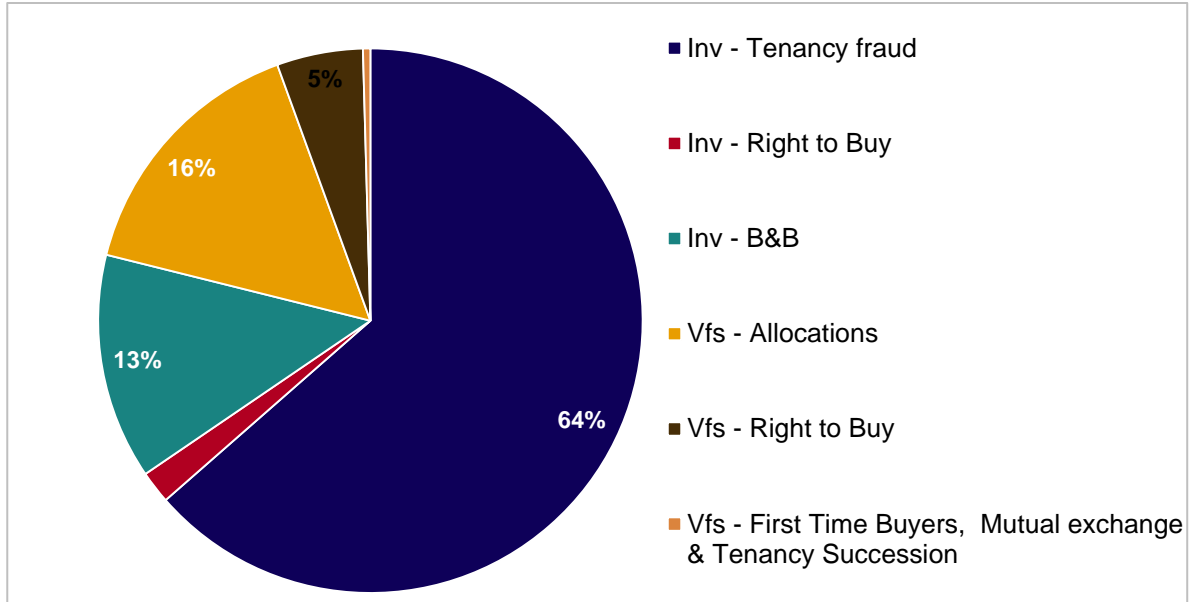
- 3.1 This section provides a more detailed analysis of the activities of the CFT during 2023/24, detailing specific work streams and the trends within each area for comparison and contrast. The activities of the CFT were predominantly focused on three main fraud areas of work: **Housing, Social Care and Revenues**. The CFT also conducted proactive **Blue Badge** operations during the year as well as investigating allegations of Blue Badge misuse.

3.2 Housing Fraud

- 3.2.1 Throughout 2023/24 tenancy fraud investigations, housing verifications and proactive project work in homelessness has continued to be the key areas of work for the CFT. By undertaking verification checks in a variety of different areas, the applicants' eligibility for housing services are properly verified prior to being offered a tenancy and provides assurance to key stakeholders that the risk of fraud in this area is being managed effectively. The CFT continues to proactively identify and investigate instances of tenancy fraud. This combined approach has enabled the team to deliver effective loss prevention savings and recover a substantial amount of Council properties.
- 3.2.2 During the year the Counter Fraud Management Team worked closely with stakeholders in Housing to improve the counter fraud culture and provide tailored support. Management provided guidance on potential fraudulent cases and interviewed clients in conjunction with housing staff to provide learning opportunities and demonstrate first hand interviewing techniques. In addition, the CFT has trained over 90 staff in interview techniques to support officers in their duties. This close support from the CFT has given housing staff the tools and confidence to challenge suspected fraudulent applications with further training to be rolled out in 24/25.
- 3.2.3 As per **Chart 4** below, most of the counter fraud activity that was conducted within housing is heavily focussed on tenancy fraud investigations which correlates to the increased outcomes in this area.

3.2.4 With additional resources available to combat tenancy fraud following a restructure in year, the CFT has allocated an additional 10% of capacity compared to previous years. Following an increase in risk relating to homelessness, resourcing capacity has also increased in B&B fraud.

Chart 4 - CFT Work Within Housing Services in 2023/24



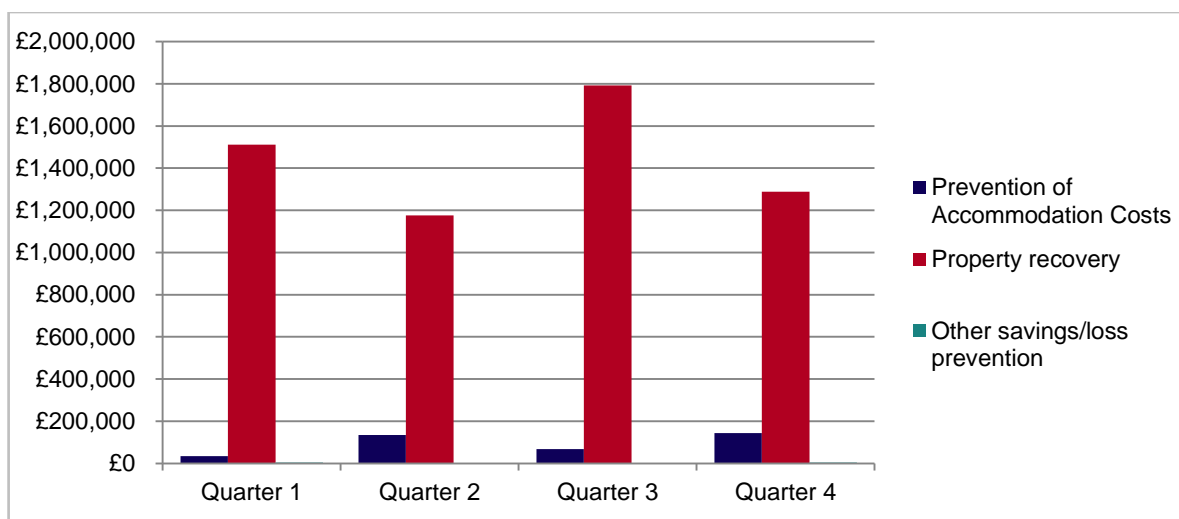
3.2.5 Per **Table 1** below, in 2023/24 the CFT successfully recovered **103 Council properties**. This is a **23% increase on outcomes** from 2022/23 and represents the highest property recovery figure ever achieved by the CFT. The increased risk of tenancy fraud following the pandemic and cost of living crisis, combined with the improvement in referral quality and the effective processing of investigations by the CFT has contributed to this success.

Table 1 ~ Housing Tenancy Fraud Cases

Housing Tenancy Fraud	2023/24		2022/23		2021/22	
	Cases	£k/value*	Cases	£k/value	Cases	£k/value
Total number of recovered properties	103	£5,768k	84	£4,704k	42	£756k

*Calculated using the new Tenancy Fraud Forum valuation.

3.2.6 **Chart 5** (over the page) summarises the loss prevention outcomes of the team by area of counter fraud activity within Housing. The team’s high levels of property recovery have contributed to the majority of the savings. However, prevention of accommodation savings increased in Q2 onwards due to the teams work in identifying tenancy fraud within emergency accommodation. **The CFT identified and closed 42 emergency accommodation placements saving c£353k.** With the success of uncovering fraud within emergency accommodation the HCF expects further positive outcomes in this area during 24/25 following the introduction of a rolling programme of visits.

Chart 5 - CFT Loss Prevention Outcomes in Housing 2023/24

3.2.7 In 2023/24 the CFT continued to carry out verifications as part of the housing allocations process. As per **Table 2** below, 997 housing cases were processed for verification. These enhanced checks give assurance to management that housing applicants are genuine, entitled to be housed prior to allocation and highlight potential fraudulent applications for further investigation.

3.2.8 Of the **997 housing verifications** carried out in 2023/24, the CFT identified **20% for rejection**, including the closure of **29 applications**. There are various reasons for a verification to be rejected or closed, and these include significant rent or Council Tax arrears, property ownership, no immigration status, or misrepresentation of circumstances. With a high demand for social housing assistance these checks continue to demonstrate their importance, as applicants may have been successful in obtaining a council property that they were not entitled to.

Table 2 ~ Housing Tenancy Verification Cases 2023/24

Housing Tenancy Verification Cases	Q1	Q2	Q3	Q4	Total
Total number of cases reviewed	255	153	270	319	997
% Identified by CFT for rejection	25%	17%	21%	16%	20%
Total number of applications closed	12	7	7	3	29

3.3 Revenues

3.3.1 The CFT carries out **inspections of businesses and domestic properties in the borough**, Council Tax exemptions and discounts (such as SPD) and data matching work through the National Fraud Initiative (NFI), as well as maximising revenue through the identification of Beds in Sheds/Annexes. The work of the CFT aims to improve efficiency and increase productivity by applying proven effective visiting processes and investigative techniques to maximise revenue. This ensures that Business Rates and Council Tax are correctly applied to all properties, including business premises and new-build properties.

3.3.2 **Table 3** below, outlines the performance of the Revenues Inspection function against the previous year. The CFT has slightly improved its performance against its KPI in providing an effective and efficient service. Though the volumes of inspections have decreased by 20%, the team has remained focused in its approach prioritising income generation through the Revenues Maximisation project.

Table 3 ~ Revenues Inspections Performance 2023/24

Revenues Inspections	2023/24	2022/23	Improvement
Total number of inspections completed	6,829	8,638	-1,809 / - 21%
Percentage within 10 day target	99%	99%	N/A

3.3.3 The CFT continued to proactively identify Beds in Sheds within the borough and a **total of 72 unregistered dwellings** during the year have been added to the Council Tax list. These previously unlisted properties resulted in **loss prevention savings of c£84.5k**. The identification of Beds in Sheds will continue to be a priority for the CFT with further work planned for 2024/25.

3.4 Revenue Maximisation

3.4.1 The continued focus on areas of loss prevention within NNDR has proven to be highly successful. The team have maintained its activity in this area identifying unknown businesses for ratings or those businesses that should have an increased RV through its own proactive projects and working with suppliers. **This has led to billings being issued to businesses to the value of c£6m** with the Council retaining 15% under the business rates retention model. This area of work highlighted the benefits of utilising data and using investigative practices to support inspections.

3.4.2 With positive financial outcomes across 2022/23 and 2023/24, the CFT has obtained Cabinet Member approval to engage with suppliers for an additional year. The HCF believes this partnership coupled with our own in-house work will lead to further positive outcomes in the new financial year.

3.5 National Fraud Initiative

3.5.1 The National Fraud Initiative (NFI) is a bi-annual data matching exercise overseen by the Cabinet Office. Data is to be provided at the end of Q2 with results from the 2024/25 exercise due at the start of Q4.

3.5.2 The NFI also produces an annual review of Council Tax Single Person Discount claims which are matched against Electoral Roll records which identified savings of **£79,545.30** during 2023/24. Matches for the new financial year were received during Q4 and are being reviewed.

3.5.3 The CFT is recognised as a leading member of the NFI backed **London Counter Fraud Hub (LCFH)** which aims to proactively identify instances of cross borough fraud and loss and to provide access to regularly updated data from other public sector bodies.

3.5.4 During 2023/24 the LCFH has provided fortnightly data matching between council tenancy records and death registration information. This has identified **17 properties** where the council was unaware of the death of the tenant and which has led to the properties being recovered and returned to use earlier and more efficiently that would otherwise be the case. This has provided a notional financial saving of **£952,000**.

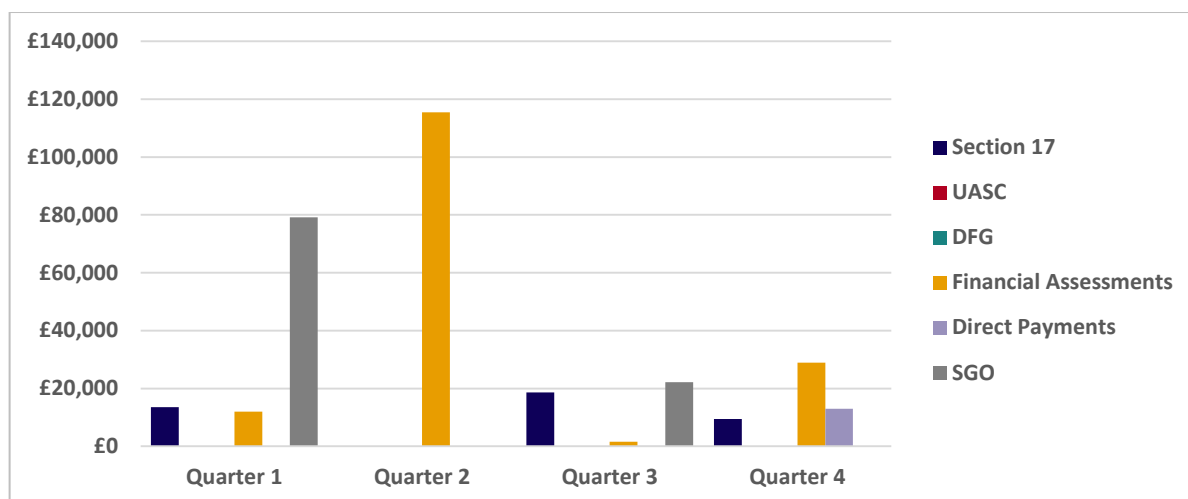
3.6 Blue Badge Fraud

- 3.6.1 Although the direct monetary value of Blue Badge fraud is relatively low, the reputational risk to the Council is significant. The CFT's commitment to protect some of the boroughs most vulnerable residents and visitors to the area has been achieved by conducting both proactive and reactive operations. These operations were established to identify instances of Blue Badge misuse and for those found to be abusing the scheme to be held to account.
- 3.6.2 In 2023/24 the CFT **undertook a total of 3 Blue Badge operations**. Two projects took place in areas of risk based on intelligence gathered from referrals. The third operation was an initiative involving 82 other Local Authorities working collaboratively to participate in a **Nationwide Blue Badge Day of Action**. This action enabled all participating Councils to ensure that genuine badge holders were able to access the disabled parking facilities on offer across England.
- 3.6.3 The results in this area of work for 2023/24 saw the CFT **inspect 130 Blue Badges, seize 24 badges and prosecute 3 offenders for misuse who received substantial fines**.

3.7 Social Care

- 3.7.1 Over the last two years the CFT has been embedding various counter fraud activities across Social Care Fraud risks. The focus has been in areas of significant expenditure for the Council such section 17 support and financial assessments (direct payments & commissioned care).
- 3.7.2 Since the introduction of the Financial Assessment (FA) verification process which was designed to highlight any instances of hidden capital or assets, the CFT has seen a **17% increase** in verification requests this financial year. **In total 694 requests have been received with the team investigating 19 of these cases achieving c£157k in loss prevention savings**.
- 3.7.3 During 2023/24 the CFT investigated its first cases relating to Special Guardianship Orders (SGO). Two investigations commenced following concerns raised by the Kinship Team that highlighted significant overpayments which had been made to two previous special guardians. An SGO is a formal arrangement through a legal order that appointments one or more individuals to be a child's special guardian. The order is intended in circumstances where a child's parents are unable to look after the child for either a short or long period of time. These highly sensitive investigations identified that the special guardian had been overpaid and was **no longer entitled to financial support, this resulted in c£101k in savings**.
- 3.7.4 To maximise loss prevention through effective counter fraud activity, the CFT has undertaken a variety of approaches to combat fraud within Section 17 assistance. This includes a yearly residency check project to identify non-occupation of council provided accommodation and a verification process to ensure all approaches are eligible for support. **The team has investigated 5 cases leading to loss prevention savings of c£42k**.
- 3.7.5 During 2023/24 the CFT has received a number of referrals regarding Direct Payments. These referrals relate to misuse of funds or where the applicant had failed to declare savings or assets. These investigations can be complex and lengthy by nature. In 2023/24 **one investigation has been completed with savings identified of c£13k**.
- 3.7.6 **Chart 6** over the page, summarises the loss prevention outcomes of the team for the work carried out within Social Care. Over the course of 2023/24 the CFT has continued to raise its profile within these services and engage positively with stakeholders, which has **delivered loss prevention savings of c£313k**, with most of these savings delivered in Q2.

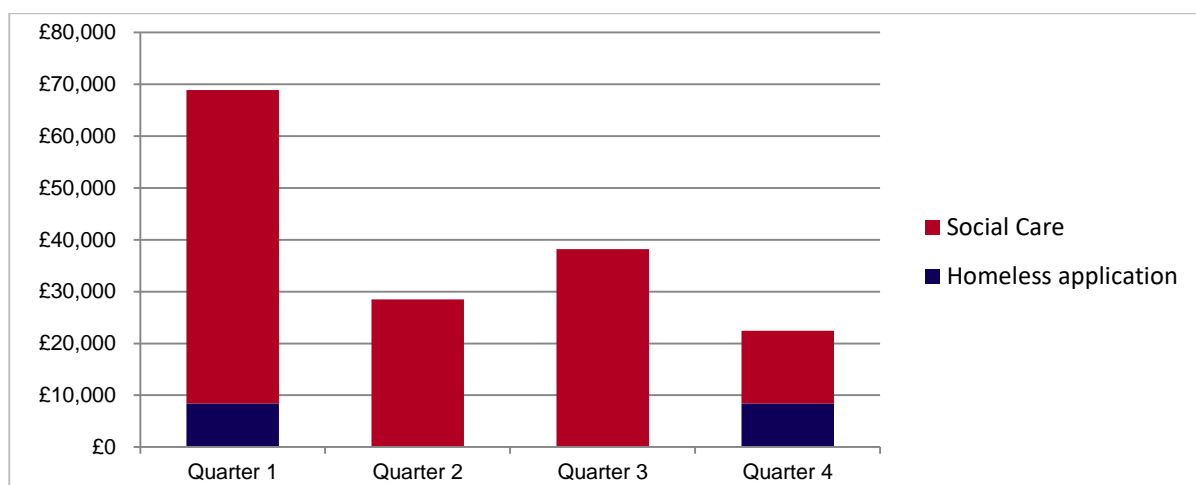
Chart 6 - CFT Loss Prevention Outcomes in Social Care 2023/24



3.8 Onsite Immigration Officer (OSIO)

3.8.1 **Chart 7** below, summarises the outcomes for the work of the OSIO within 2023/24. This is based on prudent estimates of the costs of council services that are linked to immigration issues where the OSIO has been able to directly assist by providing Home Office information. The total value of the OSIO work for 2023/24 is estimated at c£157k.

Chart 7 - OSIO Loss Prevention Outcomes 2023/24



3.8.2 In January 2023 Hillingdon Council received a new OSIO from the Home Office. With the role covering such a multitude of complex service areas, it has taken time to train the OSIO across all areas. The OSIO is now fully up to speed and the HCF expects improved outcomes in this area across 2024/2025.

3.9 Fraud Awareness Campaign

3.9.1 The CFT has continued to **embed an effective counter fraud culture** within the Council. A total of **5 Fraud Awareness sessions** were conducted both in person and virtually over the course of the year. Each presentation was tailored to incorporate the different fraud risks encountered by each service area. These sessions give officers the tools to spot and report fraud, whilst encouraging them to champion a counter fraud culture organisation wide. In addition to the awareness sessions the management team has also rolled out training in Housing services to support front line staff through the use of interview techniques. Over 6 sessions nearly 90 staff have been trained and given the tools to question applicants to help support decision making.

3.9.2 The Council's various social media platforms have been utilised by the CFT to raise awareness of the different types of fraud and scams that had become prevalent over the course of the year, as well as fraud risks and team outcomes. Tweets and online posts were shared to encourage residents to report suspected instances of fraud. Examples of the CFT's media campaign can be found in **Appendix F**. There has been a notable correlation between the quality and quantity of referrals following on from the Fraud Awareness campaign.

4. ANALYSIS OF THE COUNTER FRAUD TEAM PERFORMANCE 2023/24

- 4.1 The CFT introduced a suite of KPIs in 2018/19 which were agreed and implemented in liaison with CMT and the Audit Committee. The KPIs allow effective measurement of performance and enable the team and the HCF to be better held to account by CMT and Audit Committee. The table at **Appendix B** sets out the performance by the CFT against the KPIs throughout 2023/24 by quarter and previous years.
- 4.2 As illustrated in **Appendix B**, performance against KPIs has remained consistent throughout the financial year. The team has also **achieved 9 of the 9 KPI targets** which is a considerable achievement with 2 KPI targets increasing for 2023/24. The team's overall performance can be attributed to the management information available and the management team's engagement with staff around performance.
- 4.3 The table at **Appendix A** provides a detailed breakdown of the loss prevention performance of the Counter Fraud Team during 2023/24. The table highlights the **significant increase in Housing outcomes** mainly around property recovery and emergency accommodation closures.
- 4.4 During 2023/24 the CFT has actively sought to obtain data from each London Borough relating to counter fraud activity and produced benchmarking information which is set out at **Appendix D**. This data relates to reported figures in counter fraud annual reports to oversight committees for 2022/23. There is a significant inconsistency between authorities in terms of what they each report to their oversight committees and the variation in values they each place on individual activities. As a result, this makes comparison between authorities in terms of individual counter fraud work areas difficult to quantify.
- 4.5 Nevertheless, there are several areas of general commonality (as set out in **Appendix D**), including the performance on housing fraud and Blue Badge which are present across most London Boroughs.

5. FORWARD LOOK 2024/25

- 5.1 Looking ahead to 2024/25, the CFT as part of the Council's Counter Fraud Strategy 2022-25 will continue to develop its risk-based approach, focusing on the areas of highest fraud risk within services. Key to this is the continued engagement with service areas on fraud risk and controls to support and underpin the Council's "Fraud Universe" which steers the CFT Annual Operational Work Plan.
- 5.2 Moving ahead, there are a number of key priorities for the CFT. These include:
- **Implementation of the Counter Fraud Annual Operational Work Plan 2024/25**, with a full and ongoing reassessment of the fraud risk profile of the Council to ensure the CFT adapts to any emerging risks;
 - To continue to embed a counter fraud culture across the Council through a successful **programme of Fraud Awareness**, alongside engagement with key stakeholders regarding fraud issues internally and externally;

- Maintain performance with suppliers to identify businesses that are not listed for ratings through our **Revenues Maximisation Project**, to increase the NNDR collectable by the Council, using open-source data and intelligence gathering;
- **Sustain the level of performance the team achieved in 2023/24 into 2024/25**, by focusing on our strategic objectives, KPIs and the financial loss prevention target by deploying a risk based approach to fraud;
- Continue to work closely with **Housing key stakeholders around the increased risk of fraud**, with the view to conduct further proactive and reactive counter fraud activity in this area; and
- **Review and Update the Fraud Universe** with a view to entering all fraud risks onto the new Risk Management software JCAD. Once all fraud risks are entered into the system services can take ownership and lead on fraud risk management with the CFT acting as an enabling/support service.

5.3 The CFT 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, CMT and the Audit Committee during 2023/24.

Alex Brown APCIP
Head of Counter Fraud
1st April 2024

APPENDIX A: CFT Loss Prevention Performance 2023/24

Work Area	Description	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2023/24
Housing	Right to Buy discounts	£0	£0	£0	£0	£0
	Property Recovery (notional savings)	£1,512,000	£1,176,000	£1,792,000	£1,288,000	£5,768,000
	Other savings/loss prevention	£38,283	£134,596	£67,298	£147,008	£387,185
Social Care	Section 17 and UASC*	£13,586	£0	£18,676	£9,388	£41,650
	Financial Assessments	£11,959	£115,511	£1,546	£28,866	£157,882
	SGO	£79,150	£0	£22,139	£0	£101,289
	Direct Payments	£0	£0	£108	£12,934	£13,041
Revenues	Single Person Discount	£14,148	£75,001	£2,571	£6,610	£98,331
	Council Tax Reduction & arrears	£12,070	£9,775	£893	£2,901	£25,640
	Unlisted Buildings	£18,740	£28,106	£18,380	£19,271	£84,498
	Housing Benefit Overpayments	£985	£24,511	£1,850	£7,202	£34,550
	NNDR**	£44,661	£141,667	£3,629,335	£524,174	£4,339,838
Blue Badge	Simple Caution & Financial Penalty	£2,958	£2,182	£1,690	£0	£6,830
Immigration Officer	Housing Homelessness Applications*	£8,412	£0	£0	£8,412	£16,824
	Social Care Savings	£60,469	£28,477	£38,201	£14,024	£141,172
Totals	Loss Prevention Savings	£207,226	£278,584	£147,968	£216,632	£850,412
	Notional Savings	£1,550,947	£1,320,929	£4,878,786	£1,740,750	£9,491,412
	Cashable Savings	£56,292	£134,133	£566,245	£111,408	£868,079
	Costs awarded and penalties	£2,958	£2,182	£1,690	£0	£6,830
	Total	£1,817,423	£1,735,828	£5,594,689	£2,068,790	£11,216,735

* 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.

APPENDIX B: KPIs and Actual Performance 2023/24

CFT KPIs	Target	Q1	Q2	Q3	Q4	23/24	22/23
1. Percentage of fraud referrals risk assessed within 3 working days	95%	99%	100%	99%	100%	99%	99%
2. Verification work timescales for completion:							
a. Housing Allocations completion within the target date set by Housing	95%	99%	100%	100%	100%	99%	99%
b. Right to Buy case completion within 28 working days	95%	100%	100%	100%	100%	100%	100%
c. Financial Assessments completion within 7 working days	95%	100%	100%	100%	100%	100%	100%
d. Section 17 reviews completion within 7 working days	95%	100%	100%	100%	100%	100%	100%
3. Investigation plan completion within 5 working days of case allocation	95%	99%	100%	95%	100%	98%	99%
4. Tenancy fraud referrals received resulting in property recovery	30%	42%	36%	58%	49%	46%	40%
5. Investigations resulting in loss prevention/financial saving outcome	40%	42%	41%	58%	60%	48%	39%
6. Revenue inspections completed within 10 working days of referral date	95%	99%	98%	99%	99%	99%	99%

APPENDIX C: Proactive Counter Fraud Projects 2023/24

Proactive Project & Rationale	Project Outcomes
<p><u>Gas & Electrical Checks Access - Q1</u></p> <p>Working collaboratively with internal departments, the CFT conducted unannounced visits to all social housing properties that were overdue a gas safety or electrical safety check for 12 months or longer. The purpose of this project was to reduce the number of properties that were overdue these inspections, whilst also identifying potential cases of non-occupation or subletting</p>	<ul style="list-style-type: none"> • Number of properties visited - 165 • Properties Recovered - 8 • Investigations continuing - 3 • Financial Savings - £448,000
<p><u>Section 17 Residency – Q2</u></p> <p>The CFT carried out a project conducting residency checks for all Section 17 Social Care service users. The objective of this project was to verify that the accommodation provided was being lawfully occupied and identify any fraud being committed through subletting, non-occupation, or not meeting the eligibility criteria for funding and assistance.</p>	<ul style="list-style-type: none"> • Number of cases reviewed - 26 • Number of cases validated - 25 • Cases recommended to cease funding - 1 • Loss prevention through terminating funding - £9,388
<p><u>Blue Badge Q1, Q3</u></p> <p>The CFT conducted a total of three proactive Blue Badge operations in identified high risk areas. Checks were carried out on all badges that were displayed to ensure that the badges were being used in accordance with the Blue Badge scheme. The operations included seizing expired badges, which removes them out of circulation and prevents potential misuse in the future.</p>	<ul style="list-style-type: none"> • Number of badges checked - 130 • Number of badges seized - 24 • Number of fraudulent uses of badges – 4 • Number of investigations continuing - 10 • Total value of fines - £1,540 • Total value of awarded prosecution costs - £5,290
<p><u>Beds in Sheds – Q1 and ongoing</u></p> <p>'Beds in Sheds' is the term used to describe buildings or annexes on private properties that have been erected without the Valuation Office being made aware and that can be considered habitable. This means that the building or annexe should be charged Council Tax. The CFT carried out unannounced visits to properties that were highlighted via referrals and intelligence checks.</p>	<ul style="list-style-type: none"> • Number identified for bringing into Council Tax - 72 • Investigations continuing - 5 • Income generation - £84,498.56
<p><u>Temporary Accommodation Residency – Q3</u></p> <p>The CFT carried out unannounced residency checks on all service users residing in Temporary Accommodation properties. The purpose of the project was to identify any subletting of accommodation, instances of non-occupation, as well as verifying those that had applied for social housing and ensuring that they were still eligible.</p>	<ul style="list-style-type: none"> • Number of properties visited - 225 • Properties Recovered - 3 • Investigations continuing - 8 • Financial Savings - £176,412.25

<p><u>National Fraud Initiative (NFI) - Ongoing</u></p> <p>The National Fraud Initiative (NFI) main exercise is a bi-annual data match against numerous public and private sector data sources.</p> <p>The National Fraud Initiative (NFI) Recheck is an annual data match where SPD data is matched against the Electoral Roll.</p>	<ul style="list-style-type: none"> • £79,545.30 Savings from Single Person Discount matching
<p><u>London Counter Fraud Hub - Ongoing</u></p> <p>The London Counter Fraud Hub is designed to bring London Boroughs together, sharing data to identify cases of fraud, loss or error.</p> <p>The first in house data matching exercise using the LCFH, matched tenancy records against the death register. This highlights any properties that the Council are unaware that the tenant has passed away.</p>	<ul style="list-style-type: none"> • Number of properties returned - 17 • Financial Savings - £952,000
<p><u>Internal Revenues Maximisation - Ongoing</u></p> <p>The Revenues Investigation Unit have carried out a series of pro-active action days monitoring and reviewing business rates listings in high-risk areas which has identified new and improved premises to increase business rates billing.</p>	<ul style="list-style-type: none"> • Additional business rates billing - £3,722,946.60
<p><u>B&B Emergency Accommodation - Ongoing</u></p> <p>The CFT carried out a project conducting unannounced residency checks for all clients residing in Bed and Breakfast emergency accommodation.</p> <p>The objective of this project was to verify that the accommodation provided was being occupied and to also identify cases of subletting, non-occupation, or misrepresentation of circumstances.</p>	<ul style="list-style-type: none"> • Number of clients visited – 738 • Accommodation Closed – 42 • Financial Savings - £353,314.50 • Investigations continuing - 11
<p><u>Council Tax Exemptions – Ongoing</u></p> <p>The CFT carried out desk top checks of Class E & F exemptions utilising data matching and in-house data. This highlighted any properties that the Council were unaware that the tenant had passed away or was residing elsewhere due to care needs.</p>	<ul style="list-style-type: none"> • Number of properties returned - 15 • Financial Savings - £840,000

APPENDIX D: Counter Fraud Benchmarking 2022/23

London Borough	Council Properties Returned	RTB Cancelled	Housing Applications Closed	Council Tax & CTRS	Blue Badge Outcomes*	Social Care
Barking & Dagenham	11					
Barnet	34		6	£50,011	13	
Bexley	9		4		15	
Brent	20		1	£72,325	23	
Bromley					50	
Camden	41	16			5	
City of London	9		6	£6,771		
Croydon	18	6	10		22	
Ealing	4		20	£9,317		
Enfield	8	9		£296,343	4	
Greenwich	8					
Hackney	49	11	2			
Hammersmith & Fulham	36	5	12	£4,430		£28,000
Haringey	41	115				
Harrow	5	6			1	£317,792
Havering	10	5				
Hillingdon	84	6	14	£66,813	6	£235,492
Hounslow	6	6	2	£263,415	1	£414,730
Islington	42	6				
Kensington & Chelsea	35	3	4		16	£22,000
Kingston	13	1	103	£21,371		
Lambeth	77	1		£14,824		£79,931
Lewisham	5		7	£25,842	1	£23,000
Merton	1	1	81	£22,521		
Newham	32	7	7			
Redbridge	5	1			2	
Richmond	11	2	93	£6,876		
Southwark		5	30			
Sutton	11	2	35			
Tower Hamlets	34	7	6			
Waltham Forest	40	17	2	£32,260	37	£27,293
Wandsworth	24	14	136		1	
Westminster (City of)	31	5	16		12	

Where the cell is greyed out, the data was not available to us from the council in question.

* = Successful outcomes for Blue Badges are defined as fines and/or prosecutions but excludes seized badges.

APPENDIX E: Glossary of Terms

Beds in Sheds

'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).

Blue Badge

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.

Direct Payments

The Council are responsible for administering direct payments to service users who have been assessed as needing care and support services. The payments are made to allow applicants to access care to meet their social care needs, such as support with living tasks and social activities.

Disabled Facility Grant

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.

Financial Assessments

The Council is under a financial and legal obligation to carry out this means tested assessment for each service user. The Financial Assessment (FA) identifies whether the applicant(s) is eligible to receive funding towards their care costs.

Fraud Hub (LCFH)

Utilising the existing Cabinet Office infrastructure and systems, most London based local authorities have agreed to upload internally held data sets for proactive data matching exercises. These regularly agreed upon exercises will lead to the identification of possible fraud, loss or error.

National Fraud Initiative

The National Fraud Initiative (NFI) is a data matching exercise co-ordinated by the Government Cabinet Office and conducted every 2 years. There is also an annual review of claimants in receipt of Single Persons discount data that is matched against the Electoral Roll data. The NFI matches data from over 1,200 organisations, including councils, the police, hospitals and almost 100 private companies to identify potential fraud and error.

New Homes Bonus

The New Homes Bonus (NHB) is a grant that is paid by central government to incentivise local housing growth.

Onsite Immigration Enforcement Official

The Onsite Immigration Enforcement Official (OSIO) provides 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.

Right to Buy

The Right to Buy (RTB) process is a statutory scheme whereby a tenant(s) 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(s) if they are to qualify for the discount.

Revenues Maximisation

The use of internally held data and the utilisation of external data partners to identify previously unlisted commercial and domestic properties, along with identifying commercial properties that have undertaken modifications or improvements that would result in the revaluation of its Rateable Value (RV). Commercial entities are under no obligation to inform Council Tax as to when they have started trading or if their RV needs to be recalculated. The Council will only retain 15% of the identified rates.

Section 17

The CFT provides assurance and mitigates 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 CFT conducts verification checks on all applicants approaching the Council.

Small business Rates Relief

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 £15,000.

Unaccompanied Asylum-Seeking Children

Unaccompanied Asylum-Seeking Children (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.

APPENDIX F: Social Media Campaigns



6 likes
 hillingdoncouncil We are shining a light on the most common types of frauds for #FraudAwarenessWeek2023.

They include illegal subletting of a council home; a bogus Right To Buy application; a dishonest benefit; a business rates or council tax reduction claim; misuse of a Blue Badge; failing to report a change in circumstances or providing false information.

Report fraud in confidence at www.hillingdon.gov.uk/reportfraud

Home > News > 2023 news archive > Housing fraudster evicted and home repossessed following legal battle

Housing fraudster evicted and home repossessed following legal battle

Tuesday 16 May 2023: A three-bedroom council house has been freed-up for a family in need after Hillingdon Council discovered in 2018 a fraudster had been living there illegally for years.

The result follows a long-running legal battle with a Bangladeshi national who entered the UK in 1993 on a stolen identity, using someone else's passport. Uxbridge County Court had been told the resident, who cannot be named for legal reasons, had presented to the council as homeless, along with her four children, back in 2002. She was offered temporary accommodation, then placed on the council's waiting list, where she later made a successful bid for a three-bedroom property in Uxbridge, in August 2003.



In 2018 the council's housing team was made aware the resident was under investigation by the council's counter fraud team for deception and that criminal proceedings were being brought against her and her husband.

In 2018 she was charged with, and later admitted, claiming social security benefits that she wasn't entitled to, totalling more than £234,000 and was later sentenced to three and a half years in prison.

Following her conviction, the council instructed its legal services team to obtain possession of the property, however the tenant refused to give it back and a legal wrangle ensued which lasted four years. She was finally evicted on 10 April this year.

Cllr Martin Goddard, Hillingdon Council's Cabinet Member for Finance, said: 'This is a really quite remarkable story of a resident's two decades of deception and the following four-year legal saga that has fortunately ended with freeing-up a vital home that can go to a family in genuine need from our waiting list.'

'I thank our fraud and legal teams for their unwavering work to get this result, which demonstrates our dogged determination to pursue and take action against those who seek to swindle the council.'

If you know, or suspect someone is living in council accommodation illegally, you can let the council's counter fraud team know anonymously at www.hillingdon.gov.uk/report-fraud



Liked by dat_leftydrummer and 21 others

hillingdoncouncil Congratulations to our counter fraud team for winning the Grand Prix at last night's @public_finance_ Awards

The ceremony, held at JW Marriott Grosvenor House Hotel London, celebrated the people, products and services that demonstrate excellence and originality within public finance, with the west London council taking home two trophies: the Outstanding Fraud Prevention, Detection and Recovery award, and the biggest award of the night given to the best in class across all the shortlisted entries, the Grand Prix.

The Grand Prix is the highest industry recognition, with Hillingdon Council's counter fraud team recognised by a panel of distinguished sector leaders for its ingenuity, creative initiatives and success in tackling fraud.

Read more <https://buff.ly/3i2pOgP>

Home > News > 2023 news archive > Fraudster fined after using dead mother's Blue Badge to beat the school run

Fraudster fined after using dead mother's Blue Badge to beat the school run

Monday 10 July, 2023: An Uxbridge mum has been ordered to pay almost £3,000 after fraudulently using a Blue Badge to get a parking space during the school run.

Following an investigation by Hillingdon Council's counter-fraud team, Carly Kent, 43, of Chancel Close, was convicted of misuse of a disabled person's badge during a hearing at Uxbridge Magistrates' Court on 20 June.

The court was told the defendant had indicated her guilty plea by submitting a form in the post.

The counter-fraud team had been deployed to Uxbridge on 14 November 2022, after being alerted to suspected Blue Badge misuse during pick-up times at a local school, by colleagues in the council's parking services team.



The team later discovered Kent using the Blue Badge to park on double-yellow lines, without the badge holder present, the court was told. The counter-fraud team's investigation revealed the badge belonged to Kent's deceased mother, but it wasn't until she was interviewed under caution that Kent admitted displaying the badge.

Cllr Eddie Levery, Hillingdon Council's Cabinet Member for Residents' Services, said: 'We're committed to ensuring vulnerable adults in Hillingdon can live active and independent lives.'

'This is an appalling case. The misuse of Blue Badges is just not acceptable. It prevents our most vulnerable residents and visitors who have genuine needs from parking within easy access to the local businesses and services they rely on.'

'We'll always do everything in our power to clampdown on fraudsters, take action and stamp out this selfish behaviour in our borough.'

Kent was ordered to pay a fine of £440, a victim surcharge of £176 and the council's prosecution costs of £2,342.

If you suspect someone is misusing a Blue Badge, you can report it on 0800 389 8313, or by emailing fraud@hillington.gov.uk.