

Protecting the Public Purse - 2013/14 Audit Commission fraud and corruption survey - Districts

Introduction

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Protecting the Public Purse - 2013/14 Audit Commission fraud and corruption survey

Section 48 Audit Commission Act 1998 – Request for information.

The Audit Commission publishes an annual report on fraud and corruption in local government called 'Protecting the Public Purse' (PPP). PPP gives details on amounts of detected fraud, warns of emerging fraud risks and promotes best practice. Much of the information for PPP comes from this survey.

Our 2011/12 and 2012/13 fraud and corruption surveys achieved a 100 per cent response rate. This enabled us to provide an accurate assessment of the total detected fraud figures for local government, and to undertake regional breakdowns and detailed analysis.

We are now asking you to complete and submit the 2013/14 fraud and corruption survey. **The deadline for submission is 16 May 2014.**

We require submission of the information under section 48 of the Audit Commission Act 1998.

Should you wish someone other than yourself to complete the survey please email d-management@audit-commission.gsi.gov.uk.

If you would prefer to receive this survey in an alternative format for accessibility purposes please contact Duncan Warmington at fraud-survey@audit-commission.gsi.gov.uk

Please read Glossary of terms before starting this survey - [Link to Glossary of terms](#)

Public body information

Organisation

Oxford City Council

Public body information

1. Organisation

1.1 Name of public body

Oxford City Council

1.2 Name of 151 Officer /
Chief Financial Officer?

Nigel Kennedy

1.3 Name of person
completing the survey?

Carol Quainton

1.4 Position of person
completing the survey?

Investigation Manager

1.5 Telephone number of
person completing the
survey

01865 252478

1.6 Email address of person
completing the survey?

cquainton@oxford.gov.uk

Fraud cases

Benefit, tenancy, council tax and NDR fraud

If you have cases but do not record the number and/or the value please answer 'yes' and record 'NR' in Number of cases and/or Value (£'s)

2. Housing benefit and council tax benefit fraud

Note: all cases in this survey where management authorised action has been taken, such as an investigation or enquires made, and as a result an officer with management authorisation has determined that on the balance of probabilities a fraud or act of corruption has occurred. As such, cases do not require a sanction or prosecution to be determined as fraudulent.

2.1 Did you have any cases
of housing benefit and/or
council tax benefit fraud?

Yes

2.2 Number of cases

508

2.3 Value (£'s)

619,297

2.4 Did any of these cases above involve employees or councillors?

No

2.7 In the Housing benefit and council tax benefit detected fraud cases you have reported is there any evidence to suggest they have resulted from organised crime?

Yes

3. Housing tenancy fraud

3.1 Provide the number of properties in your housing stock, both directly managed and via arms length management organisations (ALMOs)

7754

3.2 Did you have any cases of tenancy sub letting fraud?

Yes

Note: this is where a tenant lets part, or all, of their home to somebody else contrary to the tenancy agreement. Only report where the property has been brought back into council or ALMO control.

3.3 Number of cases

3

3.4 Did any of these cases above involve employees or councillors?

No

3.6 Did you have any cases of other tenancy fraud?

Yes

Note: This could include, but not limited to, issues such as fraudulent application, succession, abandonment, or non-occupation as the principle home. Only report where the property has been brought back into council or ALMO control.

3.7 Number of cases

7

3.8 Did any of these cases above involve employees or councillors?

No

3.10 In ALL the Tenancy detected fraud cases you have reported is there any evidence to suggest they have resulted from organised crime?

No

3.11 Did you have any cases of 'right to buy' frauds?

Yes

3.12 Number of cases

5

3.13 Value (£'s - please use the value of the discount)

375,000

3.14 Did any of these cases above involve employees or councillors?

No

3.17 Do you assist other registered social landlords in your area in combating tenancy fraud?

Yes

3.18 Please provide details

5 sub let properties returned, 4 non occupied

3.19 In the Right to buy detected fraud cases you have reported is there any evidence to suggest they have resulted from organised crime?

No

4. Council tax discount fraud

4.1 Did you have any cases of council tax single person discount (SPD) fraud?

Yes

Note: the total value, including previous years, of council tax owed when a decision during the year determined that the liable person was not entitled to SPD.

4.2 Number of cases

283

4.3 Value (£'s)

115,218

4.4 Did any of these cases above involve employees or councillors?

No

4.7 Did you have any cases of council tax discount fraud involving discounts and entitlements other than SPD? (This also excludes the council tax reduction scheme, which is dealt with in section 5)

No

Note: the total value, including previous years, of council tax owed when a decision during the year determined that the liable person was not entitled in whole or part to any discount or entitlement. Discounts or entitlement could include, but not limited to, student discounts.

4.13 In the council tax discount detected fraud cases you have reported is there any evidence to suggest they have resulted from organised crime?

No

5. Council Tax Reduction (CTR)

5.1 Did you have any cases of CTR fraud?

Yes

Note: the total value, including previous years, of council tax owed when a decision during the year determined that the liable person was not entitled to CTR.

5.2 Number of cases

170

5.3 Value (£'s)

121,191

5.4 Did any of these cases above involve employees or councillors?

No

5.7 In the CTR detected fraud cases you have reported is there any evidence to suggest they have resulted from organised crime?

No

6. Non-domestic rates fraud (Business Rates)

6.1 Did you have any cases of Business Rates fraud?

No

Note: this is any fraud linked to the evasion of paying Business rates including, but not limited to, falsely claiming mandatory or discretionary relief, falsely using insolvency status, failure to declare occupation, and payment using false bank details.

If you have cases but do not record the number and/or the value please answer 'yes' and record 'NR' in Number of cases and/or Value (£'s)

7. Procurement fraud

Note: this is any fraud linked to the false procurement of goods and services for the organisation either by internal or external persons or companies including, but not limited to: violation of procedures; manipulation of accounts; records or methods of payment; failure to supply; failure to supply to contractual standard.

7.1 Did you have any cases of procurement fraud?

Yes

7.2 Number of cases

1

7.3 Value (£'s)

36,000

7.4 Did any of these cases above involve employees or councillors?

No

7.7 In the Procurement detected fraud cases you have reported is there any evidence to suggest they have resulted from organised crime?

No

8. Fraudulent insurance claims

Note: this is any insurance claim against your organisation or your organisation's insurers that proves to be false.

8.1 Did you have any cases of fraudulent insurance claims?

No

9. Economic and third sector support fraud

Note: this is any fraud that involves the false payment of grants, loans or any financial support to any private individual or company, charity, or non governmental organisation including, but not limited to: grants paid to landlords for property regeneration; donations to local sports clubs; loans or grants made to a charity.

9.1 Did you have any cases of economic and third sector support fraud?

No

Debt, Pensions and Investment fraud

If you have cases but do not record the number and/or the value please answer 'yes' and record 'NR' in Number of cases and/or Value (£'s)

10. Debt Fraud

Note: This is any fraud linked to the avoidance of a debt to the organisation including, but not limited to: council tax liabilities (do not include council tax discount fraud from section 4); rent arrears; false declarations; false instruments of payment or documentation.

10.1 Did you have any cases of debt fraud?

No

11. Pension Fraud

Note: this is any fraud relating to pension payments including, but not limited to: failure to declare changes of circumstances; false documentation; or continued payment acceptance after the death of the pensioner.

11.1 Did you have any cases of pensions fraud?

No

12. Investment fraud

Note: this is any fraud relating to investments including, but not limited to: the fraudulent misappropriation of assets; or loss through breach of procedures

12.1 Did you have any cases of investment fraud?

No

Payroll and Expenses fraud, Abuse of position and Other fraud

If you have cases but do not record the number and/or the value please answer 'yes' and record 'NR' in Number of cases and/or Value (£'s)

13. Payroll and employee contract fulfilment fraud

Note: this includes, but is not limited to: the creation of non existent employees; unauthorised incremental increases; the redirection or manipulation of payments; false sick claims; not working required hours; or not undertaking required duties.

13.1 Did you have any cases of payroll and contract fulfilment fraud?

Yes

13.2 Number of cases

3

13.3 Value (£'s)

9050

13.4 In the Payroll and employee contract fulfilment detected fraud cases you have reported is there any evidence to suggest they have resulted from organised crime?

No

14. Expenses fraud

Note: this includes, but is not limited to: false declarations of mileage; false documentation to support allowances; breaches of authorisation and payment procedures.

14.1 Did you have any cases of employee expenses fraud?

No

14.4 Did you have any cases of councillor expenses fraud?

No

15. Abuse of position

Note: this could include frauds not reported elsewhere (the financial gain could be for the fraudster or other) including, but not limited to: the misappropriation or distribution of funds by someone taking advantage of their position such as payments officers, bursars or finance managers; or fraudulently securing a job for a friend or relative.

15.1 Did you have any cases of abuse of position for financial gain?

No

15.5 Did you have any cases of manipulation of financial or non financial data?

No

Note: this includes, but is not limited to: the falsifying of statistics to ensure performance targets are met; or the adjustment of accounts to remain within set financial limits for the benefit of an individual or the organisation.

16. Other fraud

16.1 Did you have any other types of fraud?

No

Recruitment fraud and fraud reporting

If you have cases but do not record the number and/or the value please answer 'yes' and record 'NR' in Number of cases and/or Value (£'s)

17. Recruitment fraud

Note: this could involve any applications, including attempts, to gain employment or subsequently where any of the details prove to be false, including but not limited to: false identity, immigration (no right to work or reside); false qualifications; or false CVs.

17.1 Did you have any cases of recruitment fraud?

No

18. Fraud reporting

Note: external auditors are required to report to the Audit Commission all frauds over £10,000 and all incidents of corruption within the audited body - these reports are called AF70s.

18.1 Of all the detected fraud cases you have reported throughout the survey, in how many individual cases did the fraud value amount to over £10,000?

12

18.2 Not included in figures elsewhere in the survey, how many incidents of corruption did you have involving a councillor?

0

Note: please see the glossary for the definition of corruption for the purpose of this survey.

18.3 Not included in figures elsewhere in the survey, how many incidents of corruption did you have involving an employee?

0

Note: please see the glossary for the definition of corruption for the purpose of this survey.

Prosecutions

Fraud and Corruption Prosecutions

If you have cases but do not record the number and/or the value please answer 'yes' and record 'NR' in Number of cases and/or Value (£'s)

19. Housing benefit/council tax benefit fraud

19.1 Did you prosecute any cases of housing benefit and/or council tax benefit fraud?

Yes

Note: please include cases where the first court hearing was held between 1 April 2013 and 31 March 2014

19.2 Number of cases

15

19.3 Did any of these cases above involve employees or councillors?

No

19.5 Did you have any housing benefit and/or council tax benefit prosecutions that resulted in a guilty outcome?

Yes

Note: please include those cases where the offender was sentenced between 1 April 2013 and 31 March 2014.

19.6 Number of cases

7

19.7 Did any of these cases above involve employees or councillors?

No

20. Fraud (excluding housing benefit and council tax benefit fraud)

20.1 Did you prosecute any cases of fraud?

No

Note: please include cases where the first court hearing was held between 1 April 2013 and 31 March 2014.

20.5 Did you have any fraud prosecutions that resulted in a guilty outcome?

No

Note: please include those cases where the offender was sentenced between 1 April 2013 and 31 March 2014.

21. Corruption prosecutions

21.1 Did you prosecute any cases of corruption?

No

Note: please include cases where the first court hearing was held between 1 April 2013 and 31 March 2014.

21.3 Did you have any corruption prosecutions that resulted in a guilty outcome?

No

Note: please include those cases where the offender was sentenced between 1 April 2013 and 31 March 2014.

Additional information

Audit Committee and Policies

22. Whistleblowing

22.1 Do you have a whistleblowing policy?

Yes

22.2 Do those responsible for governance annually review your whistleblowing arrangements in line with British Standards PAS 1998:2008 'Whistleblowing Arrangements Code of Practice'?

Yes

22.3 How many whistleblowing cases did you centrally log in line with British Standards PAS 1998:2008 'Whistleblowing Arrangements Code of Practice'?

0

Counter fraud and corruption activity

23. Counter fraud and corruption activity

Note: we define a counter fraud specialists to be any officer working on preventing and or investigating fraud or recovering the proceeds of fraud. These could include, but not limited to, verification visiting officers, qualified fraud investigators, financial investigators and dedicated counter fraud auditors tackling fraud against the public purse. We do not include trading standards officers.

23.1 Which best describes your counter fraud and corruption resource?

Dedicated corporate fraud team, including benefit and non-benefit counter fraud specialists

23.3 How many full time equivalent (FTE) counter-fraud specialists did you have at 31 March 2014, for both benefit and non-benefit fraud?

| | No. FTE benefit counter-fraud staff | No. FTE non-benefit counter-fraud staff |
|--|-------------------------------------|---|
| | 4.5 | 6.5 |

23.4 For previous years please provide, how many counter-fraud specialists did you have at 31 March in each year, for both benefit and non-benefit fraud? (If the data are not available, please put 'NR' in the relevant box)

| Year | No. FTE benefit counter-fraud staff | No. FTE non-benefit counter-fraud staff |
|---------|-------------------------------------|---|
| 2012/13 | 5 | 3.8 |
| 2011/12 | 4 | 2.8 |
| 2010/11 | 5 | 1.5 |
| 2009/10 | 5 | 1 |

23.5 Do you have your own POCA Financial Investigator resource?

No

Note: a POCA financial investigator is an investigator accredited under section 3 of the Proceeds of Crime Act 2002.

23.6 Do you have a POCA Financial Investigator resource available for you to use, other than that provided by DWP?

Yes

23.7 In total over the last three financial years, how much money have you been awarded by the courts through POCA, excluding HB/CTB?

0

26.8 In total over the last three financial years, how much money have you actually received through POCA, excluding HB/CTB?

0

23.9 Do you undertake an annual assessment of corporate fraud and corruption risk?

Yes

23.10 Do you have a counter fraud and corruption plan?

Yes

23.11 Do you produce an annual report on counter fraud and corruption activity and performance?

Yes

23.12 Did your external auditor present, or make available, to your Audit Committee (or equivalent) your 2012/13 Fraud Briefing?

No

Note: the Audit Commission make available individually tailored fraud briefings to support external auditors' communications with those responsible for governance in each council. The briefings contain comparative information on each council's fraud detection results.

24. Enhancing counter fraud development

24.1 In your professional judgement, what are the three most significant issues that need to be addressed to effectively tackle the risk of fraud and corruption at your organisation? Tick the three most important from the list below:

- ☒ Capacity (sufficient counter fraud resource)
- ☐ Capability (having appropriate counter fraud skill sets)
- ☒ Effective fraud risk management
- ☐ Better data sharing
- ☐ Corporate appreciation of the financial benefits of tackling fraud
- ☐ Greater public support for tackling fraud
- ☐ Increased priority given to tackling fraud
- ☒ Improved partnership working
- ☐ Other

25. Emerging risks

25.1 What emerging risk areas for fraud or corruption did you identify during 2013/14?

Financial impact and potential risk of loss of revenue in CTAX and Business Rates

26. Comments

26.1 If you would like to comment on the Audit Commission fraud and corruption survey please do so here

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