

FAREHAM

BOROUGH COUNCIL

Report to Audit and Governance Committee

Date 27 June 2013

Report of: Director of Finance and Resources

Subject: BENEFITS ANTI-FRAUD POLICY

SUMMARY

The Council is required to maintain and review its Benefits Anti-Fraud Policy which demonstrates the measures that will be taken to prevent, detect and deter benefit fraud.

The Welfare Reform Act 2012 contained provisions for the abolition of Council Tax Benefit from 31 March 2013 and the Local Government Finance Bill made provision for the localisation of Council Tax Support in England by imposing a duty on all billing authorities to introduce a localised Council Tax Reduction scheme. Fareham Borough Council's local scheme was approved by Full Council on 24 January 2013 and successfully implemented from 1 April 2013.

The review of this policy is now required due to amendments to the existing sanctions that can be imposed on Housing Benefit claims and the fundamental legislative changes that are effective from 1 April 2013 to enable the investigation of fraudulent Council Tax Support claims. Approval is sought for these amendments.

RECOMMENDATION

It is recommended that the Council approves and adopts the Benefits Anti-Fraud Policy as set out in [Appendix A](#) to this report.

INTRODUCTION

1. Fareham Borough Council's Benefits Service aims to reduce fraud and error in the Benefits system through:
 - (a) **Prevention** - by establishing systems of control and procedures that seek to ensure that only genuine claims are processed and paid
 - (b) **Detection** - by investigating and, where appropriate, recommending the disallowance or reassessment of fraudulent or irregular applications and existing claims
 - (c) **Deterrence** - by creating and developing a culture which discourages applicants from making fraudulent claims and ensuring that existing benefit claimants fulfil their responsibilities to continue to provide accurate information including any and all relevant changes of circumstances.
2. The Investigation Team, within the Benefits Service, is responsible for the prevention, detection and deterrence of Benefit fraud in accordance with current legislation. It is committed to contributing to the provision of a secure, efficient and accurate Benefits Service that meets the needs of its customers and the wider statutory duties placed upon Local Authorities under Section 151 of the Local Government Act 1972.
3. Under the Government's Welfare Reforms a new Single Fraud Investigation Service (SFIS) is to be created, which will ensure that all Social Security Benefits, including Housing Benefit, will be investigated at the same time by one investigating body, lead by the Department for Work & Pensions (DWP). This is currently being piloted with a projected roll-out date of April 2014.
4. However, until such time that SFIS is rolled-out and all Housing Benefit cases are transferred to Universal Credit, which has a gradual transference date between 2013 and 2017, it is expected that all Local Authorities maintain a local Anti-Fraud Policy that sets out their continuing approach to reduce fraud and error in the claims they are still administering and detail the steps taken to prevent and detect fraud.
5. With the abolition of Council Tax Benefit and replacement with Local Council Tax Support, local councils have been granted powers to investigate fraud in Council Tax Support and administer sanctions in accordance with its anti-fraud policy.

BENEFITS ANTI-FRAUD POLICY

6. A review of the existing policy has been carried out to ensure all recent legislative and procedural changes are accounted for. This includes new and revised sanctions that will be considered in cases where fraud and error has been uncovered. A new section has been added to include these new sanctions.
7. Amendments have also been made to the Policy to exclude Council Tax Benefit as this was abolished 31 March 2013 and replace it with Local Council Tax Support and detail the relevant legislation that enables the investigation of fraudulent claims.
8. Minor amendments have also been made to update job titles and reporting lines, taking into account any re-structures within the Council that have taken place since the policy was last updated.

CONCLUSION

9. The revised policy will serve to clarify the Council's commitment to reducing fraud and error within the administration of Housing Benefit and Council Tax Support Scheme and sets out our use of all available legal sanctions and prosecutions.

Background Papers:

None

Reference Papers:

Report to the Audit Committee [1 December 2009](#)- Benefits Anti-fraud Policy

Joint report of the Cabinet Officer and HMRC, [Tackling Fraud and Error in Government](#)

National Fraud authority, [Fighting Fraud Together](#)

DCLG, [Localising council tax support- Administrative matters-guidance note](#)

Appendices:

Appendix A [Benefits Anti-Fraud Policy](#)

Enquiries:

For further information on this report please contact Andrea Bloomfield (Ext 4618)