Resources Directorate
Internal Audit Section

Investigation Team Progress Report

(as at 28 February 2023)

CARDIFF
CAERDYDD

2022/23

Planning & Resources

Further to the high-level allocation of days reported to Committee on 25 January 2022, four hundred and forty-three chargeable days were available based on current resources, indicatively split between strategic (80 days) and operational activities (363 days), as summarised below:
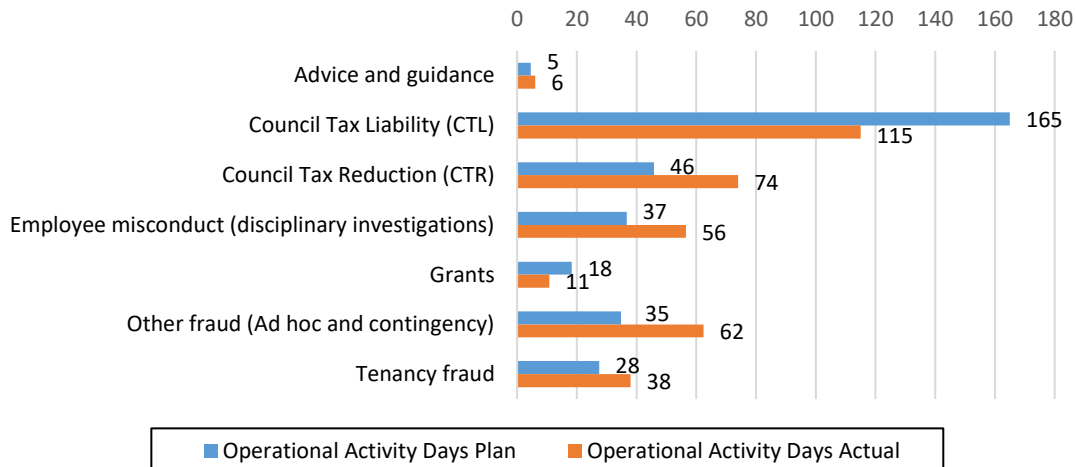
Strategic	Fraud awareness / reporting	25	**Days**
	Policy and procedure review / planning	25	
	Intelligence sharing / working groups / police liaison	10	
	National Fraud Initiative	10	
	Training development / delivery	10	
Operational	Council Tax Liability (CTL)	180	**Days**
	Council Tax Reduction (CTR)	50	
	Employee misconduct (disciplinary investigations)	40	
	Other fraud (Ad hoc and contingency)	38	
	Tenancy fraud	30	
	Grants	20	
	Advice and guidance	5	

<u>NB</u> – *Audit Manager time is not included within the above apportionment.*

Activities

Strategic Activity Days

	Plan	Actual
Fraud awareness / reporting	23	22
Intelligence sharing / working groups / police liaison	9	8
National Fraud Initiative	9	9
Policy and procedure review / planning	23	24
Training development / delivery	9	10

■ Strategic Activity Days Plan ■ Strategic Activity Days Actual

Operational Activity Days

Activity	Plan	Actual
Advice and guidance	5	6
Council Tax Liability (CTL)	165	115
Council Tax Reduction (CTR)	46	74
Employee misconduct (disciplinary investigations)	37	56
Grants	18	11
Other fraud (Ad hoc and contingency)	35	62
Tenancy fraud	28	38

■ Operational Activity Days Plan   ■ Operational Activity Days Actual

Training and Awareness

Mandatory Fraud Awareness training continues to be delivered. More than 6,700 staff and school governors have completed the eLearning or attended a face-to-face session. The eLearning module that was created by the Corporate Fraud Investigation Team is currently under review in order for a refreshed module to be developed and published during 2023.

National Fraud Initiative (NFI)

The National Fraud Initiative (NFI) is a counter-fraud exercise across the UK public sector which aims to prevent and detect fraud.
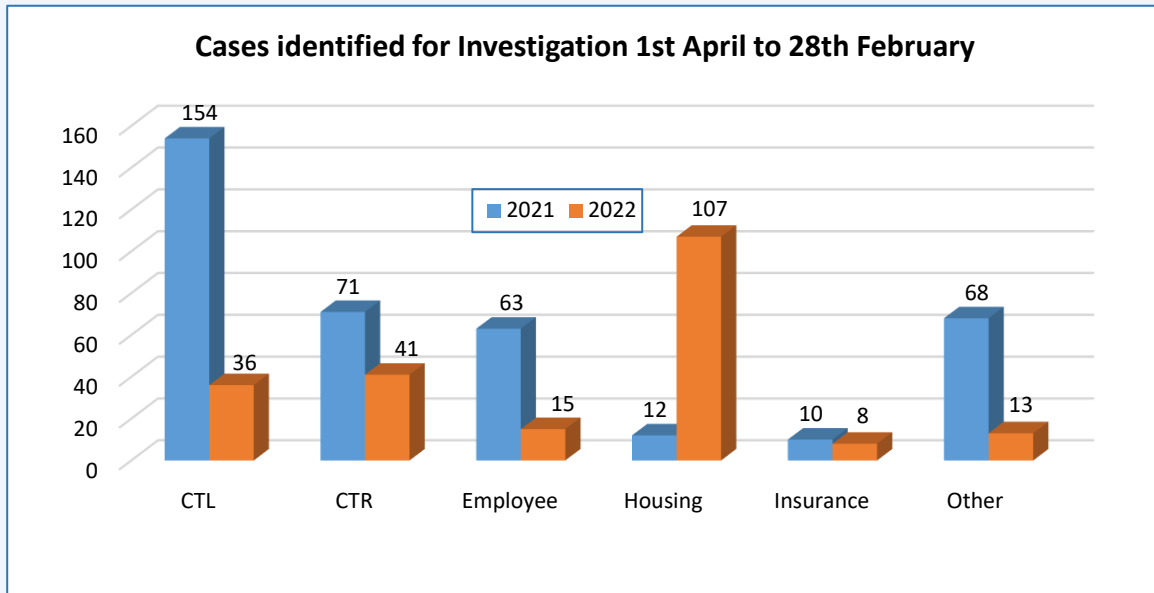
Biennial - National Exercise
Output from the current exercise NFI 2022/23 has now been received and the Corporate Fraud Investigation Team is liaising with Directorates to ensure that resources are allocated and matches risk assessed and reviewed.

More than 12,000 matches have been generated relating to the following areas:

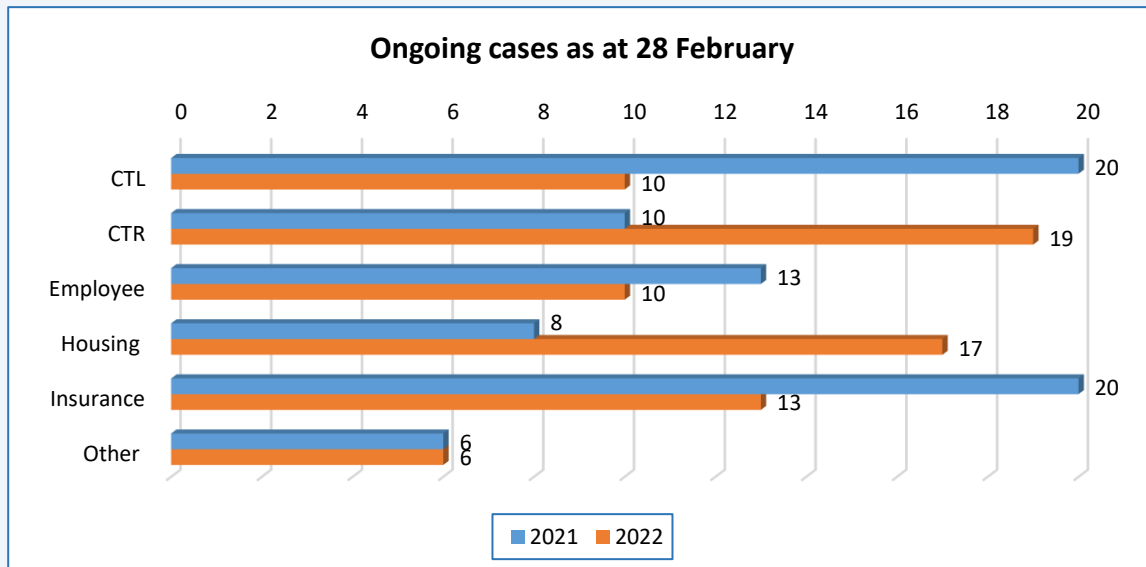| Dataset	Example activity area
Blue badge	Potential misuse of blue badge parking passes belonging to someone who has died or cases where individuals have claimed more than one blue badge
Council tax reduction scheme	Individuals claiming Council Tax reduction who failed to declare an income or change of circumstances
Housing benefit	Individuals claiming housing benefit who failed to declare an income or change of circumstances
Housing tenancy	Social housing tenants who were subletting or had multiple tenancies unlawfully
Housing waiting list	Social housing waiting list applicants who were not entitled to social housing
Payroll	Employees working for one organisation while being on long-term sick leave at another
Pensions	Individuals obtaining the pension payments of a dead person
Trade creditor	Traders who intentionally or unintentionally submitted duplicate invoices for payment
Procurement	To identify potential undeclared interests that have given a pecuniary advantage

Cases Identified for Investigation

Excluding blue badge pilot work and outcomes as reported separately, 220 cases have been identified for investigation so far this year, compared to 378 for the same period last year:

Cases identified for Investigation 1st April to 28th February

Category	2021	2022
CTL	154	36
CTR	71	41
Employee	63	15
Housing	12	107
Insurance	10	8
Other	68	13

The cases designated as other this year related to, 4 various grants, business rates, care provider, 2 concessionary travel, 2 insurance, pension fraud, scam attempt, a stolen / intercepted cheque.
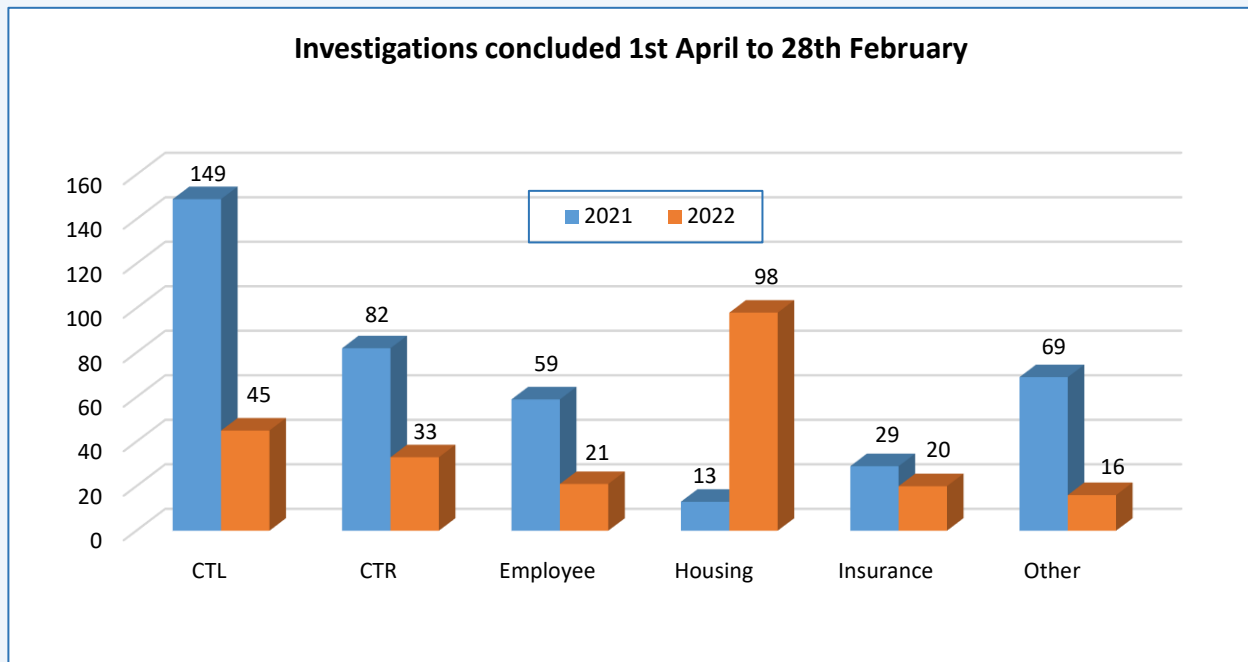
Ongoing Cases

Excluding blue badge pilot work and outcomes as reported separately, there are currently 75 investigations ongoing, compared to 77 for the same period last year:

Ongoing cases as at 28 February

Category	2021	2022
CTL	20	10
CTR	10	19
Employee	13	10
Housing	8	17
Insurance	20	13
Other	6	6

The cases designated as other this year related to, Business Grant, Concessionary Travel, Corruption, Domiciliary Care, Guardianship Order, and Concessionary travel.
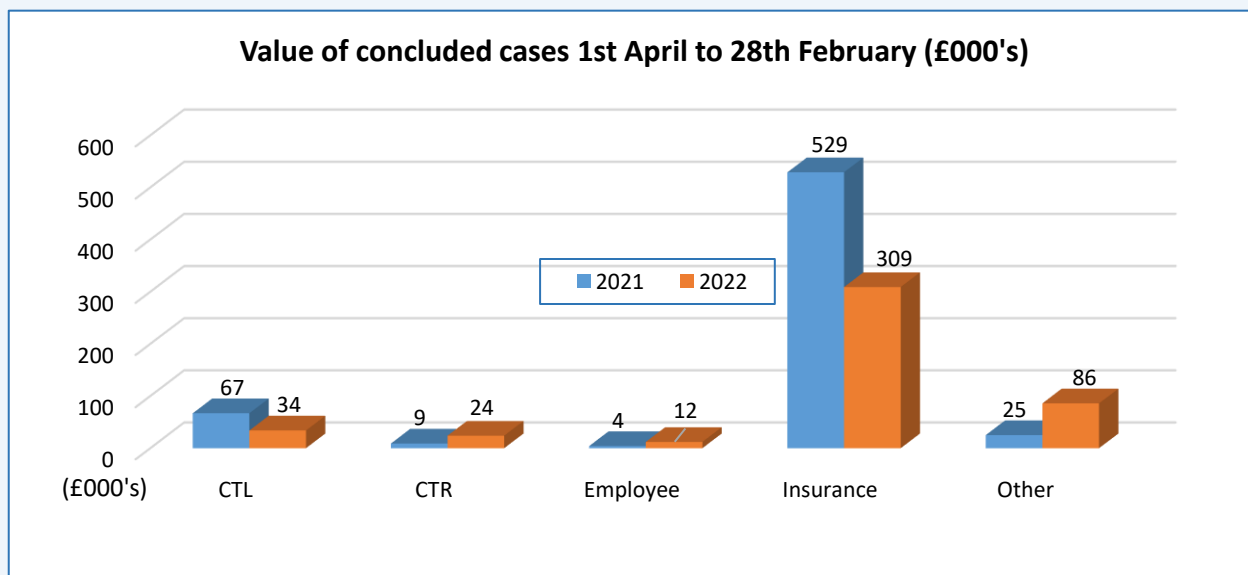
Concluded Cases

Excluding blue badge pilot work and outcomes as reported separately, 233 investigations have concluded so far this year, compared to 401 over the same period last year:

Investigations concluded 1st April to 28th February

Legend: 2021 (blue), 2022 (orange)

Category	2021	2022
CTL	149	45
CTR	82	33
Employee	59	21
Housing	13	98
Insurance	29	20
Other	69	16

The cases designated as other this year related to, 7 various grants, Business Rates, Care Provider, Conflict of interest, Corruption, Insurance, a stolen / intercepted cheque, Pension, Concessionary Travel, and an attempted Scam.

Financial Value

Excluding blue badge pilot work and outcomes as reported separately, £465,853 has been attributed to concluded cases in the 2022/23 year to date, compared to £633,757 for the same period last year:

Value of concluded cases 1st April to 28th February (£000's)

Legend: 2021 (blue), 2022 (orange)

Category (£000's)	2021	2022
CTL	67	34
CTR	9	24
Employee	4	12
Insurance	529	309
Other	25	86

- Insurance cases relate to contrived, exaggerated, fictitious misrepresented, and staged claims.
- Council Tax Liability investigations typically relate to cases of false information provided to receive a discount, or a failure to declare the occupation of a second adult, when in receipt of a single person discount.
- Council Tax Reduction investigations typically relate to those on low income, in receipt of a discount, failing to declare their income properly.
- The cases designated as other related to 1 Covid Grant, 1 Insurance claim, 1 stolen / intercepted cheque, 1 attempted Scam, and 1 Pension claim.

Blue Badge Update

Further to the above activities, on-street enforcement activity continues, this year 67 badges were seized, 11 individuals have received fines. There are 19 cases ongoing which are at various stages of investigation, including being prepared for / due to go to Court.