

# Crawley Borough Council

## Report to Audit Committee

19 April 2021

### Fraud and Investigation Team Report

Report of the Operational Benefits & Corporate Fraud Manager - Report no. FIN/530

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#### 1. Purpose

- 1.1 This report describes the activity of the Corporate Fraud & Investigation Team for the period 17 February 2021 to 6 July 2021. All outcome figures are taken from closed cases. Year to date figures are also included in the report for 2021/22.

#### 2. Recommendations

- 2.1 That the Committee note the report.

#### 3. Reasons for the Recommendations

- 3.1 The Committee has a responsibility to oversee the Council's anti fraud and corruption arrangements. A major part of those arrangements is the activity of the Corporate Fraud & Inspection Team in identifying, investigating and taking action against cases of fraud.

#### 4. Work during Covid 19

- 4.1 During the pandemic the investigation team have been reactive to new threats of fraud and assisting teams which have faced a considerable increase in work such as the Benefits Team.

#### 5. Information & Analysis

- 5.1 Grants have played a big part in the activities of the Investigation Team this year but this does not mean fraud has eased in other areas.

The Fraud Team are currently investigating the following case types

<u>Case Type</u>	<u>Number of Cases</u>
Non domestic rates	4
Council Tax Reduction Scheme	4
Housing Non occupation	7
Fly Tipping	2
Council Tax Single person Discount	2
Enforcement	1
Housing general	7
Housing Succession	1
Other	1
<b>Total</b>	<b>29</b>

The above cases are all at various stages in the investigation lifecycle and will be reported on when the cases are closed.

## 5.2 Housing Fraud

During the reporting period the team have achieved the following:

	<u>In period</u>	<u>2021/22 (YTD)</u>
Properties recovered	6	6
Prevented allocation (inc homeless applications)	0	0
Stopped Right to Buy (actual discount value)	1 (£84,600)	1 (£84,600)
Notional value of savings	£192,600	£192,600

The previous Audit Commission through their 'Protecting the public purse' studies conservatively estimated, that for each property being misused and not available to the Local Authority it cost the Authority £18,000 per year per property. Housing vulnerable families in Bed & Breakfast on a temporary basis is very expensive and can cost in excess of £100 per night. The Audit Commission figure is therefore used for recovering properties and preventing false applications.

The Right to Buy figures are the actual discounts which would have awarded had the sale of the property gone through.

## 5.3 Single Person Discount

Throughout the year the Investigators and Inspectors will routinely look into referrals received from the public or other means suggesting there are 2 adults resident and are therefore not eligible to the discount.

	<u>In period</u>	<u>2021/22 YTD</u>
Discounts removed	11 (£6,048)	8 (£4,604)

In addition, the Inspectors are now commencing their annual Single Person Discount data matching exercise. This is where we match Council Tax accounts against other data sets which highlights there is a 2<sup>nd</sup> adult living in the property. We will then take action to correct these accounts.

## 5.4 Council Tax and Business Rates

The team continue to investigate and inspect Council Tax and Business rates.

**New billable CT or Rates** – Inspectors are constantly looking for properties or businesses that are not on the valuation list and therefore not being billed. Legislation does not require occupiers to report new properties.

	Council Tax		Non Domestic Rates	
	In period	2021/22	In period	2021/22
New billable CT or Rates	£268,694	£173,317	£677,742	£556,300

## **6. Prosecution Case**

- 6.1 Miss Tasquier was observed in Crawley Town Centre throwing her cigarette on the floor. She was stopped by a Community Warden. Miss Tasquier's details were taken and a Fixed Penalty Notice was issued. The notice was returned as 'not living at the address'.
- 6.2 The Investigation Team were able to verify the address given to the Warden by Tasquier was false and were also able to track her down at her real address.
- 6.3 The case proceeded to Crawley Magistrates Court where Miss Tasquier was found guilty of littering and was fined £200, she was also found guilty of giving a false address and was fined a further £300. Including prosecution costs and a victim surcharge, she was ordered to pay a total of £802 to Crawley Borough Council.

## **7. Implications**

- 7.1 There are no implications from the report.

## **8. Background Papers**

- 8.1 None

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