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| Meeting of: | Governance and Audit Committee |
| Date of Meeting: | Monday, 11 July 2022 |
| Relevant Scrutiny Committee: | Corporate Performance and Resources |
| Report Title: | Annual Corporate Fraud Report 2021/22 |
| Purpose of Report: | To provide members of the Governance and Audit Committee details of the actions undertaken in respect of counter fraud during 2021-22 including an update on the National Fraud Initiative (NFI) Exercise |
| Report Owner: | Head of the Regional Internal Audit Service |
| Responsible Officer: | Head of Finance & Section 151 Officer |
| Elected Member and Officer Consultation: | No Elected Members have been consulted. Legal Services and Head of Finance. |
| Policy Framework: | The proposals in this report are in accordance with the policy framework and budget. |
| <p>Executive Summary:</p> <ul style="list-style-type: none"> • One of the core functions of an effective Governance and Audit Committee is to consider the effectiveness of the Council's risk management arrangements, the control environment and associated anti-fraud and corruption arrangements. • This annual fraud report at Appendix A summarises how the Council managed the risk of fraud during 2021/22 with the aim of prevention, detection, and subsequent investigation & reporting of fraud. • The Counter Fraud Strategy and Framework 2021 to 2024 underpins the Council's commitment to prevent all forms of fraud, bribery, and corruption, whether it be attempted externally or from within. The framework includes reactive and proactive work, the proactive work being presented in an action plan. The action plan has been updated and the current position is shown within the report. • The Council participates in the National Fraud Initiative (NFI). This is a biennial exercise coordinated in Wales by the Wales Audit Office. The results of the most recent data matching exercise are detailed within the annual report. A total of 360 frauds or errors equating to £43,683 of recoverable funds were identified. In addition, the single person discount matching exercise identified £177,018 of recoverable funds. | |

- Reactive fraud work can be generated by a concern raised via a Whistleblowing referral or by any Officer or Manager directly to Internal Audit or the Investigations Officer. A summary of the reactive fraud work undertaken during 2021/22 is included within the annual report.
- In July 2020, Audit Wales published the report, 'Raising our game tackling fraud in Wales'. The report and any recommendations along with the 'Fighting Fraud and Corruption Locally a Strategy for the 2020's' guidance was fully considered and integrated into the Counter Fraud Strategy and Framework 2021 to 2024. This will ensure that the counter fraud work being undertaken demonstrates continual improvement.

Recommendation

1. Members of the Governance and Audit Committee are asked to note the report, the measures in place and the work being undertaken to prevent and detect fraud and error.

Reason for Recommendation

To ensure effective monitoring of fraud and irregularity work is undertaken.

1. Background

- 1.1 One of the core functions of an effective Governance and Audit Committee is to consider the effectiveness of the Council's risk management arrangements, the control environment and associated anti-fraud and corruption arrangements
- 1.2 The Council's Counter Fraud Strategy and Framework 2021 to 2024 underpins the Council's commitment to prevent all forms of fraud, bribery and corruption, whether it be attempted externally or from within and progress against this is outlined within the annual report.
- 1.3 The Covid-19 pandemic continues to have a major impact on everyone. One consequence has been that many organisations, including Councils, are being targeted by an increase in potential scams. This growing trend has placed more importance on the roll out of fraud awareness which aims to ensure that staff are equipped to identify such threats and avoid becoming a victim of fraud.

Therefore, this annual report at Appendix A provides the Governance & Audit Committee with information on the arrangements that were in place during 2021/22 for managing the risks of fraud with the aim of prevention, detection and subsequent investigation and reporting of fraud.

2. Key Issues for Consideration

- 2.1 The Annual Corporate Fraud Report is at Appendix A which summarises the counter fraud work undertaken within the Authority during 2021/22.
- 2.2 The Council's Counter Fraud Strategy and Framework 2021 to 2024 includes reactive and proactive work with the proactive work included in an action plan which sets out the developments the Council is undertaking to improve its resilience to fraud and corruption. The report at Appendix A outlines the progress made against the action plan.
- 2.3 One activity included on the Action Plan is the National Fraud Initiative (NFI). This is a biennial exercise coordinated in Wales by Audit Wales whereby data is extracted from the Council's systems and reports. These are matched against

data submitted from other bodies such as other Local Authorities, DWP, NHS bodies, Police and Housing Associations etc. It is important to note that where a match is found, it is not in itself evidence of a fraud, it may be an error or an inconsistency that requires further investigation.

- 2.4** Appendix A provides details of the last data matching exercise which was based on data extracted October 2020. A total of 360 frauds or errors have been identified equating to £43,683 of recoverable funds which are housing benefit, council tax reduction and covid-19 grant funding related. More detailed results are included at Annex 2 of Appendix A. The next data matching exercise is due to start in October 2022, when data will be extracted from council systems and forwarded to NFI. The new matches are then expected to be released in January 2023.
- 2.5** Appendix A also provides the results of the annual single person discount matching exercise. A total of 3,314 households were identified for review during 2021 which resulted in 188 fraud or errors being identified and £177,018 being recoverable.
- 2.6** The Annual Report at Appendix A also provides details of the internal counter fraud work undertaken by Internal Audit and the Council's Investigation Officer. There were 5 potential fraud and irregularity matters referred directly to Internal Audit and the Investigation Officer for review during 2021/22. All resulted in reports to Manager's/Headteacher to consider the next course of action, such as disciplinary action, recovery action and where necessary recommendations were made to improve controls where any weaknesses were identified.
- 2.7** The Annual Report also describes joint working that the Council has been involved with as well as any national studies that have been undertaken and incorporated into the Council's Counter Fraud Strategy and Framework 2021 to 2024.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** These measures aim to prevent or reduce the risk of fraud occurring. The programme of fraud awareness training and participation in the national data matching exercise demonstrates collaboration with others with the aim of making improvements over the longer term.

4. Climate Change and Nature Implications

- 4.1** None as a consequence of this report

5. Resources and Legal Considerations

Financial

- 5.1 To ensure that the Council funds and resources are used appropriately.

Employment

- 5.2 There is a resource impact in relation to the investigation and resolution of potential fraud matters. The impact is borne by Directorates and Internal Audit.

Legal (Including Equalities)

- 5.3 Public Service organisations have a responsibility to embed effective standards for countering fraud, corruption and bribery into the organisations. This supports good governance and demonstrates effective financial stewardship and strong public financial management.

6. Background Papers

None



ANNUAL CORPORATE FRAUD REPORT

2021/2022

Section 1 – Introduction

- 1.1 The challenge presented to Councils by fraud is significant. As stated in the *Fighting Fraud and Corruption Locally a Strategy for the 2020's*, it is estimated that fraud cost councils around £2.1 billion each year and some reports produced by other organisations suggest that this figure could be as high as £7.8 billion. More recent estimates from the Auditor General for Wales in June 2019 noted that the sums lost annually in Wales to fraud and error are significant – “*and could be anywhere between £100 million and £1 billion.*” The Crime Survey for England and Wales recognises fraud as being one of the most prevalent crimes in society today.
- 1.2 The impact of fraud should never be underestimated. Fraud leaves the Council with less to spend on services for residents and costs taxpayers' money. Fraud against a local council is not a victimless crime. There is not only the lost/stolen money to consider but also the loss of working time investigating and correcting issues, liaising with police and lawyers, any subsequent court costs, increased insurance premiums, reputational damage for individuals or the Council as a whole and poor staff morale.
- 1.3 The Council sets high standards for both Members and Officers in the operation and administration of the Council's affairs and has always dealt with any allegations or suspicions of fraud, bribery, and corruption promptly. It has in place policies, procedures, and reporting mechanisms to prevent, detect, and report on fraud, bribery, and corruption. These include the Fraud Strategy and Framework, an updated Whistleblowing Policy, ICT Code of Conduct and the Anti-Fraud and Bribery Policy.
- 1.4 The Counter Fraud Strategy and Framework 2021 to 2024 underpins the Council's commitment to prevent all forms of fraud, bribery, and corruption, whether it be attempted externally or from within for the year. This was reviewed by Governance & Audit Committee in December 2021 and endorsed by Cabinet in January 2022.
- 1.5 The Covid-19 pandemic continued to have an impact during 2021/22. One consequence has been that many organisations, including Councils, are being targeted by an increase in potential scams. This growing trend has placed more importance on the roll out of fraud awareness which aims to ensure that staff are equipped to identify such threats and avoid becoming a victim of fraud.

Section 2 – Proactive Work

- 2.1 The Counter Fraud Strategy and Framework 2021 to 2024 includes reactive and proactive work; the proactive work is included in the action plan which sets out the developments the Council proposes to improve its resilience to fraud and corruption. The Action Plan is at **Annex 1** and progress made against the headings is described below.

Fraud Risk Register

- 2.2 The Council can be exposed to fraud and corruption through a variety of internal and external sources. These include:
- Council Tax Reduction Scheme (including discounts and exemptions).
 - Parking concessions (blue badges).
 - Grants.
 - Procurement.
 - Employee fraud (for example: fraudulent claiming by employees of flexi and mileage expenses).
- 2.3 These areas, and others, can be regularly subject to attack by individuals / groups intent on committing fraud, which means that there is less money and resources available for those in genuine need. It is therefore important that the Council acknowledges the risk of fraud and undertakes an assessment on how it prevents, detects, and pursues monies or assets obtained fraudulently and considers how services that are more susceptible manage that risk.
- 2.4 Work is ongoing to develop a more detailed fraud risk assessment process that links with the corporate risk management process and it is envisaged that this will provide a robust tool to assist in ensuring resources are targeted correctly.
- 2.5 An initial review of departmental risks was conducted during the 2021/2022 service planning exercise and a fraud risk register has been produced. Moving forward into 2022/23 more in depth analysis will be conducted to establish departmental fraud risks and the actions required to mitigate the identified risks.

Policies

- 2.6 An updated Whistleblowing Policy was introduced in December 2021, which includes a dedicated 'Speak-Out' webpage with supporting online and direct phoneline reporting mechanisms.
- 2.7 A review of all the current Council policies used to assist and support the raising of fraud awareness and tackling fraud, bribery and corruption has been completed. As a result, new policies have been provided to support and facilitate the current fraud strategy plan. These were considered by Governance and Audit Committee and approved by Cabinet in March 2022 and were:

- Anti-Fraud, Bribery & Corruption Policy
- Anti-Money Laundering (AML) Policy
- Anti-Tax Evasion Policy

2.8 These policies will dovetail with the Whistleblowing Policy to ensure that members and staff, have clear guidance on how to identify and report suspected or known fraud, bribery, or corruption. All these policies will greatly assist in the overall fraud awareness strategy.

Develop Fraud Awareness

2.9 The Fraud and Internal Audit intranet pages have been improved and fraud information is being made available to staff.

2.10 The action plan states that alerts and newsletters will be developed to raise awareness and notify readers of new and potential fraud risks. This information is still being developed but will also be made available on the fraud pages so all service areas including schools will have access to this information.

2.11 Fraud awareness training continued to be delivered remotely by the Investigations Officer during 2021-22. During the year it was delivered to staff within Benefits, Housing, Council Tax, and Customer Services. A Fraud Awareness presentation was also delivered to Primary and Secondary Headteachers during February 2022.

Training

2.12 A Fraud Prevention e-learning module has been developed to support the Anti-Fraud, Bribery, & Corruption and Anti-Money Laundering policies. The e-learning will enhance staff understanding of how fraud may occur, it should encourage prevention, promote detection of suspicious activities, encourage staff to act with integrity and to respond effectively when incidents occur. The e-Learning module is being prepared ready for roll out in the Council's IDev system.

Data Analytics

2.13 Data analytic tools and techniques have been used during the year to enable data held within the financial systems to be extracted and analysed. This has enabled increased testing within planned audits and has provided an opportunity to identify any trends that may be occurring.

Section 3 – National Fraud Initiative 2020 & 2022/23

- 3.1 The National Fraud Initiative (NFI) is a biennial exercise coordinated in Wales by Audit Wales whereby data is extracted from the Council's systems and reports. This data is matched against data submitted from other bodies such as other Local Authorities, DWP, NHS & Trusts, Police and Housing Associations etc. It is important to note that where a match is found, it is not in itself evidence of a fraud; it may be an error or an inconsistency that requires further investigation.
- 3.2 Internal Audit together with the Council's Investigation Officer facilitates the upload of data, user account management and provides assistance and advice to officers reviewing the data matches.
- 3.3 The current exercise commenced when data was extracted in October 2020 and the matches were provided to the Council in January 2021. Data matches were also produced for potential Covid-19 Grant anomalies during this release. In total, the 2020 data produced 3,286 matches for investigation. The review of these data matches during 2021/22 resulted in 360 frauds or errors being identified. Table 1 summarises the results and more details are provided in **Annex 2**.

Table 1 – National Fraud Initiative 2020 Matching Exercise - Results

| Type | Fraud/Error Number | Fraud/Error Value | Recoverable | NFI Projected Savings |
|------------------------|--------------------|-------------------|----------------|-----------------------|
| Housing Benefit | 7 | £21,612 | £21,613 | £2,855 |
| Waiting List | 173 | 0 | 0 | £560,520 |
| Blue Badge | 172 | 0 | 0 | £98,900 |
| Council Tax Reduction | 7 | £13,203 | £12,070 | £2,117 |
| Covid 19 Grant Funding | 1 | £10,000 | £10,000 | 0 |
| Totals | 360 | £44,815 | £43,683 | £664,392 |

- 3.4 This exercise has resulted in a total of £44,815 being identified as potential fraud or error of which £43,683 is recoverable.
- 3.5 NFI projected savings are a Cabinet Office defined methodology which predicts the potential or projected loss if the fraud/error had not been identified. The projected savings are also published by Audit Wales in their fraud related reports. It is not "real" money to the authority and cannot be reflected in bottom line savings. **Annex 3** provides a summary of the Cabinet Office methodology.
- 3.6 The next biennial data matching exercise will begin with the extraction and upload of data in October 2022, with the new matches expected to be released in January 2023.

Single Person Discount (SPD)

- 3.7 The NFI also produce an annual exercise relating to SPD generated within the Council Tax system. These matches highlight where there may be more than one adult at a location currently in receipt of SPD.
- 3.8 In total, 3,314 households were identified for review during 2021/22. The review of these data matches resulted in 188 frauds or errors being identified. Table 2 summarises the results and more details are provided in **Annex 4**.

Table 2 – NFI Single Person Discount Results 2021

| Type | Fraud/Error Number | Fraud/Error Value | Recoverable | NFI Projected Savings |
|------------------------|--------------------|-------------------|-------------|-----------------------|
| Single Person Discount | 188 | £177,481 | £177,018 | £149,551 |

- 3.9 Further SPD data was extracted and forwarded to the NFI in October 2021 and further matches were produced December 2021. In total, 2,800 matches have been produced for investigation, and work has commenced on these.

Section 4 – Counter Fraud Work

- 4.1 A total of 5 potential fraud or irregularity matters were referred directly to Internal Audit and the Investigation Officer for review during 2021/22. This work can be generated in several ways, by whistleblowing or complaint referrals; by Managers who may have concerns over a certain issue or individual or as a result of an audit review. These are listed in Table 3.

Table 3 - Counter Fraud & Corruption Work

| Counter Fraud & Corruption Work | Outcome |
|---|---|
| Covid Grants - Validity of claims | Recovery of £6,500 |
| Covid Grants - Benefits & DWP Issues | Potential fraud - Referred to other agencies |
| Grant Funding - Validity of application | Potential fraud - details verified to application details |
| School - Insurance Claim | Stolen ipads - audit undertaken and controls improved |
| Complaint - FOI Request Issue | Referred to management as a complaint for investigation |

- 4.2 Of the 5 matters listed above, all were fact finding exercises and no audit opinion in respect of the control environment was provided due to the nature of the work.
- 4.3 In all cases reports were presented to Senior Officers/ Manager's/Headteacher to consider the next course of action, such as disciplinary action, recovery action and where necessary recommendations were made to improve controls where any weaknesses were identified. Other

agencies such as the Police and Welsh Government were consulted when appropriate to discuss the appropriate way forward on relevant cases.

- 4.4 Since the outbreak of the COVID-19 pandemic scams have been circulating. All staff as well as residents are made aware of these by information being circulated through the Council's Communications Team, Fraud Update Page or Corporate Investigation Officer.

Section 5 – Joint Working & Partnerships

- 5.1 The authority is an active member of the Wales wide network of Local Authority Fraud investigators, which provides the opportunity to share knowledge, intelligence, and best practice. This group has been meeting virtually during 2021-22.
- 5.2 Similarly the Welsh Chief Auditors Group (WCAG) discuss fraud matters and shares intelligence on potential/suspected frauds on a regular basis.
- 5.3 The authority has a good working relationship with the Police and other outside agencies which all share information/intelligence. In addition, as new grants have become available due to COVID-19, intelligence, procedures, local risks, and threats have been shared between local authorities to actively try to prevent fraudulent claims.

Section 6 – National Studies

- 6.1 In July 2020, Audit Wales published the report, '*Raising our game tackling fraud in Wales*'. The report and any recommendations along with the '*Fighting Fraud and Corruption Locally a Strategy for the 2020's*' guidance was fully considered and integrated into the Counter Fraud Strategy and Framework 2021 to 2024. This will ensure that the counter fraud work being undertaken demonstrates continuous improvement.

Counter Fraud Strategy and Framework 2021 to 2024 - Action Plan

| No. | Activity | Scope | Responsible | Progress | Completion / Further Action |
|-----|---------------------------------|---|-----------------------|--|---|
| 1 | Fraud Risk Registers | i. Development of a Fraud Risk Register to be integrated into the existing risk management framework, where significant fraud, bribery and corruption risks will be owned and maintained by the directorates. | Investigation Officer | Fraud Risk Register produced, and risk areas identified. | Completed 2021/22 |
| | | ii. Maintain the fraud risk register and regularly monitoring trends to identify areas of high risk | | Initial contact has been with identified service areas to establish risks and mitigation proposals. Further meetings will be scheduled to record risks and incorporate an agreed mitigation and recording process. | 2022/23 |
| 2 | Policies & Procedures | Ensure there is a comprehensive and up-to-date set of policies and procedures which together represent a cohesive strategy for identifying, managing, and responding to fraud risks. | Investigation Officer | <p>An updated Whistleblowing Policy and new supporting Speakout procedures, along with a dedicated Speakout webpage was implemented in December 2021.</p> <p>In January Cabinet endorsed the Council's Counter Fraud Strategy and Framework 2021 to 2024.</p> <p>In March 2022 Cabinet approved an updated Anti-Fraud, Bribery, and Corruption Policy and the new Anti-Money Laundering and Anti-Tax Evasion policies.</p> <p>There are two further supporting policies currently in draft, the Council Tax Anti-Fraud Policy and the Enforcement and Prosecution Policy. These policies will be submitted to the Governance & Audit Committee for review.</p> | <p>Completed 2021/22</p> <p>Completed 2021/22</p> <p>Completed 2021/22</p> <p>2022-23</p> |
| 3 | National Fraud Initiative (NFI) | i. To facilitate the timely delivery of the biennial NFI 2020 data matches. These data matches were produced provided in January 2021 | Investigation Officer | The biennial 2020 exercise is in line to be delivered as per timescales. All finalised data will be uploaded and returned to the NFI during October 2022. | 2022/23 |
| | | ii. Undertake integrity checks on a sample of cleared matches to ensure robustness / quality of review and select of sample of high risk matches across the spectrum to investigate. | | Of the 3412 matches produced, 3221 have been processed and checked to date, identifying 405 errors/frauds. | 2022/23 |

| No. | Activity | Scope | Responsible | Progress | Completion / Further Action |
|-----|------------------------------|--|-----------------------|---|--|
| | | iii. To facilitate the timely delivery of the annual NFI Council Tax/Single Person Discount 2021 matches. These matches were produced in December 2020. | | The annual 2021 was delivered as per timescales. All finalised data being uploaded and returned to the NFI during October 2021. Of the of the 3314 matches produced, 3312 were processed and checked, identifying 230 errors/frauds. | Completed 2021/22 completed 2021/22 |
| | | iv. Regularly monitor progress against recommended matches throughout the duration of the exercise. | | Inputted updates are monitored on a weekly basis. The Investigation Officer contacts key stakeholders in the relevant department to clarify and challenge where necessary any issues identified. | 2022/23 |
| 4 | Training & Fraud Awareness | i. Raise awareness of fraud, bribery, and corruption by developing an effective online (iDev) fraud awareness training programme for Members and Officers. | Investigation Officer | A Fraud Awareness training module has been developed and is ready for release on iDev. The Investigation Officer has attended meetings across all Directorates with departmental heads, raising the profile of fraud awareness and the associated fraud risks. | 2022/23 |
| | | ii. Provide ongoing training as required for the duration of the action plan | | Further meetings are being planned to both raise awareness and completeness of the Fraud Risk Register. NFI training has been provided to all members of the Housing and Benefits Team, along with Fraud Awareness seminars for both sets of teams. Bespoke presentations have also been delivered to the Benefits, Payroll, and C1V teams, raising the awareness of the increased threat of fraud and 'phishing scams'. Bespoke presentations have also been produced at departmental level and are awaiting sign off and roll out. | 2022/23 completed 2021/22 completed 2021/22 2022/23 |
| 5 | Governance & Audit Committee | Produce an end of year annual report to those charged with governance covering all reactive and proactive fraud initiatives. | Investigation Officer | Annual Corporate Fraud Report produced. | Completed for 2021/22 |

| No. | Activity | Scope | Responsible | Progress | Completion / Further Action |
|-----|--|---|-----------------------|---|---|
| 6 | Covid Grant Recovery | With a national increase in applications due to the Covid 19 pandemic, there has been a consequent increase in attempts by fraudsters to obtain public funds via false applications. Also, a developing trend for individuals to make multiple applications across different authorities. 2021/22 will see all Covid 19 grant applications produced on the NFI platform for review and investigation. | Investigation Officer | NFI produced 14 matches for investigation, of which 13 had a satisfactory explanation. One of the matches produced resulted in a £10,000 recovery. A further suspect account was raised by the Planning & Regeneration Team who were administering grant payments. After investigation, this resulted in a further £6,000 recovery. | completed 2021/22 |
| 7 | Housing Benefit & Council Tax Sanctions | Conduct a risk analysis review on the current Housing Benefits and Council Tax deterrent and recovery processes. | Investigation Officer | Draft Council Tax Anti-fraud and Enforcement & Prosecution policies have been produced. These policies will support the implementation of administration penalties and potential prosecution of offenders who fraudulently claim Council Tax Reduction or Housing Benefits. | 2022-23 |
| 8 | Data Analytics | To maximise the use of data analytics and data matching to match electronic data to detect and prevent fraud. | Investigation Officer | The NFI, Academy, Oracle, Content Manager (TRIM), and OHMS sites are regularly reviewed and analysed to aid fraud investigations. Techniques using a data analytics tool have been developed during 2020/21 to enable data held within the financial systems to be extracted and analysed. This has enabled increased testing within planned audits and has provided an opportunity to identify any trends that may be occurring. Moving forward, if Housing Benefit/Council Tax sanctions are implemented, the National Anti-Fraud Network (NAFN) and Household Credit Reports will be analysed to substantiate household income and residential status. | On-going On-going 2022/23 |
| 9 | Develop alerts and newsletter promoting awareness. | i. Develop alerts and newsletter across the Council. ii. Produce Newsletters at regular intervals throughout the duration of the action plan. | Investigation Officer | A newsletter has been developed, produced, and authorised for distribution, an initial draft, is awaiting sign-off prior to distribution. Fraud updates, NAFN Fraud Alerts and awareness information is regularly updated on the Fraud Updates intranet site. Known and advised fraud threats are delivered to departmental heads as and when received. | On-going On-going |
| 10 | Schools Awareness | Conduct a "Fraud Health Check" across school establishments to attain assurance over the | Investigation Officer | A schools anti-fraud toolkit and a supporting self-assessment fraud health check is available on the Schools Audit | Completed 2021/22 |

| No. | Activity | Scope | Responsible | Progress | Completion / Further Action |
|-----|-----------------------------|--|--|---|-------------------------------------|
| | | controls and governance in place to mitigate the potential for fraud. | | webpage. A Fraud Awareness presentation was delivered to all Primary and Secondary School Headteachers, February 2022. | completed 2021/22 |
| 11 | Fraud Groups | To actively maintain the authorities' membership of the Welsh Fraud Officers Team, The Chartered Institute of Public Finance and Accountancy (CIPFA), National Anti-Fraud Network (NAFN) and all other enforcement partners including the Police and HMRC. Also, to be open to new and innovative anti-fraud projects. | Head of Regional Internal Audit Service Investigation Officer | The benefits of working together to tackle crime is recognised, the criminals who attack us do not operate in silos and neither should we. The Welsh Fraud Officers continue to share ideas and methodology with measures to prevent, detect, disrupt, and punish fraudsters. NAFN also keep the council aware of fraud risk within our sector, sharing intelligence, information, and good practice. The Welsh Chief Auditors Group (WCAG) regularly discuss fraud matters and share intelligence on fraud matters. | In place and ongoing during 2021/24 |
| 12 | Fraud Investigation Reports | To produce fraud investigation outcome reports for management which highlight the action taken to investigate the fraud risks, the outcome of the investigations e.g., sanction and recommendations to minimise future risk of fraud. | Deputy Head of Internal Regional Audit Services Investigation Officer | Reports were produced providing recommendations and follow-up actions. | On-going |
| 13 | Managerial Role Profiles | To explore with Human Resources the possibility of including management responsibility for managing fraud and corruption risks within all managerial role profiles. | Investigation Officer | Investigation Officer to liaise with Head of Human Resource and Organisational Development. | 2022/23 |

National Fraud Initiative Data Match 2020 - Detailed Results

| Type / Area | NFI | Frauds/Errors | Fraud/Error Amount | Recoverable 2021/22 | Cabinet Office Projected Savings |
|---|---------------|---------------|--------------------|---------------------|----------------------------------|
| Small Business Grant Fund | Yes | 1 | £10,000.00 | £10,000.00 | £0.00 |
| | | 1 | £10,000.00 | £10,000.00 | |
| Housing Benefit to Student Loans | Yes | 7 | £21,612.49 | £21,612.49 | £2,854.92 |
| Council Tax Reduction Scheme to Pensions | Yes | 4 | £7,287.94 | £6,155.08 | £1,225.77 |
| Council Tax Reduction Scheme to Pensions | Yes | 2 | £5,847.68 | £5,847.68 | £395.85 |
| Council Tax Reduction Scheme to Taxi Drivers | Yes | 1 | £67.38 | £67.38 | £495.18 |
| | | 14 | £34,815.49 | £33,682.63 | |
| Blue Badge Parking Permit to Benefits Agency Deceased Persons | Yes | 171 | £0.00 | £0.00 | £98,325.00 |
| Blue Badge Parking Permit to Blue Badge Parking Permit | Yes | 1 | £0.00 | £0.00 | £575.00 |
| | | 172 | £0.00 | £0.00 | |
| Waiting List to Housing Tenants | Yes | 1 | £0.00 | £0.00 | £3,240.00 |
| Waiting List to Housing Tenants | Yes | 32 | £0.00 | £0.00 | £103,680.00 |
| Waiting List to Housing Tenants | Yes | 2 | £0.00 | £0.00 | £6,480.00 |
| Waiting List to Housing Benefit Claimants | Yes | 61 | £0.00 | £0.00 | £197,640.00 |
| Waiting List to Housing Benefit Claimants | Yes | 53 | £0.00 | £0.00 | £171,720.00 |
| Waiting List to Waiting List | Yes | 1 | £0.00 | £0.00 | £3,240.00 |
| Waiting List to Waiting List | Yes | 22 | £0.00 | £0.00 | £71,280.00 |
| Waiting List to Waiting List | Yes | 1 | £0.00 | £0.00 | £3,240.00 |
| | | 173 | £0.00 | £0.00 | |
| | | | | | |
| | Totals | 360 | £44,815.49 | £43,682.63 | £664,391.72 |
| Colour Coding: | | | | | |
| Recovered by VoG during 2021/22 financial year. | | | | | |
| Recoverable by VoG over an undefined period. | | | | | |
| Blue Badge Cancellations | | | | | |
| Invalid Applications removed from Waiting List | | | | | |
| Cabinet Office projected savings during financial year (SPD saving based on 2 years). | | | | | |

Cabinet Office Methodology

| Data Match | Basis of Calculation of Estimated Savings |
|-----------------------|---|
| Welfare Benefits | Value of sanctions applied plus weekly benefit reduction multiplied by 21 |
| Blue Badges | Number of badges confirmed as deceased multiplied by £575 to reflect lost parking and congestion charge revenue |
| Council Tax SPD | Annual value of the discount cancelled multiplied by two years |
| Housing Waiting Lists | £3,240 per case, based on the annual cost of housing a family in temporary accommodation and the likelihood a waiting list applicant would be provided a property |

Single Person Discount 2021

| Type / Area | NFI | Frauds/ Errors | Fraud/Error Amount | Recoverable | Cabinet Office Projected Savings |
|--|-----|-------------------|-----------------------|--------------------|-------------------------------------|
| Council Tax and Electoral Register (SPD) | Yes | 69 | £49,676.10 | £49,257.37 | £51,548.72 |
| Council Tax rising 18s | Yes | 26 | £2,760.14 | £2,760.14 | £18,308.58 |
| Council Tax to Other Data Sets (SPD) | Yes | 93 | £125,044.60 | £125,000.00 | £79,693.52 |
| | | 188 | £177,480.84 | £177,017.51 | £149,550.82 |
| | | | | | |
| Colour Coding: | | | | | |
| Recoverable by VoG over an undefined period. | | | | | |
| Cabinet Office projected savings based on 2 year period. | | | | | |