



Resources Directorate Internal Audit Section

Investigation Team Progress Report

2023/24

Planning & Resources

Further to the high-level allocation of days reported to Committee on 24 January 2023, four hundred and fifty-two chargeable days are available based on current resources, indicatively split between strategic (72 days) and operational activities (380 days), as summarised below, for awareness and comment:

Strategic	Policy and procedure review / planning	25	Days
	Fraud awareness / reporting	23	
	Training development / delivery	10	
	Intelligence sharing / working groups / police liaison	8	
	National Fraud Initiative	6	
Operational	Council Tax Liability (CTL)	130	Days
	Council Tax Reduction (CTR)	80	
	Other fraud (Ad hoc and contingency)	60	
	Employee misconduct (disciplinary investigations)	55	
	Tenancy fraud	45	
	Grants	5	
	Advice and guidance	5	

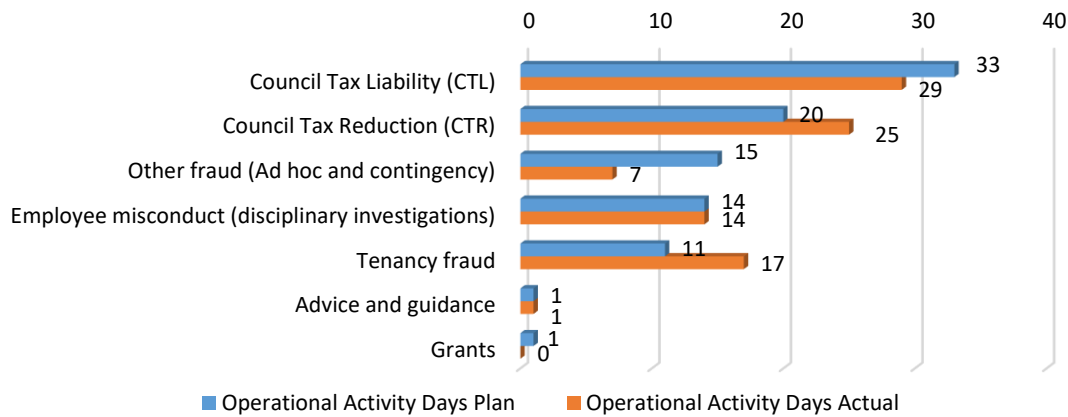
NB – Audit Manager time is not included within the above apportionment.

Activities

In the financial year to 30 June 2023, the team have applied 113 days as follows:



Operational Activity Days



Training and Awareness

Mandatory Fraud Awareness training continues to be delivered. More than six thousand staff and school governors have completed the eLearning or attended a face-to-face session. All staff are required to re-complete the Council’s Fraud Awareness Training by 31 March 2024. Face-to-Face workshops have been arranged for the management of staff who do not use PCs for their work so that they can disseminate the Training.

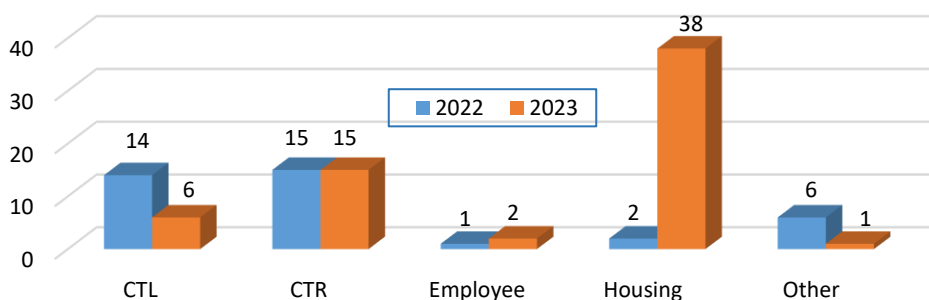
Anti-Money Laundering eLearning training is in place to reinforce the requirements of the Council’s Anti-Money Laundering Policy. The Money Laundering Reporting Officer (MLRO) is a senior officer in the Internal Audit Section, for reporting, advice and guidance needs.

Cases Identified for Investigation

Insurance data is not currently available, the position for insurance cases will next be reported as part of the quarter two Committee update. At this time the outcomes of proactive blue badge work will also be reported.

Sixty-two cases have been identified for investigation so far this year, compared to thirty-eight for the same period last year:

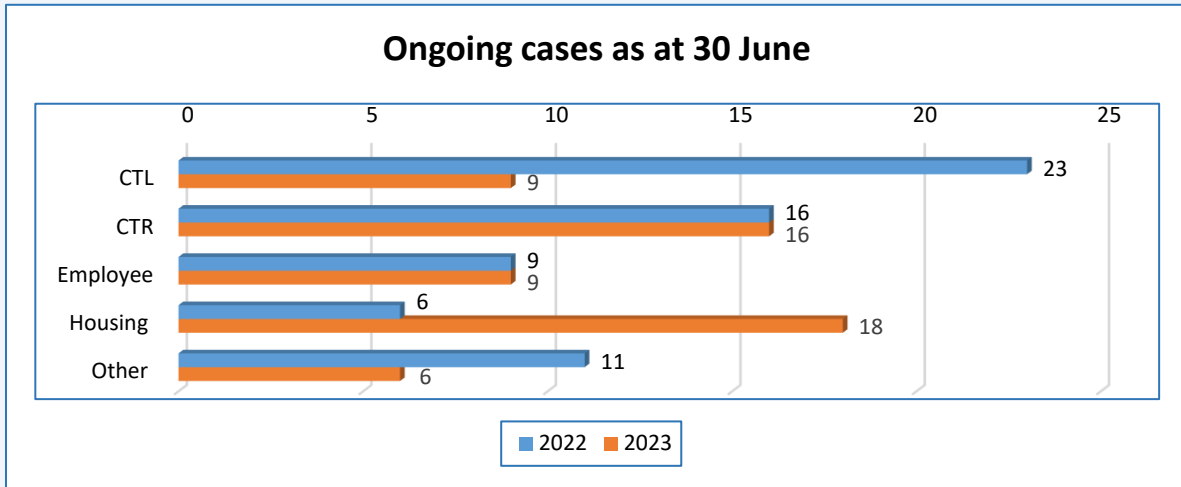
Cases identified for Investigation April to June 2023



The case designated as other this year related to a fraudulent bus pass application.

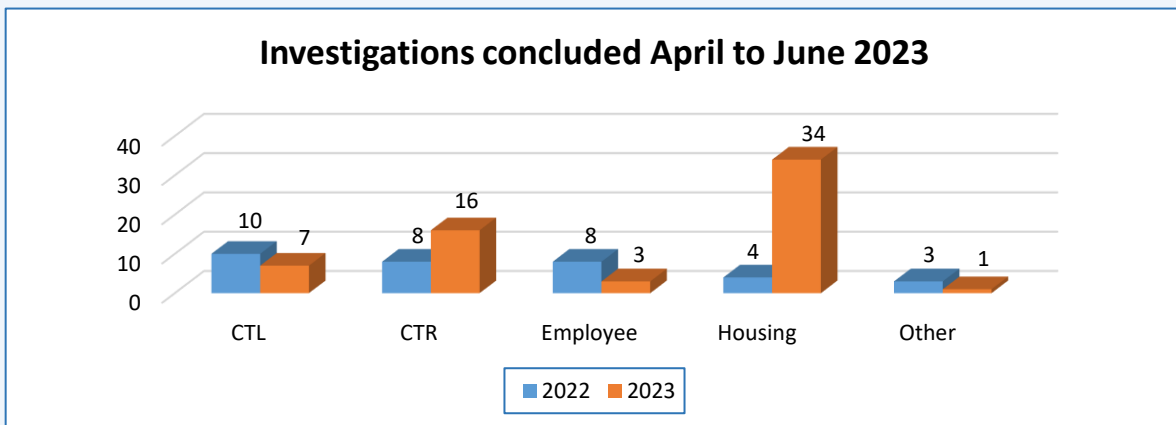
Ongoing Cases

There are currently fifty-eight investigations ongoing, compared to sixty-five, for the same period last year:



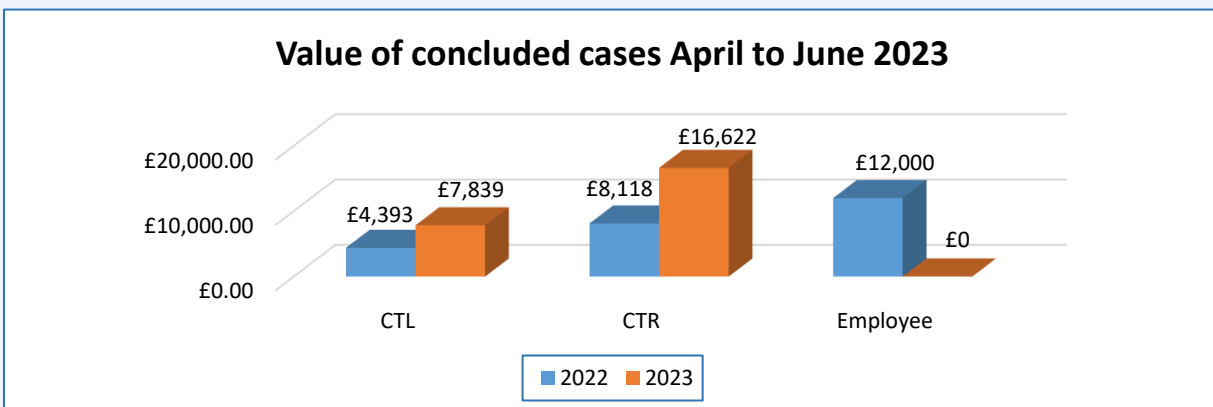
Concluded Cases

Sixty-one investigations have concluded so far this year, compared to thirty-three over the same period last year:



Financial Value

£24,461 has been attributed to concluded cases in the 2023/24 year to date, compared to £24,511 for the same period last year:



- 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.

2022/23 – Year-end position

In advance of the Counter-Fraud Annual Report 2022/23, to be provided to the Governance and Audit Committee on 26 September 2023, the activity and outcomes for 2022/23 are shown below.

Activities

2022/23 – Activity

The substantive position of investigation cases identified and concluded in 2022/23 and compared to the prior year, are shown below:

Cases	2021/22		2022/23	
	Identified	Concluded	Identified	Concluded
Blue Badge	76	73	75	74
Council Tax Liability	157	153	37	46
Council Tax Reduction	74	86	44	36
Employee Misconduct	67	60	15	21
Insurance	12	35	8	21
Tenancy	12	13	120	114
Other Cases	71	69	13	16
Number of Cases	469	489	312	328

Three hundred and twelve cases were identified in 2022/23, compared to Four hundred and sixty-nine the previous year. Three hundred and twenty-eight were concluded during the year, compared to four hundred and eighty-nine last year.

Impact

2022/23 – Impact

Blue Badges

Seventy-five badges were seized, ten offenders received a criminal sanction during the year.

Blue Badge Sanctions	2021/22	2022/23
Caution	2	3
Prosecution	42	7

Council Tax Liability

Council Tax Liability investigations concluded during the year identified £33,985 of under charged liability, to be recovered.

Council Tax Liability	2021/22	2022/23
Investigations concluded	153	46
Overpayment Identified	£72,498	£33,985

Council Tax Reduction

Council Tax Reduction investigations resulted in overpayments of £24,370 to be recovered

Council Tax Reduction	2021/22	2022/23
Investigations concluded	86	36
Overpayment Identified	£9,726	£24,370

Employee Investigations

Twenty-one employee investigations were concluded; this resulted in the following outcomes: 1 management action, 1 written warning, 3 final written warnings, 4 resignations and 3 dismissals. Additional corrective actions, and a number of management recommendations were made, in order to improve systems and controls.

Insurance

The Insurance Team has worked with their claims handler to quantify the value of prevented insurance claims due to fraud or error.

Insurance	2021/22	2022/23
Investigations concluded	35	21
Prevented payments	£750,332	£310,595

In the majority of cases, prevented payments are represented by claims which were either withdrawn by claimants, or were considered as exaggerated claims, and subsequently paid at a reduced rate.

Tenancy

One hundred and fourteen tenancy investigations were completed, compared to thirteen during the same period 2021/22. Nothing untoward was identified through these investigations.

Other

Of the sixteen cases concluded, 7 were in respect of grants, 1 of which was investigated by the Corporate Fraud Investigation Team and referred to South Wales Police. The offender admitted the offence and received a community resolution. The 9 other cases included: death in service grant, intercepted cheque, conflict of interest, corruption, false / falsified documents. The total value of these concluded cases was £86,403.