

Internal Audit Investigation Team

National Fraud Initiative

Cardiff Council participates in the Audit Commission's data matching exercise – the National Fraud Initiative. The exercise continues to play an important role in protecting the public purse against fraud. By working together organisations have already prevented and detected in excess of £1.17 billion of fraud and error since NFI started nearly twenty years ago.

The team takes the lead on proactive counter fraud work and the Group Auditor (Investigations) is the key contact for the Audit Commission's, data matching exercise, the National Fraud Initiative.

During January more than 23,000 matches were identified as potential frauds and anomalies, of these 6,849 have been identified as matches that the Audit Commission recommends are interrogated.

Area	Number	(example) Narrative
Alcohol licence	1	Possible identity fraud
Blue Badge	291	Obtaining more than 1 badge / deceased
Concessionary travel	4,136	Pass holder may have died
Creditors	823	Duplicate payments, overpaid VAT
Housing Benefit	1,142	Benefit fraud
Housing Tenants	26	Tenant resident at 2 different addresses
Insurance	16	Identify potential serial claimants
Payroll	127	Employee and creditor linked
Pensions	98	Possible abatement / pensioner died
Personal budgets	2	Personal budget recipient may have died
Residential care home	4	Resident may have died
Resident Parking Permits	153	Permit holder may have died
Right to buy	30	Right to buy property disposed of
	6,849	

Internal Audit takes the lead and either undertakes the initial sifting or passes matches to relevant departments to carry out this task. Cases that are flagged as potential frauds are passed back to the Internal Audit Investigation Team to investigate.

From the matches received we have already identified two cases where a residential care home had received payments after the resident had died, we will now recover £8,552.

Housing Fraud

My briefing report in December referred to the housing fraud matches and the update is as follows:

Of the 6,849 recommended matches, 56 relate to housing tenant / right to buy matches with anomalies which indicate possible false applications, false tenancies, illegal sublets, ineligible tenants and multiple tenancies, or individuals who may have disposed of a right to buy property within the discount period. The matches have been assigned to an investigator and are currently being prioritised to identify cases which may relate to properties or discounts which may be recoverable.

We have volunteered to participate in a further data matching pilot exercise with the Audit Commission and have submitted social housing waiting list data. The matches should be issued to us during March/April 2015 and aims to identify ineligible applicants, or those who have misrepresented their circumstances, or made false applications for social housing.

Fraud Referrals – Quarter 4

The following Employee / workforce related investigations have been concluded since last reported in January (as at end of Feb 2015) :

Allegation	No	Area	Outcome
Inflated hours	1	Education and Lifelong Learning	Resigned
Loss of Vehicle	1	Sport, Leisure	Employee no longer employed
Speeding vehicles	1	Council Wide	Briefing produced
Theft	1	Economic Development	Not substantiated
Theft / Procurement fraud	1	Schools	Prosecuted
Theft cash	2	Children's / Schools	Not substantiated
Waste collection for cash	2	Environment	Not substantiated
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