

# COUNTER FRAUD PROGRESS REPORT 2022/23

Date: 16 March 2023

Annex 2





## BACKGROUND

- 1 Fraud is a significant risk to the public sector. The government estimates that the taxpayer loses up to £51.8 billion to fraud and error in public spending every year<sup>1</sup>. Financial loss due to fraud can reduce a council's ability to support public services and cause reputational damage.
- 2 Veritau delivers a corporate fraud service to the Council which aims to prevent, detect and deter fraud and related criminality. We employ qualified criminal investigators to support departments with fraud prevention, proactively identify issues through data matching exercises, and investigate any suspected fraud. To deter fraud, offenders face a range of outcomes, including prosecution in the most serious cases
- 3 This report updates the Corporate Affairs and Audit Committee on counter fraud activity up to 31 January 2023.



## FRAUD MANAGEMENT

- 4 The Council's counter fraud framework was reviewed and updated in September 2022. This included an updated strategy action plan, anti-fraud, corruption, and bribery policy, and fraud risk assessment.
- 5 A key objective for the counter fraud team is to raise awareness of fraud with members of staff and the public, and to inform them of how to report fraud if they suspect it is happening. Fraud awareness training has been delivered to officers working within Human Resources, Adult Social Care, Legal, Finance, and Parking.
- 6 An awareness campaign informing staff of the Council's anti-bribery and anti-money laundering policies was delivered on 9 December to mark International Anti-Corruption Day. It followed previous awareness raising campaigns marking World Whistleblowers Day in June, Cyber Security Awareness Month in October and International Fraud Awareness Week in November.



## MULTI-AGENCY WORK

- 7 The National Fraud Initiative is a large-scale data matching exercise that involves all councils and other public sector bodies in the UK. The work of the NFI is overseen by the Cabinet Office and the exercise runs every two years. Data from a range of council areas has been sent to the Cabinet Office and initial results have been released. The exercise has produced 5000 matches to review. These will be undertaken by the counter fraud team and relevant council service areas.

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<sup>1</sup> Fraud and Error (Ninth Report of Session 2021/22), Public Accounts Committee, House of Commons

## INVESTIGATIVE WORK

- 8 In 2022/23, the counter fraud team has received forty-three referrals of suspected fraud to date. These cover potential adult social care fraud, council tax reduction and debt recovery issues. Referrals have been made by members of staff, the NFI, and the public. Thirty-one investigations have been completed in the current financial year and there are currently twelve cases under investigation. To date, one person has been issued with a formal warning as a result of an adult social care investigation.
- 9 Working with Legal Services the team have assisted the Council to trace debtors. Information has been provided in connection with debts totalling £63k.