



Resources Directorate Internal Audit Section

Investigation Team Progress Report

(as at 31 December 2023)

2023/24

Planning & Resources

There are four hundred and fifty-two planned chargeable days available for the year based on current resources, indicatively split between strategic (72 days) and operational activities (380 days), as summarised below:

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	

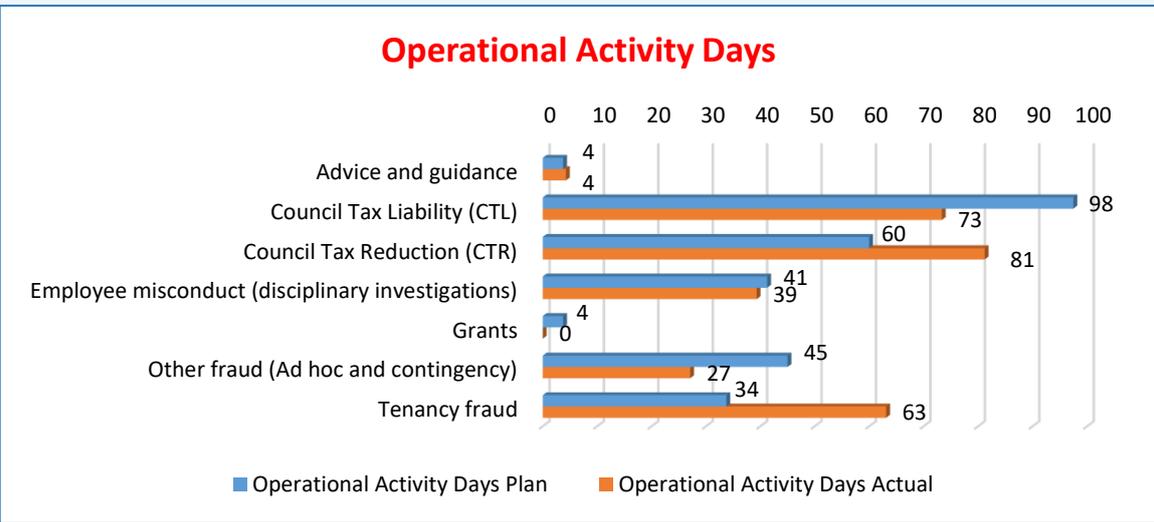
NB – Audit Manager time is not included within the above apportionment.

Activities

In the financial year to 31 December 2023, the team have applied 358 days as follows:



Operational Activity Days



Strategy, Policies, Training and Awareness

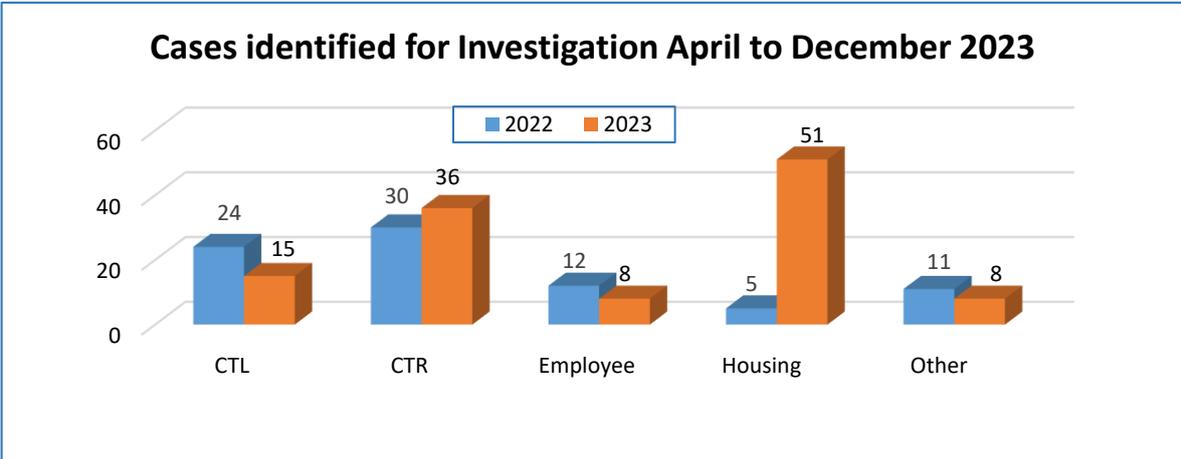
Counter-Fraud, Bribery and Corruption Strategy and counter-fraud operational document updates were approved by Cabinet in [December](#), which followed consideration by the Governance and Audit Committee in November.

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. 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. New eLearning has been developed and is planned to be rolled out in the forthcoming financial year.

Anti-Money Laundering eLearning 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

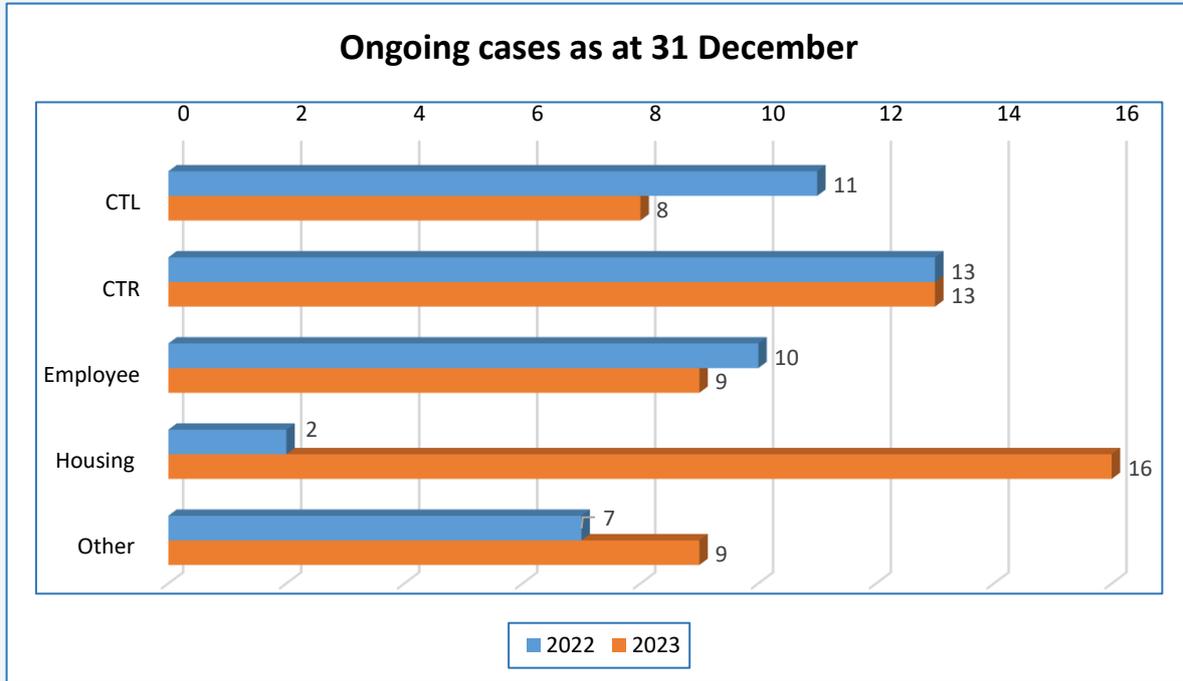
118 cases have been identified for investigation so far this year, compared to 82 for the same period last year: Insurance data is not currently available, the position for insurance cases will next be reported as part of the next Committee update. At this time the outcomes of proactive blue badge work will also be reported.



The cases designated as other this year relate to inappropriate subletting of a Council facility, counterfeit pay and display tickets, False representation, Falsification of records, Business Grants and Planning, Cheque fraud, Mandate fraud, Procurement card fraud.

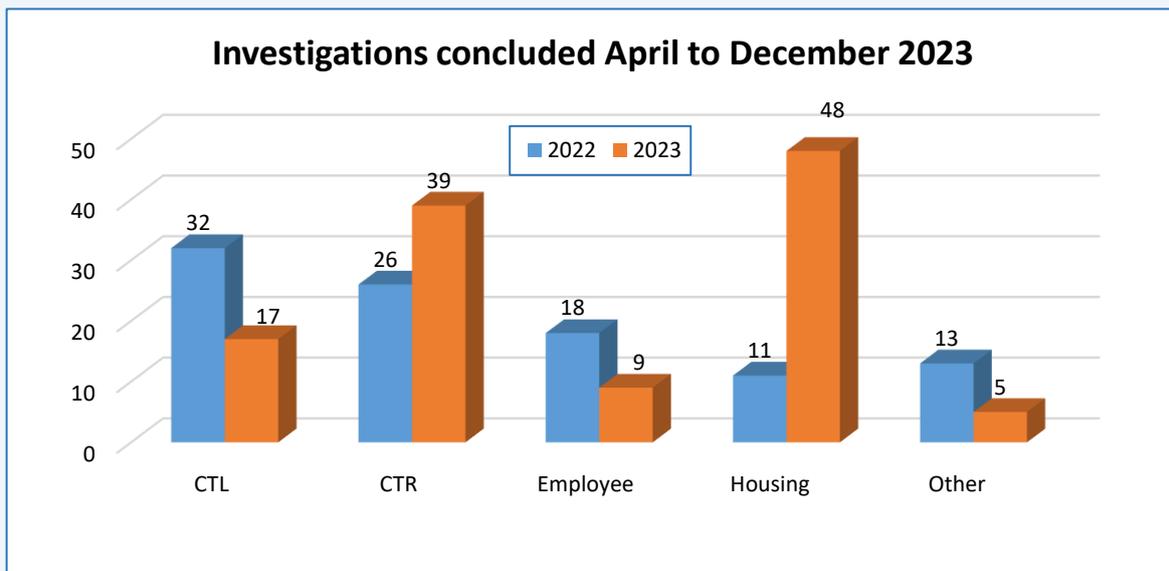
Ongoing Cases

There are currently 55 investigations ongoing, compared to 43, for the same period last year:



Concluded Cases

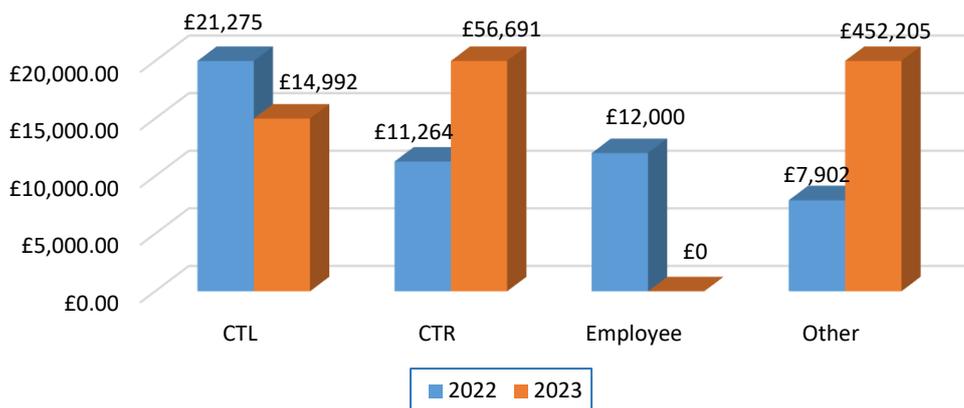
118 investigations have concluded so far this year, compared to 100 over the same period last year:



Financial Value

£523,888 has been attributed to concluded cases in the 2023/24 year to date, compared to £52,441 for the same period last year:

Value of concluded cases April to December 2023



- 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 primary case designated as other relates to the matter that was concluded at Swansea Crown Court Thursday 9 November 2023 and subject to a detailed briefing as part of agenda item 14 Governance and Audit Committee 28 November 2023. The amount attributed to this fraud is £417,000. Details reported by the CPS are contained in the following [Link](#)

National Fraud Initiative (NFI) - Overview

In addition to investigating referred cases, the team also undertakes various proactive exercises including participating in data matching exercises run by the Public Sector Fraud Authority and Audit Wales.

The National Fraud Initiative (NFI) matches data for the prevention and detection of fraud, by comparing sets of data electronically, such as the payroll or benefit records to other records held by the same or another body. This data is usually comprised of personal information, and matching identifies inconsistencies that require further investigation and allows potentially fraudulent claims and payments to be identified. These exercises generate a substantial volume of matches, and a risk-based approach is taken to prioritise where resources are targeted. The Investigation Team is currently liaising with Council Tax and Housing to assist with the progression of the matches generated for review.

Annual Exercise - Council Tax and Electoral Register

Each year the Corporate Fraud Investigation Team submit council tax single person discount and electoral register data to help find where people are receiving the discount, but are not the only countable adult at their residence.

The next upload is scheduled for 18 January 2024 and matches should be generated that day. The last annual exercise generated matches for Cardiff Council in December 2022, and the review was led by Revenue's with support from Internal Audit. A targeted review was undertaken, 511 matches were processed, 221 errors were identified and as a result of recalculating council tax liability, £161,121.03 was attributed to these adjusted matches.