



Housing Benefit and Council Tax Benefit Anti-Fraud and Corruption Policy

2011

1. Statement of Intent

- 1.1. The Council is committed to providing Housing Benefit and Council Tax Benefit to its eligible residents promptly and accurately following the receipt of all the necessary information.
- 1.2. We will do all we can to ensure that claimants receive the benefits to which they are entitled and we will encourage the take-up of benefits by those people who are eligible.
- 1.3. However, the Council is aware that some people attempt to obtain benefit to which they are not entitled, or continue to receive benefit although they are no longer eligible. Therefore, it is committed to a robust anti-fraud stance in order to protect public funds and to ensure that benefits are delivered only to those who have an entitlement to them.
- 1.4. When we believe that fraud has occurred we will consider taking sanctions dependent upon the gravity of the case and the personal circumstances of the claimant. Decisions will be taken in accordance with the Council's prosecution policy

2. Resources

- 2.1. The Head of Revenues and Benefits will appoint sufficient Fraud Investigators and Benefits Officers whose duties will be to visit benefit claimants to check the details of the claim, to obtain any necessary supporting documentation and to enquire into any suspected irregularities.
- 2.2. The Section 151 Officer will also appoint Housing Benefit Inspectors who will have the power of entry and inspection under Section 110A of the Social Security Administration Act 1992 (as amended). He/she will first ensure that the appointees are right and proper persons and then issue them with a certificate of appointment which will last for no more than one year.
- 2.3. Inspectors will use these powers, in connection with a claim for Housing Benefit or Council Tax Benefit, to enter business premises of landlords, agents or employers, to inspect relevant documents and to interview persons found on the premises.
- 2.4. Any abuse of these powers will result in the Inspector being subjected to the Council's disciplinary procedures.

3. Duties and considerations of Council employees

- 3.1. The Council is committed to prevent fraud by its own staff. Therefore, all new staff employed in benefits administration and fraud investigation will be rigorously vetted before being offered employment. Any issues that arise subsequently will be dealt with under the Council's disciplinary procedures.
- 3.2. The Council will require all officers involved in the administration of benefits to report to the Benefits Manager: -
 - details of any property that they are renting to tenants;
 - any claims for benefit in which they may have an interest.
- 3.3. An interest is defined as a claim for benefit where the officer: -
 - is the landlord or agent;
 - has some other kind of interest in the property;

- is the claimant or a partner of the claimant;
 - is otherwise resident in a claimant's household.
- 3.4. If a benefits officer has knowledge of a claim where the claimant is a close family member, as described by the Housing Benefit and Council Tax Benefit regulations, that officer must report the facts to the Benefits Manager.
 - 3.5. Interest in a benefit claim must be recorded in the Register of Employee Disclosures and Interests in accordance with agreed procedures. Council officers will undertake regular checks on all properties recorded in this register to ensure that no benefit payment has been made in relation to these properties without the knowledge of the Benefits Manager.
 - 3.6. Any Council officer found to be involved in an offence involving claims for benefit either at this Council, any other Council or the Benefits Agency may be disciplined under the Council's disciplinary procedures, in addition to any prosecution that may occur.
 - 3.7. Where any Council officer investigating a fraud is believed to have abused their powers, an investigation will take place and disciplinary action taken if our suspicions/beliefs are substantiated.
 - 3.8. Gifts and hospitality offered to Council employees as a consequence of their role as an employee of the Council must be reported to a senior officer and recorded in the Register of Gifts and Hospitality in accordance with agreed procedures.
 - 3.9. Council Employees are expected to refer cases for investigation to the Fraud Section where there are grounds to suspect a benefit fraud has been or is being committed. Employees are guaranteed confidentiality when referring suspected fraud.
 - 3.10. Fraud can be defined as 'the deliberate misrepresentation of circumstances, or the deliberate failure to notify changes of circumstances with the intent of gaining some advantage.'
 - 3.11. Corruption can be defined as 'offering, giving, soliciting or accepting an inducement or reward which may influence the action of any person.'

4. Duties and considerations of elected members

- 4.1. The Council will require all elected members to report to the Benefits Manager details of: -
 - any property that they are renting to tenants;
 - any claims for benefit in which they may have an interest.
- 4.2. An interest is defined as a claim for benefit where the member: -
 - is the landlord or agent;
 - has some other kind of interest in the property;
 - is the claimant or a partner of the claimant;
 - is otherwise resident in a claimant's household.
- 4.3. Interest in a benefit claim must be recorded in the Register of Interests in accordance with agreed procedures. Council officers will undertake regular checks on all properties recorded in this register to ensure that no benefit payment has been made in relation to these properties without the knowledge of the Head of Revenues and Benefits.
- 4.4. Gifts and hospitality offered to a member, as a consequence of their role as an elected member of the Council, must be recorded in the Register of Gifts and Hospitality in accordance with agreed procedures.

5. Duties and considerations of Fraud Investigation Officers

- 5.1. When investigating fraud, Fraud Investigators, Inspectors and Benefits Officers will work within the guidelines of the Police and Criminal Evidence Act 1984 and apply the Council's policies on equal opportunities and customer care. They will at all times apply appropriate procedures to maintain confidentiality.
- 5.2. Fraud Investigators, Inspectors and Benefits Officers are expected to comply with the Council's Code of Conduct for Employees plus the Code of Conduct specific to their activity (see Appendix 2).

6. Whistle blowing policy

- 6.1. The Council has set out its policy on whistle blowing in accordance with the Public Interest Disclosure Act 1998. In accordance with this policy, Council employees and elected members are expected to inform the Council of any concern about suspected malpractice by colleagues in relation to benefit. For its part, the Council will follow the procedures set out in this policy when responding to such concerns.

7. Data protection requirements

- 7.1. The Council will act in accordance with current data protection legislation and any advice issued by the Data Protection Commissioner. It will register with the Commissioner the fact that data may be used for crime prevention and prosecution of offenders (Purpose P058).
- 7.2. It will use the exemptions under the legislation to protect those organisations and individuals who may be asked to supply information to the Council in its investigation of fraud.

8. The Human Rights Act 1998

- 8.1. The Council expects its officers, when dealing with suspected fraud, to comply with the Human Rights Act 1998.

9. The Regulation of Investigatory Powers Act 2000

- 9.1. Council officers will abide by the requirements of the Regulation of Investigatory Powers Act 2000 when conducting surveillance in relation to suspected fraud.

10. Police and Criminal Evidence Act Codes of Practice

- 10.1. In undertaking an investigation, Council officers will observe the Police and Criminal Evidence Act Codes of Practice. The claimant will be advised of their rights and evidence will be obtained and secured in accordance with the Act. These Codes of Practice will also be observed when taking statements.

11. Working in partnership

- 11.1. The Council is keen to work with other agencies to combat benefit fraud, such as:
 - the Police
 - the Department for Work and Pensions
 - Her Majesty's Revenue and Customs
 - other Councils
 - other organisations committed to the prevention and detection of crime.
- 11.2. Whilst the Council is committed to the exchange of information with other organisations, either on a case basis or through the mechanism of data matching, it will only do so in accordance with the law.

12. Training

- 12.1. The Council will ensure that its Fraud Investigators are fully trained to handle investigations properly and are kept up to date when requirements change. This will include supporting Fraud Investigation staff to obtain Professionalism in Security (PINS) or other appropriate accreditation.
- 12.2. Members of the Benefits Team will receive Fraud Awareness Training when they join the Council and annually thereafter. The Council will provide staff members with a Guide to Referrals to ensure the quality of referrals to the Fraud Investigators.

13. Publicity

13.1. Publicity will be used to: -

- encourage those who feel that they have an entitlement to benefit to apply;
- discourage those who might seek to defraud the system.
- advise the public that the Council has an investigation team whose purpose is to investigate suspected benefit fraud and to take sanctions against those who are believed to have defrauded the Council.

All successful prosecutions will be reported to the media.

14. Establishment of an anti-fraud hot-line

- 14.1. The Council will maintain and advertise the existence of its telephone hot line to enable members of the public to report any concerns about possible fraudulent benefit claims.
- 14.2. The use of this facility will be monitored.
- 14.3. Fraud Investigators will investigate all calls and information will be kept private and confidential.

15. Data matching exercises

15.1. The Council will: -

- continue to use the Department of Social Security's Housing Benefit Matching Service (HBMS), which checks benefit claims for duplication against other local authorities and inconsistency with the DWP's records;
- continue to participate in the National Fraud Initiative (NFI) administered by the Audit Commission, which allows comparison of Housing Benefit data against other data sources to identify inconsistencies for further examination;
- run data matching exercises against its own records.

15.2. Recognised trade unions will be consulted prior to data matching involving payroll data of Council staff or members.

15.3. At all times the Council will act in accordance with its understanding of the law and any guidance issued by the Data Protection Commissioner, the Department of Work & Pensions and the Audit Commission.

16. Verification of Housing Benefit and Council Tax Benefit claims

16.1. To discourage and prevent fraud from taking place in the first instance, the Council operates within the Department for Work & Pensions verification standards as set out by the National Performance Standards.

16.2. All new claimants for benefits are visited at home by a Benefits Officer.

16.3. The information on the application form will be verified by Benefits Officers. All supporting documentation will be scanned, photocopied or verified. Original documents will be returned once verified to the claimant by Recorded Delivery.

16.4. The Department for Work & Pensions Customer Information System will be used

by designated staff members to validate information concerning the payment of benefits by that agency.

16.5. If fraud is suspected, further enquiries will be made which may include contacting third parties and interviewing under caution in accordance with the Police and Criminal Evidence Act.

16.6. Whilst claims for benefit will be subject to close scrutiny, the Council is committed to paying benefit within recognised time scales. Assistance will be given to claimants when completing and applying for benefit and to maximise take-up.

17. The benefit application form

17.1. The Council will ensure that the application form for Housing Benefit/Council Tax Benefit includes questions and instructions in plain language. The form will make clear to the claimant that giving false information could result in the claimant being prosecuted. It will also state that the Council may crosscheck information on the form with other departments within the Council, other agencies, other Councils and the Rent Officer Service.

17.2. The Council will put in place systems, which will help the claimant to complete their application form and to inform the Council of changes to their circumstances. This will include those claimants whose ethnicity or disability present particular difficulties.

17.3. The Council is a partner in the INTRAN service, which provides translation services for claimants. This service will be advertised on the application form and in the benefits front office.

17.4. The Housing Benefit/Council Tax Benefit application form will be reviewed regularly to ensure that it remains helpful to the claimant. In the future this will be an electronic form available through the website.

18. Action on overpayment of benefit to claimants

18.1. If benefit has been obtained from the Council where there was no entitlement, e.g. due to a false claim or failure to report a change in circumstances, the Council will consider the particulars of the individual case. Where the claimant could have reasonably been expected to know their actions would result in an overpayment of benefit, the Council will consider prosecution.

18.2. Where appropriate, the Council will consider applying a 30% administrative penalty, or issuing a local authority caution as an alternative to prosecution.

18.3. If it is not in the public interest to take such actions the Council will, nevertheless, seek to recover any overpaid benefit.

18.4. It would not, however, be the Council's intention to cause the claimant undue hardship, but failure to come to a reasonable arrangement for repayment could result in civil recovery action being taken through the courts.

19. Action on overpayment of benefit to landlords

19.1. Payments of benefit are often made directly to landlords on behalf of claimants. If landlords falsify claims or assist claimants to falsify claims, they are guilty of an offence and will normally be prosecuted by the Council.

19.2. Landlords who receive benefit directly are obliged to report any changes in their tenant's circumstances. Failure to do so may result in the payment of more direct benefit than is rightly due.

19.3. The Council will make landlords aware of their duty to report known changes and that failure to do so is an offence. If the Council believes such an offence has been committed, it will consider prosecution and will recover any overpaid benefit either directly from ongoing payments of benefit to the landlord or through civil recovery through the courts.

19.4. The Council will expect Fraud Investigators to use their inspection powers to obtain information from landlords. These powers will be used reasonably and in compliance with the regulations.

20. “Do not re-direct” mail

20.1. The Council will continue to use the “do not re-direct” service of the Post Office to prevent benefit post being re-directed to other addresses.

21. Anti - fraud campaigns

21.1. The Council will undertake at least two specific fraud campaigns each year in partnership with other organisations or alone.

22. Case management

22.1. The Council's Fraud Investigators will use a computerised case management system to assist with the proper management, monitoring and recording of claims that are under investigation.

23. Ways in which matters can be reported

23.1. If an employee has reasonable grounds to suspect a benefit fraud has been committed they should report it to the Fraud Investigators using the ‘Report of Suspected Fraud’ Template.

23.2. Alternatively there are the following contacts:

- Internal Audit, Tel 01508 533863
- Fraud Hotline Tel 0800 389 6109
- Senior Fraud Investigations Officer Tel 01508 533900

24. Feedback from the Investigation

24.1. Where an employee has referred a benefit case for investigation they will be advised of the outcome of that case by the Fraud Investigator.

24.2. This feedback is intended to develop fraud awareness within the Council and heighten the employee motivation in adhering to Anti-Fraud Policy and Strategy.

25. IT and Physical Security

25.1. We have adopted an Anti-Fraud and Corruption Strategy, which sets down the processes for the prevention and detection of fraud, and corruption within the Council. It also sets down the expectations that the Council has about its employee's behaviours.

25.2. Our IT section monitor and control the system access and security. They have a policy document setting down their policies and procedures.

25.3. The Revenues & Benefit Systems Manager is responsible for the Revenues Services systems and controls the system access and security.

25.4. The Human Resources team have a policy for the recruitment and vetting of new staff members.

25.5. All Benefits Officers have their computer screens password protected so that the system cannot be accessed when they are not present.

25.6. The Council secure the gateway to Housing Benefit and Council Tax Benefit via the Verification Framework. The rigorous verification of benefit applications ensures that instances of possible fraud are recognised prior to the claim entering the system.

25.7. All documentation supplied from time to time in support of a claim or on a change of circumstances is verified to the same standard as the original claim.

25.8. In accordance with the Performance Standards checking and sampling

methodology, we check 4% of all our benefit claims to ensure that they comply with the framework, and have been entered correctly onto our benefits processing system. This helps to identify and resolve training needs.



South Norfolk District Council
Housing Benefit/Council Tax Benefit Fraud
Prosecution Policy
2011

1. The Council is committed to protecting public funds through its action against fraud. In the event of a suspected fraudulent benefit claim the Council has three sanctions available to it, namely: -
 - an official local authority caution;
 - an administrative penalty equivalent to 30% of the overpayment of benefit involved;
 - prosecution.
2. Each case will be judged on its own merits and the appropriate sanction applied, according to the amount of benefit overpaid, corporate enforcement policy and the guidance within this document.
3. All initial sanction decisions will be taken within accordance of South Norfolk Council's Corporate Enforcement Policy. This case process will supervised by the Senior Fraud Investigations Officer.
4. All cases suitable for caution will be processed and supervised by the Senior Fraud Investigations Officer.
5. All sanction decisions will be the responsibility of the 'Revenues Manager'.
6. Decisions regarding prosecution will be taken jointly by the 'Head of Revenues and Benefits' and the 'Revenues Manager'.
7. The Council will normally prosecute anyone who: -
 - has been offered and refused an administrative penalty;
 - has received an official local authority caution for a similar offence;
 - has previously been prosecuted for a similar offence;
 - has obstructed an Inspector appointed under s.110A of the Social Security Administration Act;
 - has made threats against a Council employee;
 - has obtained benefit in excess of £2000 fraudulently (this value to be reviewed annually by the Counter Fraud Manager) although cases under £2000 will still be considered.
 - has refused to attend for an Interview under Cautionprovided that: -
 - there is sufficient evidence; and
 - it is in the "public interest" to do so.
6. The test of "Public Interest".
 - 6.1 The Council is unlikely to prosecute if the claimant: -
 - is seriously or terminally ill;
 - has serious mental health problems;

- is a juvenile;
- made a voluntary disclosure of the offence before the Council had any suspicions;
- has social factors that are considered relevant (e.g. a case of genuine financial hardship, circumstances where there is a need for Social Services assistance).

or if: -

- an examination of the case papers reveals serious errors in procedure;
- there have been failures in the investigation (e.g. unnecessary delays);
- to do so would place a vulnerable person at risk (e.g. a witness).

6.2 The Council is likely to prosecute if: -

- the offence has continued for a considerable period of time;
- the claimant holds a position of trust (e.g. an employee of the Council or a councillor);
- the offence is considered to be premeditated;
- the claimant has been warned about a similar offence in the past;
- the offence involves collusion with others.

Appendix 2



South Norfolk District Council Code of Conduct Benefit Fraud Investigators, Benefits Officers and Inspectors 2011

Fraud Investigators are officers employed to prevent and detect fraudulent benefit activity

Benefit Officer's are employed in the administration of benefits.

Inspectors are officers appointed under Section 110A of the Social Security Administration Act 1992 (as amended).

The Council expects its Fraud Investigators, Benefits Officers and Inspectors (hereafter referred to as "Investigator") to comply with the Council's general Code of Conduct for Employees. In addition, these officers are expected to observe the following requirements: -

1. All cases of suspected fraud in which an Investigator may have an interest must be declared to the Benefits Manager. An interest is defined as ownership of, or interest in, a property involved in the alleged fraud, or a personal relationship with any persons involved in the claim for benefit.
2. All persons suspected of fraud must be treated with respect and courtesy at all times, in line with the Council's policies on equal opportunities and customer care.
3. The Home Office Codes of Practice under the Police and Criminal Evidence Act 1984 (PACE) must be followed at all times.
4. Information held by the Council must only be disclosed in accordance with data protection legislation.
5. At all times during an investigation, the rights of any individual who is being interviewed or investigated must be considered and observed including those contained within the Human Rights Act 1998. Conclusions must be based on the facts of the case, not on intuition or supposition.
6. The requirements of the Regulation of Investigatory Powers Act 2000 must be observed at all times.
7. The possibility of personal integrity and that of the Council being compromised must be considered at all times when carrying out unaccompanied visits. The advice of a senior officer must be sought prior to carrying out unaccompanied visits in the following circumstances:
 - visits to persons of the opposite gender known to be living alone;
 - visits after dark;
 - visits to juveniles;
 - visits to persons believed to be vulnerable;
 - visits in any other circumstances, which, it is believed, may be particularly sensitive or difficult.

8. All records should be examined prior to interview or visit to see if a person is known to be potentially violent. Interviews with or visits to such persons should not be carried out unless approved by a senior officer and unless accompanied.

Any Investigator breaching the above rules may be subject to the Council's disciplinary procedures.