

# Protecting the Public Purse

## Fraud Briefing 2014

Three Rivers District Council



# Purpose of Fraud Briefing



Provide an information source to support councillors in considering their council's fraud detection activities



Extend an opportunity for councillors to consider fraud detection performance, compared to similar local authorities



Give focus to discussing local and national fraud risks, reflect on local priorities and the proportionate responses needed



Be a catalyst for reviewing the council's current strategy, resources and capability for tackling fraud

# Understanding the bar charts

Outcomes for the first measure for your council are highlighted in yellow in the bar charts. The results of your comparator authorities are shown in the green bars.



Outcomes for the second measure for your council are highlighted as a green symbols above each bar. The results of your comparator authorities are shown in the white triangles.



A '\*' symbol has been used on the horizontal axis to indicate your council.

All data are drawn from council submissions on the Audit Commission's annual fraud and corruption survey for the financial year 2013/14.

In some cases, council report they have detected fraud and do not report the number of cases and/or the value. For the purposes of this fraud briefing these 'Not Recorded' records are shown as Nil.

# Comparator group

Brentwood  
Broxbourne  
Chiltern  
Dacorum  
East Hampshire  
East Hertfordshire  
Epsom and Ewell  
Hertsmere  
North Hertfordshire  
Reigate and Banstead  
Sevenoaks  
South Bucks  
Spelthorne  
St. Albans  
Stevenage  
Surrey Heath  
Tandridge  
Three Rivers  
Watford  
Waverley  
Welwyn Hatfield

# Interpreting fraud detection results



Contextual and comparative information needed to interpret results



Detected fraud is indicative, not definitive, of counter fraud performance (*Prevention and deterrence should not be overlooked*)



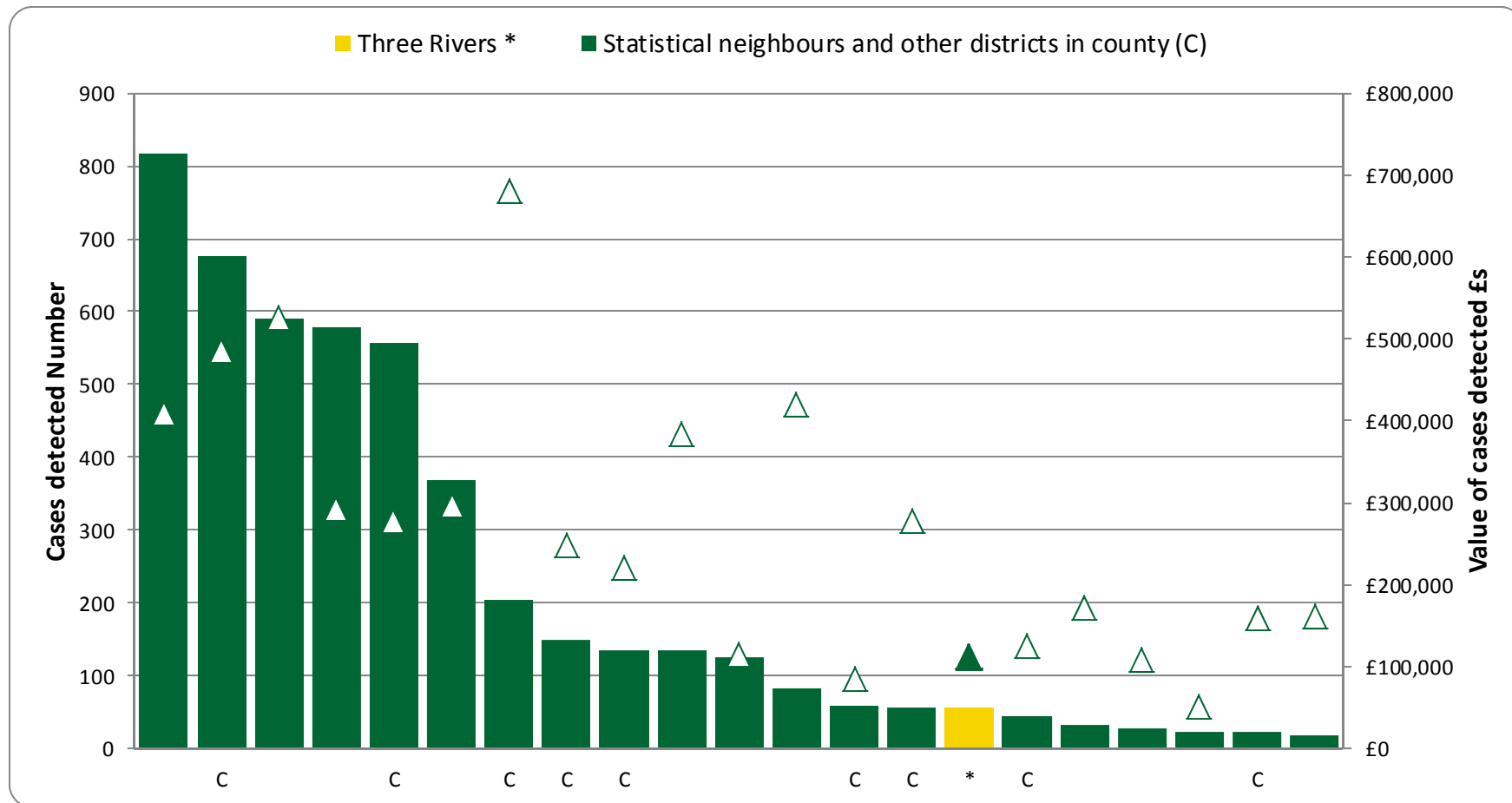
No fraud detected does not mean no fraud committed (*Fraud will always be attempted and even with the best prevention measures some will succeed*)



Councils who look for fraud, and look in the right way, will find fraud (*There is no such thing as a small fraud, just a fraud that has been detected early*)

# Total detected cases and value 2013/14 (Excludes Housing tenancy fraud)

## Three Rivers



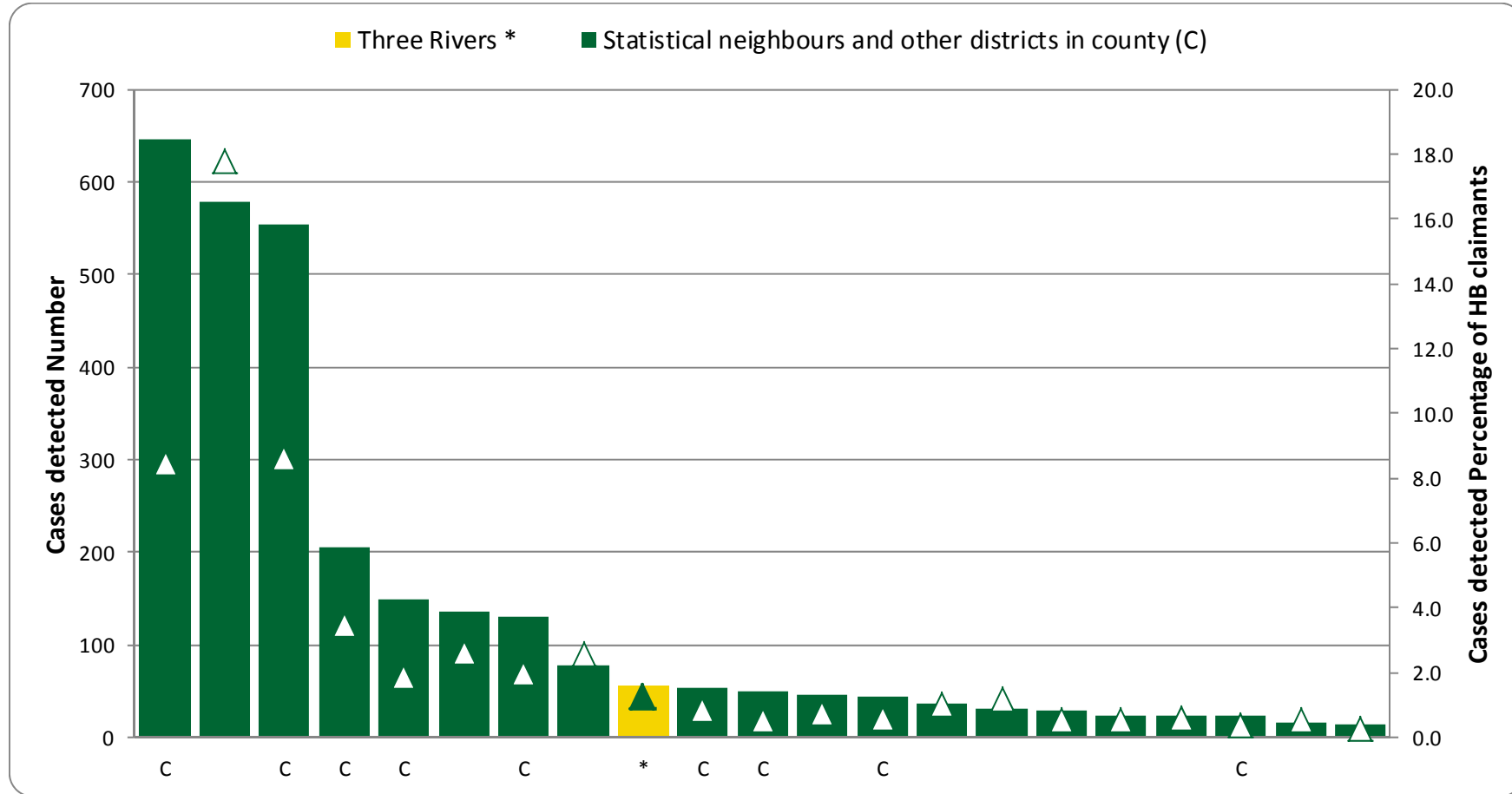
Three Rivers detected 56 cases #. The value of detected fraud was £109,550 #.  
 Average for statistical neighbours and county: 236 cases, valued at £274,816



# Housing Benefit (HB) and Council Tax Benefit (CTB) 2013/14

## Total detected cases, and as a proportion of housing benefit caseload

### Three Rivers



Three Rivers detected 55 cases of this type of fraud. The value of detected fraud was £109,250.

Average for statistical neighbours and county: 144 cases, valued at £237,961







## Councils without housing stock 2013/14

### Housing tenancy fraud

4 per cent of social housing stock in London and 2 per cent outside London is subject to tenancy fraud

Second largest fraud loss to local government, £845 million

The Prevention of Social Housing Fraud Act 2013: criminalises tenancy fraud

Combined with housing associations the total loss in England, £1.8 billion

Councils have powers to investigate and prosecute tenancy fraudsters on behalf of housing associations

Should you be using this legislation and powers to work in partnership with local housing associations?

## Other frauds 2013/14

### Three Rivers

Procurement: Three Rivers did not detect any cases of this type of fraud.  
Total for statistical neighbours and county: 0 cases

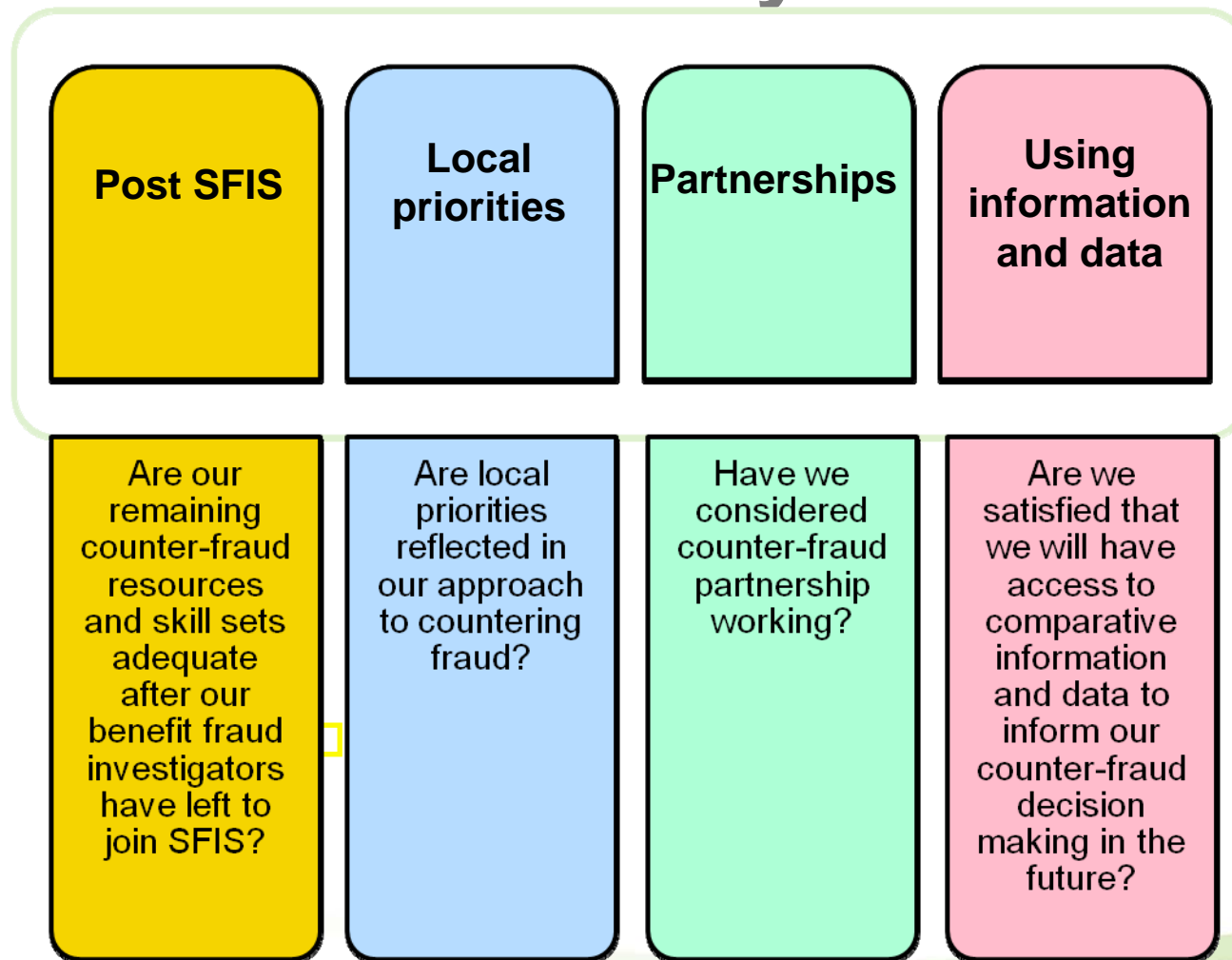
Insurance: Three Rivers did not detect any cases of this type of fraud.  
Total for statistical neighbours and county: 0 cases

Economic and third sector: Three Rivers did not detect any cases of this type of fraud.  
Total for statistical neighbours and county: 0 cases

Internal: Three Rivers detected 1 case of this type of fraud.  
Total for statistical neighbours and county: 9 cases, valued at £15,040

*Correctly recording fraud levels is a central element in assessing fraud risk.  
It is best practice to record the financial value of each detected case*

# Questions elected members and decision makers may wish to ask



# Any questions?

