

Darlington Borough Council: Housing Benefit/Council Tax Benefit Anti-Fraud Strategy

Introduction

Darlington Borough Council's Housing and Council Tax Benefit Anti-Fraud Policy represents a commitment by the Council to implement a robust anti-fraud strategy in order to protect public funds and to ensure that benefits are delivered to those who have a true entitlement to them. It operates within Darlington Borough Council's Anti-fraud and Corruption Policy framework.

This strategy outlines the mechanisms whereby the Council will deliver the above commitment to its citizens.

Resources

The Investigation Team comprises of the Investigations Team Leader, 3 full time equivalent Benefits Investigators and 2.5 full time equivalent Benefit Clerks. They will sift all allegations of Housing and or Council Tax Benefit Fraud made to the Council against set criteria. The Investigation Team Leader will then look at these allegations, and bearing in mind the result of the sifting process, will determine which allegations are suitable to be passed to the Benefit Investigators to investigate.

The Director of Corporate Services will write to the Secretary of State requesting the appointment of named Housing Benefit Authorised Benefits Officers. These Authorised Benefits Officers will have the power of entry and inspection under Section 110A of the Social Security Administration Act 1992. The appointments will be reviewed annually. The letters of appointment will carry the full name of the Authorised Benefits Officer, reference to section 110A of the Social Security Act 1992, the Council's logo, the image of the Authorised Benefits Officer and the authorising signature of the Director of Corporate Services and the Authorised Officer.

The Authorised Benefits Officers may use the letters of appointment to inspect business premises and to interview persons who may hold information that has relevance to a claim of Housing Benefit or Council Tax Benefit, and certain specified National Benefits administered by the Department for Work and Pensions (DWP). Any abuse of these powers will result in the officer being subject to disciplinary action by the Council.

Targets

Targets will be set for the Benefits Investigators. These will be set annually in the Benefit Service plan after consultation with the Staff. They will reflect the Service Level Agreement between the Department for Work and Pensions (DWP) Fraud Investigation Service and the Council and the Key Lines of Enquiry. The Investigations Team Leader using a series of system reports and spreadsheets, as well as qualitative monitoring through checking individual cases will monitor these objectives to audit standards. The outcomes will be reported quarterly to the Benefit Manager.

Verification of Housing Benefit/Council Tax Benefit claims

Benefits Officers, Benefit Visiting Officers and Benefit Investigators or other council employees, or organisations who have been nominated to verify documents on behalf of the Council receive training in verifying information supplied on the application form for Housing/Council Tax Benefit. All supporting documentation provided at the Benefit Office will be scanned on the Data Image Processing System. Only original documents or documents which are considered to be from a secure source such as information received from the Customer Information System will be accepted as supporting evidence for a claim. These will be rigorously checked to ensure that they are not forgeries or counterfeits. Where it is suspected that a document is not an original or has been tampered with, then the employee will refer the document to either a Team Leader or the Investigation Team for further investigation.

Care will be taken to verify information on the form and documentation. Whenever necessary, this will include contacting third parties under section 109B & 109C of the Social Security Administration Act 1992 or interviewing them in line with the Police and Criminal Evidence Act 1984. Obtaining evidence will be done in compliance with the Data Protection Act 1998.

Claims for Housing Benefit/Council Tax Benefit may be reviewed by a programme of visits or by other appropriate methods.

Data Protection Registration

The Council will maintain its registration for purpose 058 under the Data Protection Act 1998.

Visiting of Customers

The Council will maintain a visiting regime to confirm residency and cross-reference the information on the application form. The cases selected for a visit or review will be a result of a risk analysis. This analysis will include the following factors:-

- The type of benefit the customer receives
- The type of income the customer receives
- The length of time since the customer's claim was last reviewed
- The customer has in the past been investigated for fraud, which was proven.
- The customer has previously failed to report a change in their circumstances on time.
- Known dates that the customer's income is likely to change, or increase.
- The age of dependant children in the household.
- Health and social factors.

In addition Benefit Visiting Officers may carry out some un-notified visits

based on a further analysis of risk, during the year, in order to confirm that the details of the claim have not altered in any way. This risk analysis will additionally take into account:-

- possibility that the customer is not resident,
- possibility that the customer has an undeclared member of the household ,
- possibility that another member of the household is not resident,
- age of customer,
- type of tenancy,
- any other information known about the customer or a member of their household.

The Application Form

A customer in Darlington can apply for Housing Benefit either by completing a Darlington Borough Council application form, or by completing a form when they make a claim for benefit with the DWP or the Pension's Disability Carers Service. The DWP will then forward to the Council a document called a "LA Input document", or an HCTB1, and the Pension Service will forward their own Housing and Council Tax Benefit forms which will contain all the information necessary to assess a claim for Housing/Council Tax Benefit. They will also gather the necessary supporting evidence, and will undertake to verify its authenticity to the standards established by the DWP. Where there is a query with the supporting evidence, the Council may seek clarification from the DWP.

The Darlington Borough Council Housing Benefit/Council Tax Benefit application form will adopt many features of the DWP's standard housing benefit/council tax benefit claim form.

It will be reviewed annually to ensure that it asks plain language questions that help the claimant in obtaining benefit and will include a fair processing statement. At the same time, the form will make clear to the claimant that misinformation will not be acceptable and could result in the claimant being prosecuted. Mandatory questions will need to be filled in by the claimant or their agent. Failure to respond to a mandatory question may result in the form being returned to the claimant.

The Council will also use a review application form, a shortened form for Hostel Dwellers, a shortened form for the Homeless and a shortened form for people who have recently moved address within the Darlington Borough Council area.

Change of Circumstances

The Council will make every customer aware of their duty to contact it, or when appropriate to contact the DWP's In and Out of Work Team whenever they have a change in their circumstances. The Council will do this by informing every new applicant who visits the Customer Services office that they must notify it of any changes, and making them aware of the different ways they can do this. The Council may also undertake

publicity campaigns throughout the year to raise all customers' awareness of how they can report a change of circumstances, and when they should do this.

The Council may contact people who apply for Housing and/or Council Tax Benefit through the DWP Customer Management Service or Pension's Disability Carers Service shortly after their claim has been assessed, to inform them of the different ways they can contact the council to notify any future changes in their circumstances.

The Council will use a risk analysis to identify people who are likely to have a change in their circumstances, and contact them either by letter, by visit or by any other appropriate method. The Council will use this contact to gather information about the predicted change in circumstances, and to remind the customer of their duty to notify any future changes promptly.

Establishment of an Anti-Fraud Hot-Line

The Council will maintain and advertise a hot-line to enable concerned members of the public to report those concerns. The hot-line will be private and confidential. The clerical team will sift all calls applying risk analysis criterion. These are a set of criterion such as the level of detail about the allegation and the person concerned, an evaluation of the intelligence, the financial status of the person concerned, the age of the person and their household makeup, when the claim was last reviewed, and if any previous allegations have been received. These are all given a numerical value, and the allegation is given a total numerical value. The case along with the outcome of the Risk Analysis will be passed to the Investigation Team Leader to decide which are accepted for investigation.

The hot-line will be advertised in all Council publicity as well as in the local press. The Benefit Fraud information page on Darlington Borough Council's website, will provide a link to the Audit page for reporting corruption within the council. Any information that relates to an allegation of internal fraud will be passed to the Audit department in confidence. The Council will also subscribe to the National Anti Fraud hot-line (called the Shared Fraud Hotline) and will publicise this service in all its publications. The public can also e-mail any referrals to the Investigation Team via the HB enquiries e-mail address, and these will be risk scored and treated in the same manner as any referral received via the Anti-Fraud hot-line.

The Council will establish an on-line form for people to report people they suspect of committing benefit fraud or allegations of internal fraud. These will be sent to the HBEnquiries mail box and will be sifted by the Investigation Team Leader, and those which relate to allegations of internal fraud will be passed to the Audit Department in confidence.

Publicity

Publicity will follow a twin-track approach; inviting those who feel that they have an entitlement to benefit to apply and discouraging those who might

seek to defraud the system. All publicity will seek to inform the public that the Council has an investigation team whose purpose is to investigate fraud and potential fraud and to take legal action against those defrauding the Council.

Methods of publicity for the Council's anti-fraud action will include newspaper adverts and articles in the Council produced publications. Information on all potential prosecutions will be sent to the Communications Unit so that they can make the press aware.

A quarterly newsletter will be distributed to all Revenues and Benefits, Housing, and Customer Services staff to read, giving a brief outline of all the cases that have been prosecuted, along with the outcome of the case. It will encourage staff to refer any cases where they suspect there is an irregularity for investigation and identifying any referrals that have been particularly successful.

A Fraud News board has been established in the Revenues and Benefit Office. This has outcomes of recent court cases, suggestions for signs of possible fraud that staff could look out for, as well as any publicity for recent prosecutions that have appeared in the papers.

Fraudulent Actions by Landlords

Whilst the Council recognises that the majority of the Landlords in the district are honest and fair, it also recognises that a few Landlords do defraud, or attempt to defraud, the Housing Benefit system. Therefore, the Council will expect Fraud Authorised Officers to use their powers under the Housing Benefit (Supply of Information from Landlords) Regulations 1997 in addition to powers under the Social Security Administration Act 1992 (amended) to obtain information from Landlords. These powers will be used reasonably and in compliance with the regulations. Landlords will be expected to comply with requests for information or the Council will apply for them to be fined by the Courts.

In cases where the Landlord has been found to have failed to notify the Council of their tenant's change of circumstances and continued to accept Housing Benefit payments that they are aware they are not entitled to, the Council will interview these landlords under caution in accordance with the Police and Criminal Evidence Act. Following the interview, the Council may consider taking further action such as offering a sanction, or prosecuting for the offence.

Whistleblowing

The Council will investigate all allegations of abuse made under The Whistleblowers Charter.

Register of Interests

The Council will undertake annual checks on all properties registered in The Register of Interest to ensure that no benefit payment has been made

to these properties without the knowledge of the Head of Revenues and Benefits or Director of Resources.

Data Matching Exercises

Data Matching is a method of checking details held in 2 or more separate databases, and looking for discrepancies between the data held. For example, the Council may hold a record that shows a person is claiming Housing Benefit based on an income of Job Seekers Allowance (income based), while the DWP database may hold a record that shows this person no longer claims as he or she has told them that they have started full time work. The law allows data matching when it is to detect or prevent crime.

The Council uses the Department for Work and Pension's Housing Benefit Matching Service, which checks claims of Housing and Council Tax Benefit for potential incorrectness against records held by other local authorities, Her Majesty's Revenue and Customs, Royal Mail data, Pension's Disability and Carers Service, DWP benefits etc on a monthly basis.

The Council may also participate in the Data Matching exercise conducted by the Housing Benefit Matching Service of details held by the Council of claims for Housing and Council Tax Benefit and details held by a Credit Referencing Agency.

The Council uses the National Fraud Initiative administered by District Audit, which allows comparison of Housing Benefit data against other data sources.

The Council may also run data matching exercises against its own databases. This will include databases holding information concerning Council employees and Council Members. The Council will notify all employees beforehand that a data match is about to be conducted across their databases, in accordance with the principals of the Data Protection Act.

At all times, the Council will observe the advice and guidance of the Data Protection Registrar in the area of Data Matching.

Working in Partnership

The Council is keen to undertake specific fraud drives by working with:

- the Police;
- the Department for Work and Pensions;
- the Pensions Disability Carers Service;
- Her Majesty's Revenue and Customs;
- other Councils;
- other Council Departments.
- other law enforcement agencies

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, the Council will observe the law on Data Protection, Human Rights and the rules of confidentiality at all times.

Specific Targeted Fraud Campaigns

The Council may undertake fraud campaigns each year, following a risk analysis. This will be done either in partnership with other organisations or alone. All campaigns will be designed with due regard to the requirements of the Council's Equal Opportunity Policy, Data Protection Act 1998 and the Human Rights Act 1998.

The Use of Case Management Systems

The Council's Investigation Team will use a computerised Fraud System, which will interface with the Housing Benefit Computer System. This will assist officers by aiding the proper management, monitoring and recording of relevant claims.

The Case Management System will also assist officers to adhere to the Codes of Practice outlined in the Police and Criminal Evidence Act 1984 and the Social Security Fraud Act 2001, and the Criminal Procedure and Investigations Act 1996.

Police and Criminal Evidence Act Codes of Practice

In undertaking an investigation the Council will observe the Police and Criminal Evidence Act Codes of Practice, and the Criminal Procedure and Investigations Act Codes of Practice.

Code of Conduct for Obtaining Information

The council will issue a flyer to third parties when using their powers as Authorised Officers to obtain information. This will be based on the model publications issued by the DWP. Full codes of conduct for obtaining information will be available on request.

Intelligence

The Council will subscribe to the National Anti-Fraud Network and use the Operational Intelligence Unit in the Department for Work and Pensions in order to ensure the proper exchange of intelligence concerning possible and probable fraud activity. All sanctions and prosecutions will also be recorded with the DWP Fraud Investigation Service.

The Council will subscribe to publications about fraud and benefits in order to maintain current knowledge of fraud issues.

The council will enter into a Service Level Agreement with the Department for Work and Pensions Fraud Investigation Service. All antecedents will be checked with the DWP Fraud Investigation Service.

The Council will subscribe to appropriate organisations such as, LAIOG (Local Authority Investigation Officers Group) (Northern), LAIOG (Local Authority Investigation Officers Group), and JOB (Joint Operational Board).

Training

The Council will expect its Benefit Investigators to be fully trained and to maintain this training. Wherever possible, it is desirable for investigators to hold suitable qualifications such as PINS (Professionalism IN Security) or to gain this qualification as soon as practicable. The Council will also encourage the investigators to take qualifications such as the Chartered Institute of Public Finance and Accountancy Investigative Practice, the Bond Solon Advanced Professional Certificate in Investigative Practice, and the BSc (Hons) Counter Fraud and Criminal Justice Studies courses leading either to the full degree or to a Certificate or Diploma of Higher Education in this subject.

The Council will also provide fraud awareness training for all new employees to the Benefits team. This will include a short period of time spent with a Benefit Investigator. The Council will provide procedures for all staff to help them to identify and refer suspicions of fraud to the Investigation Team. The Investigations Team Leader will provide annual refresher training to all members of the Revenues and Benefits team, the Housing team, and Customer Services team.

The Council will provide training in the standards of verification required to all new employees of the Revenues and Benefits Section, the Customer Services Section, and any organisation authorised as a third party to verify claims. It will also undertake to provide this training to all new employees of the Housing Division that have been identified by them as someone who will receive supporting evidence for Housing/Council Tax Benefit applications. This will include a session on original documents and checking their authenticity, appropriate use of the UV scanner and what steps to take if they suspect a document is either not an original or has been tampered with. It will also include a session on identity fraud. The Investigations Team Leader will undertake annual refresher training for all Customer Services and Revenues and Benefits staff on Original Documents training and Identity Fraud.