

TRAFFORD COUNCIL

Report to: Accounts and Audit Committee
Date: 25 September 2014
Report for: Information
Report of: Investigations Manager (Fraud Investigation Service)

Report Title

Fraud Investigation Service (FIS) : 2013/14 Annual Report

Summary

The report:

- outlines the Councils' responsibilities towards tackling benefit related fraud that has been perpetrated against it; provides details of the teams' performance during the period April 2013 – March 2014;
- provides details of the outcomes of activity over this period; and
- outline the teams' plans for 2014/15.

It is intended that this report will also be forwarded to the Executive and all members of the Council.

Recommendation

The Committee is asked to note the report.

Contact person for access to background papers and further information:

Name: Mark Foster – Audit and Assurance Manager
David Wright – Investigations Manager

Extension: 1323 / 2771

Background Papers:

None



TRAFFORD COUNCIL

Fraud Investigation Service (FIS)

Annual Report

2013-2014

Fraud Investigation Service Annual Report – 2013/2014

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1. **Introduction**

The purpose of this report is to:

- Outline the Council's responsibilities towards tackling fraud that has been perpetrated against it
- Provide details of the team's performance during the period April 2013– March 2014
- Provide details of the outcomes of action that was taken over this period
- Outline the team's plans for 2014/15.

2. **Responsibilities and Approach to Dealing With Benefit Fraud**

2.1 Local Authorities have a statutory duty under section 151 of the Local Government Finance Act 1972 to make arrangements for the proper administration of their financial affairs. This obligation includes a duty to have effective controls and procedures in place to prevent, detect and investigate fraud and error in Housing Benefit and Council Tax Benefit.

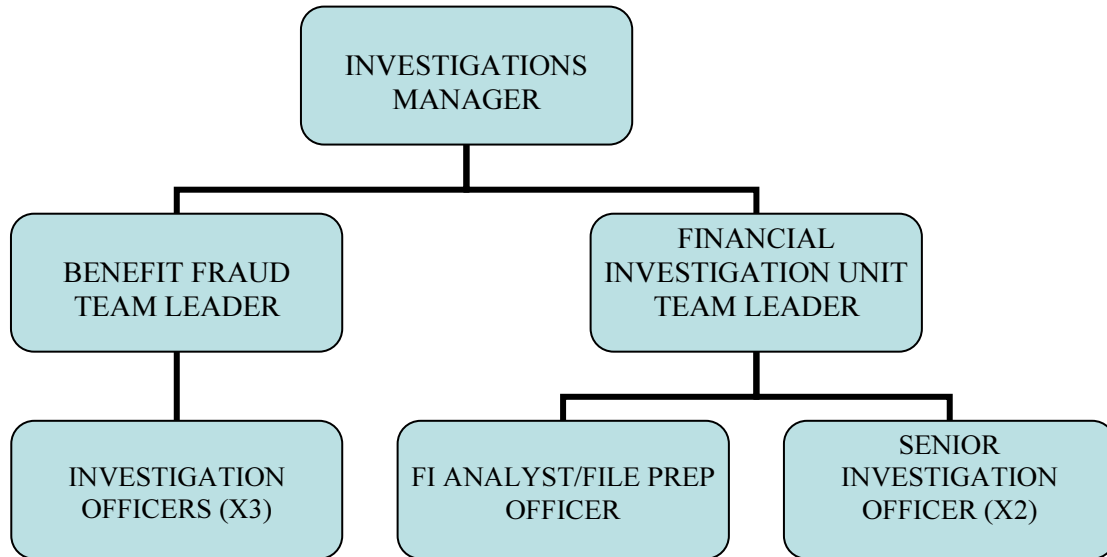
2.2 Preliminary statistics from the Department for Work and Pensions (DWP) estimate that during the period from April 2013 – March 2014, £1.1bn of total state benefits were overpaid to claimants as a result of fraud, which shows the extent of the abuse of the benefits system that is taking place. This shows a reduction from the estimated £1.2bn that was lost through fraud in 2011/12 & 2012/13. It equates to 0.7% of the total amount of benefits paid. Of this amount, nationally, approximately £340m related to Housing Benefit. This equates to 1.4% of the £23.9 bn total expenditure for this benefit.

(Source: DWP report - Fraud & Error in the Benefits System – May 2014)

2.3 The Council has a dedicated Fraud Investigation Service that seeks to address the problem by tackling benefit fraud in various ways. Further details, including methods used are outlined in the attached Appendix A. The level of staffing on the team has remained at the same level since March 2012. The nine people working within the team have also remained the same. The Fraud Investigation team has been located within Stretford Police station since April 2012 as part of the Operation Bank project which sees a number of agencies working alongside GMP to tackle organised crime. This project is discussed in further detail later in this report.

2.4 The Service, in addition to a fraud investigation function, also contains a Financial Investigation Unit (FIU), which conducts Financial Investigations in accordance with Proceeds of Crime Act legislation.

The team is currently structured as shown below:



To meet with the requirements of the team, some of the posts entail the post holder having roles that cover both areas of work that we carry out. For example the two Senior Investigators share their time between carrying out benefit fraud investigations and conducting financial investigations.

3. Team Performance 2013/14

3.1 Planning

The objective of the Fraud Investigation Service **is to prevent, deter, investigate and detect fraud in order to significantly reduce benefit fraud in Trafford**. The service plan sets detailed tasks and objectives against which progress is monitored against each month. Each investigator also has individual targets set at the beginning of each year, and progress against their targets is monitored on a monthly basis. The Financial Investigation Unit has a target linked to the level of income it is able to generate as a result of Court Orders obtained due to action taken against those persons who have been convicted of benefit fraud.

3.2 Performance / Outcomes

Fraud Investigation Team

3.2.1 A key role of the Fraud Investigation team is to tackle benefit fraud by acting on referrals received from numerous sources, conducting investigations with the purpose of identifying where offences have taken place that have resulted in benefit being claimed incorrectly and enabling the Council to recover such overpaid monies. Appropriate action will be taken against those parties that deliberately defraud the Council in this way. The following section of this report outlines the achievements of the team in dealing with this area of work and compares it to performance of previous years.

Performance statistics April 2009– March 2014

3.2.2 Source of fraud referrals

Referrals come from a wide variety of sources and the seven most common types are listed in Table 1. Last year saw a slight reduction in the number of referrals received compared to 2012/13 (10 %). It did, however, see a significant increase in the number of referrals from the Benefits Service as a result of reviews undertaken that have highlighted a number of claims where the claimants had failed to report changes in their income details. There also was a noticeable increase in the number of referrals from the public – which may be as a result of the recession, with members of the public who may be struggling financially becoming increasingly disgruntled when they see people abusing the benefits system.

Table 1 – Source of Fraud Referrals

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Housing benefit and council tax benefit staff (HB/CTB)	20.51%	22.83%	19.86%	33.99%	38.29%
Department for Work and Pension staff (DWP)	6.41%	8.23%	5.79%	6.31%	4.96%
Housing Benefit Matching Service (HBMS)	38.89%	22.41%	30.9%	20.31%	2.05%
Proactive work	0.71%	5.67%	5.38%	4.46%	4.79%
Anonymous calls/letters	21.65%	29.23%	25.1%	22.92%	30.59%
National Fraud Initiative	4.99%	3.69%	3.86%	0	8.03%
Police	n/a	n/a	2.76%	6.61%	6.66%
Other Sources	6.84%	7.94%	6.35%	5.4%	4.63%
Total Received	702	705	725	650	585

3.2.3 Preventing, Detecting and investigating fraud

The statistics below show the success that the fraud team has had in detecting fraud and identifying amounts of benefit that have been fraudulently claimed in the last five years. Figures for last year show a slight reduction in the number of investigations completed (7.4%) but once again there was a further significant increase in the total overpayments identified than the amount identified in 2012-13. **The level of fraud overpayments identified as a result of investigations undertaken was the highest amount since the team was set up, (£890.2k)** exceeding the previous highest figure set in 2012-13. This further proves the success in conducting more complex and in depth investigations which are consequently identifying higher levels of overpayments in many cases. This is a trend that has continued for the last few years.

The Audit Commission “Protecting the Public Purse Fraud Briefing 2013” refers to the average levels of overpayments amongst Northern authorities in 2012/13. Their statistics showed that the average fraud identified in relation to Housing & Council Tax Benefit was just over £2k. The average level of overpayment that Trafford has identified for these benefits came to £6.3k – showing further evidence of the team’s ability to cover more serious offences rather than target low value / high volume cases. The average level of overpayment per case that is successfully concluded has risen over the years and is now at its highest level compared to previous years. There were 13 cases where the level of overpayment identified exceeded £20k.

It is the Council’s policy to issue press releases in relation to all prosecutions successfully completed. These are then published on the Council’s website and in the local media. They are issued to give confidence to the public that the Council is serious in tackling benefit fraud. These releases, coupled with the overpayment recovery procedure that the Council employs, act as a deterrent to members of the public who may be engaged in such activity. It is not uncommon for claimants who have been found to have been claiming falsely to show more concern about having their names published on conviction than the sentence that any court may impose against them. The press releases also contain a hotline number for people to call if they wish to report any members of the public that they believe may be claiming benefits to which they are not entitled.

At the beginning of the year the team was set a target to identify overpayments to a total value of £600k (this includes all national benefits) which the team managed to achieve. Once identified, the Council always seeks to recover any fraud overpayments from the claimant, as well as imposing sanctions as appropriate. The Authority is able to claim a 40% subsidy on all such overpayments, which, if recovered, provides an income stream. Housing and Council Tax benefits accounted for £564k of the £890k identified as being fraudulently obtained. This means that, providing full recovery of these amounts are made, the Council would be able to claim an additional subsidy income of £225k. Details are shown in Tables 2 and 3.

Table 2 – No. Of Completed Investigations

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Number of cases investigated	352	611	448	498	461

Table 3 – Value of Fraud Identified

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Value of fraud identified	£410,128.45	£512,413.54	£619,052.82	£643,891.77	£890,238.19
Average overpayment per sanction/prosecution	£5126.61	£5958.30	£7836.11	£8255.02	£10,002.67

3.2.4 Applying sanctions

Once an investigation has been conducted, and it has been established that fraud has taken place, as well as recovering any overpaid benefits from the claimant, the Authority has the power to impose a further sanction against them. This can either be in the form of:

- **a written formal caution (similar to a police caution).**
- **the imposition of a financial penalty (known as an Administrative Penalty) or,**
- **in more serious cases the Authority will take legal action.**

Action is taken in accordance with our Benefit Fraud Sanctions Policy. Table 4 sets out the number of sanctions imposed by the team over the last five years.

Table 4- Number of Sanctions Achieved

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Total cautions accepted	23	23	25	18	11
Total admin penalties accepted	21	21	14	14	16
Total prosecutions achieved	36	42	40	46	62
Total No of Sanctions	80	86	79	78	89

The statistics in Table 4 show an increase in sanctions in 2013/14, which was the highest total achieved since 2008. The last 12 months has seen a continuation in the pattern from previous years of more serious benefit fraud offences being identified. There was a 34.78 % increase in the level of prosecutions completed – easily the highest that the team has ever achieved – which counted for 69.66% of the total sanctions/prosecutions achieved compared to 45% back in 2008-9.

3.2.5 Ensuring that resources are available to tackle fraud

Table 5- Number of Counter Fraud Specialists

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Number of counter fraud specialists employed on the team	4.5	4.5	4.5	4.5	4.5

The figures in Table 5 show the position at year end, and show that the FTE level of staff investigating benefit fraud has remained the same. There are currently three dedicated benefit fraud investigators in post as at year end – the remainder of the figure shown is accounted for by other staff who are also part of the Financial Investigations Unit or who have other responsibilities within the team.

3.2.6 Types of fraud

Table 6- Analysis by Type of Fraud

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Percentage of working and claiming cases	43.8%	45.4%	57%	30.8%	19.1%
Percentage of living together as husband and wife cases	11.3%	14.0 %	10.1%	20.5%	18.0%
Percentage of undeclared income cases	16.3%	17.4 %	12.7%	12.8%	30.3%
Undeclared Non-dependants	0%	1.2%	2.5%	1.3%	3.4%
Non Residency	8.8%	9.3%	6.3%	11.5%	10.1%
Tenancy Fraud	0%	3.5%	1.3%	7.7%	10.1%
Undeclared capital	11.3%	9.2%	7.6%	15.4%	7.9%
Other	8.5%	0%	2.5%	0%	1.1%

The figures in Table 6 show the most common types of fraud uncovered by the team over the last 5 years. It is noticeable that there has been a major increase in the last 12 months in the number of claimants who have been

found to have failed to declare their true income. This was largely due to a large amount of cases which identified that claimants, whilst declaring that they were working, had either failed to declare the true level of their earnings at the time they made their claim or failed to report changes in their circumstances which had resulted in their earnings increasing.

The type of fraud which led to the highest amount of overpayments related to claims where it was identified that claimants had failed to declare that they had a partner residing with them. This accounted for nearly a third of the total level of overpayments identified – with one such case alone resulting in a total overpayment (including DWP benefits) of £68,988 being identified. This related to a lady who had been claiming Housing/Council Tax benefit as well as Income Support and Job seekers allowance for a number of years. The investigation identified that she had actually married in 2006 but continued to claim on the basis that she was a single parent for a further five years. Despite the weight of evidence obtained, she denied that her partner was living with her but pleaded guilty on the day her trial was due to begin. She was given a 20 Week Custodial sentence suspended for 12 Months.

Another significant overpayment was identified in the case of a male who had been claiming Housing and Council Tax benefit since 2002 on the basis that he was the tenant of an address which he actually owned. Not only therefore was his Housing benefit claim shown to be false, it was also established that he owned a further property in Manchester which meant he was not entitled to Council Tax benefit as his capital was too high to claim that benefit either. A total overpayment of £55,058 was identified in this case. In addition to being prosecuted, which resulted in him being given a 10 month custodial sentence, a compensation order was also obtained to instruct that he had to repay the overpayment within 6 months of the subsequent Proceeds of Crime Act court hearing which took place earlier this year.

Table 7 shows the values of the overpayments identified for each of the main types of fraud uncovered in 2013/14.

Table 7 - Value of Overpayments (£k) by Type of Fraud (2013/14)

Type of Fraud	Value of Overpayment Identified
Undeclared Partner	£269,563
Tenancy Fraud	£113,417
Undeclared Capital	£124,923
Undeclared Income	£154,107
Working	£135,087
Other	£ 93,141
Total	£890,238

3.2.7 Performance Targets

The Fraud investigation team had two main performance indicators which related to the number of sanctions or prosecutions achieved and the overall level of overpayments that these cases attracted.

This was done to ensure adequate focus on more serious abuse of the benefits system.

Table 8 shows performance in these two areas in relation to the targets set:

Table 8- Performance Indicators 2013/14

Performance Measure	2013/14 Target	2013/14 Actual Performance
No. of Sanctions/Prosecutions achieved	75	89
Level of benefit fraud overpayments identified	£600k	£890.2k

Both of these targets were met due to the continued efforts of the fraud investigation team and the support of the Council's Legal Services who prosecute the majority of the cases identified as being suitable for such action.

3.2.8 Financial Investigation Unit (FIU)

The Financial Investigation Unit has been in operation since April 2006, and was set up with the aim of providing a real deterrent by removing the financial incentive from fraud. An additional benefit to this is the fact that the Council is able to claim back the proceeds of crime.

Officers working within this unit are tasked with conducting in depth financial investigations into claimants who have already been identified as committing benefit fraud with a view to uncovering the fraudster's assets and identifying the extent to which they have benefited financially from their criminal activity.

The financial investigators also carry out benefit fraud investigations, with the emphasis put on cases that are most likely to lead to financial investigations being carried out as well.

The Financial Investigator uses powers granted under the Criminal Justice Act 1988 or Proceeds of Crime Act 2002 and is able to obtain court orders from any financial institution (banks/building societies etc) or public body (e.g. solicitors) which is believed to hold documentary evidence that would assist the investigation. This enables the investigator to obtain material that will help

them to uncover previously hidden assets (property/capital etc) that may have been obtained from criminal activity – not just benefit fraud.

At the end of the investigation, an order can be obtained from the courts that will require the criminal to repay any such assets back to the Treasury, a proportion of which is passed on to the prosecuting authorities.

In terms of income generation, 2013/14 was the most productive year to date for the Unit. Progress was also made on a number of cases that have been running for some time that will hopefully see them finally concluded in 2014-15.

Any work undertaken for other Local Authorities is done so on a fee basis that is dependant on the size of the confiscation order obtained as a result of the investigation we have undertaken on their behalf – thus generating further income for the Council. A set fee is charged for all Compensation Orders obtained on behalf of another authority.

A financial investigation can be a lengthy process – as are the legal procedures that follow the completion of such an investigation. Table 9 shows details of the Unit's performance in the last five years:

Table 9- Financial Investigation Unit

Year	No of Cases Concluded	No of Confiscation orders Obtained	No of Compensation Orders Obtained	Total Value of Orders	Amount due to unit from Orders	Costs Awarded to Unit	Total Income Achieved
2009/10	25	6	9	£722,255	£42,532	£27,108	£69,640
2010/11	41	5	2	£167,566	£5427	£11,810	£17,237
2011/12	32	2	1	£105,000	£7009	£10,435	£17,444
2012/13	19	3	2	£108,748	£10,500	£26,107	£36,607
2013/14	24	4	4	£381,453	£60,433	£18,600	£79,033

The income generated from the Confiscation Orders is split between HM Treasury, the Magistrates Court (who are responsible for enforcing the order) and the prosecuting authorities involved. The income from the Compensation

Orders obtained are paid direct to the prosecuting authority with Trafford receiving a fee for obtaining the order on their behalf.

At the end of the year there were 37 cases outstanding – some of which could be potentially extremely lucrative. Two cases in particular have been identified which are anticipated will yield significant revenue for the authority, and hopefully may be concluded during 2014/15. If the cases do succeed as anticipated the income generated from these cases will most likely not be received in full until 2015/16.

Work undertaken by the FIU is done in accordance with the Council's Financial Investigation Policy. As with the other policies relating to this service area, this will be reviewed on a regular basis.

3.2.9 Partnership Working

Over the last 12 months the team has continued to build on the closer working partnership that was set up in 2011 between various departments within Trafford Council (e.g. Fraud Investigations, Trading Standards, Licensing, Environmental Health, Community Safety) and Greater Manchester Police together with support from external agencies such as the DWP, HMRC, Probation Service & Immigration Services.

The project was set up under the name Operation Bank with the aim of working together, sharing intelligence & working practices to target & disrupt known criminals and their gangs living within the Borough.

At the end of March 2012, the entire team was relocated to share an office with the GMP officers involved in the project within Stretford Police station. In July 2013, the team moved into a bigger office in the station which enabled DWP staff who had previously worked from a different office within the building to also co-locate. This has facilitated further closer working relationships that have resulted in positive results being achieved.

Both elements of the Fraud Investigations team have been heavily involved in this and as a result there have been some high value cases identified that would not otherwise have come to the Council's attention, and similarly, suspected offenders that GMP were seeking to target have been able to be arrested and convicted for benefit fraud and/or trading standards offences that they would not otherwise have been able to take action against.

During the last 12 months the team completed 7 benefit fraud convictions that can be identified as arising from the partnership with defendants being prosecuted for a variety of frauds that resulted in overpayments of £135.5k. This included the case of a career criminal who was identified as living far beyond his declared means despite being in receipt of various benefits for several years (at the time of an arrest and search of his premises it was identified that his wife was driving round in a £50k Land Rover). This resulted

in an overpayment of £44k of state benefits being raised – he will be subject to a Proceeds of Crime Act hearing later this year.

It is anticipated that further cases will be completed during the course of 2014-15.

4. Planned Activity for 2014/15

It is acknowledged that this is currently a very challenging period for the Fraud Investigation Service. In addition to carrying out its roles to investigate benefit fraud, and seek to recover profits from crime that have been obtained, the service needs to take account of forthcoming changes in national fraud investigation arrangements.

As part of the Government's policies on welfare reform, a single fraud investigation service commenced operation at a number of sites in the country from July 2014 to tackle all types of welfare benefit fraud (including Tax credits which has never previously been the remit of either local authorities or the DWP).

This will lead to investigations staff currently employed by local authorities, the DWP and HMRC being tasked with the duties of investigating all range of benefits/tax credits under the banner of a single organisation rather than as 3 separate entities as they are now. Staff involved in benefit fraud investigations will transfer to the DWP under "TUPE-like" arrangements. It is not clear at this stage where they will be located or how many of the team will transfer over.

A scheduled roll out of all local authorities joining up to this service was announced earlier this year. This confirmed that Trafford will be in the last group of authorities to become enrolled and are due to join up in March 2016.

After March 2016, the Council will have no authority to prosecute Benefit fraud. However, there will still be some areas of work that councils will be responsible for investigating (eg Council Tax reduction scheme fraud, Council Tax Discount fraud, Business rates fraud). Consideration is being given as to how this will be carried out.

Until March 2016, the Fraud Investigation Service is committed to continuing to prevent, deter, detect and investigate benefit fraud in Trafford, through effective working across the Council and other agencies and the appropriate application of related legislation. Service priorities are to:-

- **Continue to measure performance against targets in relation to benefit fraud investigation.**
- **Conduct Quality Assurance on investigations being conducted.**
- **Continue pro-active working both internally and with external agencies.**

- **Continue to ensure that an anti fraud, security aware culture is developed.**
- **Continue the work of the FIU and obtain further Confiscation and Compensation Orders in respect of Investigations undertaken.**
- **Work closely with Internal Audit and the Revenues and Benefits Service to use our joint expertise to help combat other types of fraud being perpetrated against the Authority.**
- **Commence work generated commenced in respect of the National Fraud Initiative 2014/15 data matching exercise.**
- **Continue to develop the work of the Operation Bank project that is aimed at tackling serious organised crime in the borough.**



TRAFFORD
COUNCIL

**Transformation
& Resources
Directorate**

**Tackling Benefit
Fraud Policy**

August 2014

1. Introduction

This document sets out Trafford Council's policy for countering benefit fraud.

This policy links closely to the Council's overall strategy for tackling fraud and corruption and should be read in conjunction with the Council's Anti Fraud and Corruption Policy.

Under the provisions of the *Local Government Act 1972 (s.151)* there is a statutory responsibility for Local Authorities to protect public funds and ensure the proper administration of them.

- **What is benefit fraud?**

If, when claiming benefit, a person deliberately provides false information or deliberately withholds information needed to decide the correct benefit payable, this constitutes a fraud.

Fraud enters the system by claimants or landlords or both failing to disclose or fabricating information, which in turn, affects the amount of benefit they receive.

- **Levels of benefit fraud**

Benefit fraud currently costs the taxpayer over a billion pounds each year. Improved prevention and detection will enable more resources to become available for Government and local authority spending programmes.

- **Where does it occur**

There are many types of benefit fraud, however, it is very often the case that these types of fraud do not exist in isolation and you find a number of different types of fraud combined in a single case. The following are the main types of benefit fraud:

Tenancy fraud – false or artificial tenancy, overstating rent payable, claim by homeowner, claimant and landlord working together to defraud.

Household fraud – undeclared partner in the property, claimant claims partner has left, undeclared non – dependants in the household.

Earnings fraud – working and claiming, failure to declare earnings correctly.

Income fraud – non-declaration of occupational or private pension, failure to declare receipt of other benefits and/or tax credits.

Change of circumstance fraud – failure to notify a change of address, failure to notify a change of income or capital, failure to notify a change of household.

Savings or Capital fraud – non-disclosure of property or savings.

2. Trafford's Approach

The ultimate aim of all our counter fraud work is to support improved Council services. Stopping the theft of public money by fraudster's means that as an organisation we are able to see that money deployed is as the taxpayer intended.

In order to tackle national and local issues of benefit fraud Trafford Council will endeavour to prevent, detect, deter and investigate fraud and make available appropriate resources in the form of a benefit fraud investigation team

- **Tackling Benefit Fraud**

Trafford Council's benefit counter fraud work will be in tune with, and directly support, the aims of the Council where we will:

resource a benefit fraud investigation team within the Transformation and Resources Directorate to deliver the Council's responsibility to tackling benefit fraud:

work with other departments to aim for the highest standards of stewardship of public funds, and of efficiency in the best possible use of Council resources;

make the most use of all available information & intelligence and always seek to harness improvements in information technology and other developments in our professional standards;

have secure systems in place and, where types of benefit fraud occur, we are able to identify them quickly and feed the knowledge of how they are perpetrated back into the process of preventing them occurring again; and

will use all available legal remedies to take action against benefit fraudsters; and

where appropriate, apply further legislation in accordance with Proceeds of Crime Act 2002 to identify the extent of other possible criminality and recover assets via the Courts.

- **Management Responsibilities**

In order to succeed in achieving our aims and objectives, we need support from all management levels within the Council. Managers need to ensure the appropriate culture and measures are in place in order to reduce fraud.

We also need to work closely with other departments of the Council to ensure a zero tolerance approach to fraud is taken. This will be done by working to ensure that strong and effective disciplinary action is taken against any member of staff who has been found to be involved in falsely claiming benefits from the Authority.

Managers, particularly those with accountability for services providing benefits or connected services have a responsibility for ensuring delivery of appropriate counter fraud controls and procedures and for ensuring the appropriate counter fraud culture.

Our aim is to ensure managers within the Council with responsibility relating to all types of benefits, associated systems and payments see responsibility for counter fraud awareness and initiatives as an integral part of their roles.

3. Purpose

The purpose of this policy is:

To put in place formal arrangements which, once implemented, will further increase the professionalism and effectiveness of the Fraud Investigation Team in combating benefit fraud. This will also ensure there are formal arrangements for the Authority to operate a professional, effective function to combat benefit fraud.”

To continue with a range of initiatives aimed at significantly reducing and ultimately preventing and eliminating benefit fraud in Trafford. In order to do this the Council has set itself a series of objectives.

4. Objectives

The objectives of this Council in tackling benefit fraud are:

the **creation of an anti-fraud culture**;

develop effective **prevention** controls:

maximum **deterrence** of fraud;

professional **investigation** of detected fraud;

effective **sanctions**; and

effective methods for seeking **redress**;

5. Tackling Benefit Fraud

To assist in achieving the above objectives the Fraud Investigation Team will:

- Employ investigation officers who have gained or are willing to gain the Professionalism In Security (PINS) qualification and who have agreed to adhere to the investigators' code of conduct as well as the corporate one.
- Ensure that investigators are competent, appropriately trained and fully aware of all legislative procedures and any subsequent changes, and Council policy requirements.
- Conduct all investigations in accordance with the relevant legislation such as the *Police and Criminal Evidence Act 1984 (PACE)*, the *Criminal Procedures Investigations Act 1996 (CPIA)* as well as adhering to the file quality and investigations procedures laid down by the Council.
- To act with honesty, professionalism and integrity when dealing with all the Council's Members and officers and with all claimants (whether fraudulent or not) and other customers.
- Record all fraud referrals on a case management database.
- Conduct a risk assessment on all fraud referrals within 10 working days and make a considered decision as to whether investigation of the case is viable.
- Where appropriate, notify all referrers within 10 working days the outcome of any risk assessment and whether a decision has been made to investigate. Start all investigations within 10 days of a positive risk assessment.
- Record all actions on a case in the prescribed manner and maintain case files to the prescribed standard.
- To raise a separate fraud file on each investigation.
- Undertake all and any investigation(s) with due consideration to relevant legislation, with particular regard to the *Human Rights Act 1998*, the *Regulation of Investigatory Powers Act 2000*, the *Data Protection Act 1998*, *Freedom of Information Act 2004* and in particular race equality issues.
- Make correct use of all Authorised Officer powers granted under *s.109 of the Social Security Administration Act 1992 (as amended 1997, 2000 and 2001)* and in accordance with the restrictions of any warrants issued on behalf of the Secretary of State under *s.110A* of the act.

- Conduct all investigations, with particular regard to investigations involving taped interviews, with due consideration for the guidelines contained in the code of practice drawn up under the provisions of the *Police and Criminal Evidence Act 1984*.
- Conduct taped interviews utilising officers who have completed training in the *PEACE* (Plan, Engage, Account, Closure, and Evaluation) style of undertaking interviews.
- Conduct surveillance in an appropriate manner, duly approved by the Investigations manager, and authorized by a Magistrate utilising the prescribed forms.
- Notify the Benefits section of the outcome of any fraudulent investigation and subsequent course of action recommended by the investigation manager or investigator.
- In cases where an overpayment occurs, the Fraud Investigation Team will ensure the correct classification is made. If the overpayment is fraudulent the investigation manager will consider whether further action up to and including prosecution is required.
- Prosecute, or apply a sanction, in accordance with the Trafford Council Benefit Fraud Sanctions Policy, all persons who have or have attempted to defraud the benefits system (subject to certain criteria).
- Ensure maximum publicity is obtained on all appropriate cases. This acts as a deterrent to fraudsters and helps reinforce the message that fraud is unacceptable. This also encourages members of the public to inform the authority of persons they believe may be defrauding the benefits system.
- Continue to participate in the Department for Work and Pensions (DWP) Housing Benefit Matching Service. Under the scheme individual claims are checked with those from other authorities and agencies to identify fraudulent or duplicate/multiple claims.
- Participate in the National Fraud Initiative (NFI), which allows comparison of a range of data against other data sources.
- Continue to work closely with Council Tax and Housing Benefits to deter, prevent and detect benefit fraud.
- Maintain a repository of up to date information pertaining to legislation, procedures, intelligence and relevant documentation for the purpose of facilitating the investigation process.
- All cases where it is considered that prosecution is appropriate will also be considered for referral to the Council's Financial Investigation Unit for

action to be taken in accordance with the Criminal Justice Act 1998 or Proceeds of Crime Act 2002.

With regards to service delivery the team will consider the Council's Equality & Diversity Policy i.e. treat everyone equal regardless of race, colour, creed, sex, disability or religion and act with honesty, professionalism and integrity when dealing with all customers. The team will also make sure that all documentation is handled in a secure and safe manner especially those documents and processes which are deemed to be confidential.

The Fraud Investigation Team is keen to work in partnership to combat fraud. Officers will work to strengthen links, both internally and with a view to carrying out joint operations. Organisations involved include Her Majesty's Revenue & Customs, Police, Immigration, and the Department for Work and Pensions (Jobcentre Plus) plus other Local Authorities.

To ensure that the team keeps abreast of the latest information, the Council subscribes to publications both printed and electronic concerning fraud and benefits. In addition, the team subscribes to organisations dedicated to the fight against benefit fraud and fraud such as the National Anti-Fraud Network (NAFN).

6. Review of Policy

The Tackling Benefit Fraud Policy will be reviewed by the Investigations Manager on a regular basis

It will be approved by the Audit and Assurance Manager with referral also being made to CMT/Executive if any significant changes to the policy are required.