

# Crawley Borough Council

## Report to Audit Committee

3 September 2024

### Update on Counter-Fraud

Report of the Head of Corporate Finance - Report no. **FIN/668**

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#### 1. Purpose

- 1.1. This report describes the activity of the Corporate Fraud & Investigation Team for the period 1<sup>st</sup> July 2024 to 18<sup>th</sup> August 2024. All outcome figures are taken from closed cases.

#### 2. Recommendation

- 2.1. That the Committee note the report.

#### 3. Reasons for the Recommendation

- 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. Information & Analysis

- 4.1. The Fraud Team are currently investigating the following case types: (Non fraud cases are not included in this report)

<u>Case Type</u>	<u>Number of current open cases</u>	<u>Previous reporting period</u>
Council Tax Support	15	16
Housing Cases	19	18
Fly Tip	1	1
Right to buy	22	18
<b>Total</b>	<b>57</b>	<b>53</b>

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

#### 4.2. Housing Fraud

During the reporting period the team have achieved the following:

	In period	2024/25 (YTD)
Properties recovered	1 (£27,300)	3 (£81,900)
Right to buy prevented	1 (£102,400)	2 (£204,800)
Prevented Allocations	2 (£54,600)	3 (81,900)
Notional value of savings	£184,300	£368,600

Using CBC's own figures from homelessness we estimate the average cost of Temporary Accommodation which currently stands at £75 per night. Annually this equates to £27,300.

#### 4.3. 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	2024/25	In period	2024/25
New billable CT or Rates	£7,897.69	£63,256.48	£1,174,750	£4,408,750

### 5. **Significant Cases**

- 5.1. A referral was received from the Benefits section stating that a benefits claimant was not living at the address she was claiming a Council Tax Reduction benefits for. Checks were carried out and the person in question was also in receipt of Housing Benefit.

It was established that the person had formed a new relationship and moved in with their partner, out of area and had been doing so since 2019 whilst claiming a discount for her council tax and housing benefit for her rent.

This has now created an overpayment of Housing Benefit of just over £34,000 which was referred to DWP as the authority and Council Tax Reduction of just under £10,500. These amounts are now in the process of being recovered by the council.

Due to the age of the offence, we are unable to take any further action but will recover all overpaid monies in full.

- 5.2. A referral was received from the Housing Options team in relation to someone who had contacted the council for assistance as they had been made homeless. They had provided a letter from their ex-landlord showing that they had been given notice to leave the property and a copy of their tenancy agreement.

Background checks made showed that the contact information for the landlord was different from the information provided by the applicant.

The landlord/homeowner was then contacted via information that we held as a council and not from information provided by the applicant.

The landlord confirmed via email that she had never had a tenant by the name of the applicant and that the forms were not original or signed by them.

The applicant was spoken to via telephone and since then he has failed to contact the options team or investigations. He has therefore been removed from the register.

This shows the council working together as one and how our checks prevent fraud from entering the system.

## **6. Implications**

- 6.1. There are no implications from the report.

## **7. Background Papers**

- 7.1. None

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