

## **HOUSING BENEFIT AND COUNCIL TAX BENEFIT ANTI-FRAUD STRATEGY AND POLICY**

### **1. Strategy – Introduction**

- 1.1 Central Bedfordshire Council (the Council) is committed to the delivery of Housing Benefit and Council Tax Benefit to its customers. We aim to provide a Benefit Service that ensures the right benefit gets to the right person at the right time.
- 1.2 The Council is committed to ensuring that claimants receive the benefits to which they are entitled and in line with our commitment to reduce poverty, will ensure that benefits are taken up by those people who need to access this service.
- 1.3 However, the Council recognises that some people will attempt to obtain benefits to which they are not entitled: For various reason they will not be truthful about their circumstances or deliberately fail to tell the Council about a relevant change. The Council will not tolerate abuse of the benefits system and will take proactive & reactive steps with a view to the prevention and detection of fraud and recovery of overpayments. Proceedings will be instigated in accordance with the Council's Housing Benefit and Council Tax Benefit Prosecution and Sanction Policy as appropriate.
- 1.4 This Strategy outlines the mechanisms whereby the Council will deliver a robust anti-fraud service in order to protect public funds and ensure that benefits are delivered to those who have a true entitlement to them.

### **2. Resources**

- 2.1 The Council will appoint sufficient number of staff with appropriate skills to enable it to deliver the aims of the Housing Benefit and Council Tax Benefit Anti-Fraud Policy and realise the intended actions set out in the Anti-Fraud Strategy.
- 2.2 The Council will appoint designated Housing Benefit/Council Tax Benefit Investigation Officers, whose duties are to undertake investigations and gather evidence.
- 2.3 The Council will appoint designated Housing Benefit/Council Tax Benefit Visiting Officers, whose duties include visiting claimants to check the details of the claim and confirm supporting documentation.
- 2.4 The Chief Executive or delegated Officer will appoint Housing Benefit/Council Tax Benefit Inspectors. These inspectors will have the power of entry and inspection under Section 110 of the Social Security Administration Act 1992. The Chief Executive or delegated Officer will first ensure that the appointed Inspectors

are right and proper persons and then issue them with letters of appointment. The letters of appointment will last for no more than one year, carry the full name of the inspector, the start and end dates of the appointment, reference to section 110 of the Social Security Administration Act 1992, the Council's logo and address and contact number for verification, the image of the inspector and the Chief Executive's or delegated Officer's signature.

- 2.5 The Inspectors will 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. Any abuse of these powers will result in the officer being dismissed from the employment of the Council.

### 3. **Targets**

- 3.1 Targets will be set for the Benefit Investigations Officers. These targets will be monitored by the Customer Accounts Manager (Fraud).

Annual targets for each Benefit Investigations Officer include:

- Investigate at least 107 cases
- 20 investigations to result in a sanction (prosecution, caution or Administrative Penalty)
- If an Officer fails to achieve the set targets, this will be addressed through the 6 monthly Performance Development Review held with each Officer.

### 4. **The Application Form**

- 4.1 The Housing Benefit/Council Tax Benefit application form will be reviewed annually to ensure that it asks plain language questions that help the claimant in obtaining benefit. 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.

### 5. **Verification of Housing Benefit/Council Tax Benefit Claims**

- 5.1 The information on the application form will be verified by Customer Accounts Processing Officers. Only original supporting documentation will be accepted.
- 5.2 The format of the benefit application form is not prescribed, but has evolved through good practice and benchmarking with other local authorities.
- 5.3 Whenever necessary, Benefit Investigation Officers will interview claimants under caution, in accordance with the Police and Criminal Evidence Act or will contact third parties under section 110 of the Social Security Administration Act 1992. Obtaining evidence will be done in compliance with the Data Protection Act.

### 6. **Data Protection Registration**

- 6.1 The Council will maintain its registration for benefits and grants administration and crime prevention and prosecution of offenders (registration numbers 8 & 11 respectively on the Council's registration document) and comply with any replacement scheme of notification under the Data Protection Act.

## 7. **Visiting of Claimants**

- 7.1 The Benefits Visiting Officers will maintain a visiting regime to confirm residency and cross-reference the information on the application form.

## 8. **Publicity**

- 8.1 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 should seek to tell 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.

- 8.2 All successful prosecutions will be reported to the media.

## 9. **Fraudulent Actions by Landlords**

- 9.1 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, Benefit Investigation Officers will use their powers under the Housing Benefit (Supply of Information from Landlords) Regulations 1997 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 they may be prosecuted.

## 10. **Confidential Reporting Code (“whistle blowing”)**

- 10.1 The Council will follow the procedure set out in the Confidential Reporting Code following allegations of abuse perpetrated by a Council employee. Action will be taken in accordance with the Council's main Anti-Fraud Strategy and policy (part 14 of the Constitution refers).

## 11. **Data Matching Exercises**

- 11.1 The Council is a member of the Housing Benefit Matching Service (HBMS), which cross checks our benefit claims against data held by other government agencies and credit reference agencies such as Experian. Its aim is to show duplicate claims and any source of undeclared income.

The council is also a member of the National Fraud Initiative (NFI) administered by the Audit Commission, which allows

comparison of housing benefit data against many other data sources.

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

## 12. **Working in Partnership**

12.1 The Council is keen to undertake specific benefit fraud drives by working with the Department for Work and Pensions, the Police, Home Office, Inland Revenue, Customs and Excise and other Council Directorates.

12.2 Cases where the alleged fraud would also affect a benefit administered by the Department for Work and Pensions will be investigated jointly.

12.3 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, the Council's Data Protection Policy and the rules of confidentiality at all times.

## 13. **The use of Case Management Systems**

13.1 The Council's Benefit Fraud 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.

## 14. **Police and Criminal Evidence Act and Codes of Practice**

14.1 In undertaking a benefit investigation the Council will observe the Police and Criminal Evidence Act 1984 Codes of Practice, and all other relevant legislation and codes. In other words, the claimant will be advised of their rights, and evidence will be obtained and secured in accordance with the law.

## 15. **Intelligence**

15.1 The Council will subscribe to the National Anti-Fraud Network in order to ensure the proper exchange of intelligence concerning possible and probable benefit fraud activity.

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

15.3 The Council will subscribe to appropriate organisations such as LAIOG (Local Authority Investigation Officers Group).

## 16. **Surveillance**

16.1 The Council uses the Regulation of Investigatory Powers Act (RIPA) in certain situations when investigating alleged abuses of the benefit system. This act is known as RIPA and allows the investigation officers to carry out surveillance on those people suspected of benefit fraud offences. All authorisations for RIPA are approved by senior officers and all investigation staff are trained in the use of the act.

All authorisations for RIPA will be in accordance with the Council's RIPA Policy and Procedures agreed on 1 April 2010.

## 17. **Training**

17.1 The Council will expect its 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). The Council will ensure investigators receive training in all relevant changes in legislation and refresher training.

## 19 **Policy Introduction**

19.1 The Housing Benefit and Council Tax Benefit Anti-Fraud Strategy states the Council's intentions towards those who seek to defraud the Council. In order to convert these intentions into action, an Anti-Fraud Policy is required, which is described in the following paragraphs.

19.2 Central Bedfordshire Council's Housing Benefit & 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.

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

## 20. **Action on Overpayment of Benefit**

20.1 Where Benefit is fraudulently obtained the Council will consider prosecution or sanction action in accordance with the Prosecution and Sanction Policy and seek to recover any overpaid benefit.

20.2 In some circumstances, it is not in the public interest to take prosecution or sanction action. Under these circumstances, the Council will seek to recover any overpaid Benefit.

20.3 It would not be the Council's intention to place the customer into hardship, but failure to come to a reasonable arrangement for repayment will result in taking civil recovery through the courts.

## 21. **Action on Overpayment of Benefit to Landlords**

21.1 Payments of benefit are sometimes made directly to landlords on

behalf of the claimant. In some cases, landlords falsify claims or assist claimants to falsify claims for Benefits. Where Benefit is obtained in these circumstances the Council will consider prosecution or sanction action against the landlord in accordance with the Prosecution and Sanction Policy and seek to recover any overpaid Benefit.

- 21.2 Landlords who are receiving Benefit directly are obliged to report any changes in their tenants' circumstances, which they could reasonably be aware of. The Council makes landlords aware of their duty to report changes and failure to do so may be an offence. Where an offence has been committed, the Council will consider prosecution or sanction action and will recover any overpaid benefit either directly from ongoing payments of benefit to the Landlord or through civil recovery through the courts.

## 22. **Working in Partnership with Other Organisations**

- 22.1 Where necessary, the Council will work in co-operation with other organisations such as the Police, Department for Work and Pensions (DWP), Home Office, Inland Revenue and Customs and Excise in order to combat benefit fraud.

## 23. **The Data Protection Act**

- 23.1 The Council is registered with the Information Commissioner's Office in compliance with the Data Protection Act 1998, for the purposes of: benefits and grants administration (purpose 8) and crime prevention and prosecution of offenders (purpose 11). Registration number – Z169787X.
- 23.2 The processing of personal data will be undertaken in line with the Data Protection Act and the Council's Data Protection Policy.
- 23.3 The management of records will be in accordance with the Council's Information Records Management Policy.
- 23.4 Where required the Council will use Section 29(1) of this act, which protects organisations who supply information to the Council in its investigation of alleged benefit fraud. Section 29(1) allows organisations to supply information when it is for the purpose of preventing or detecting crime, or the apprehension or prosecution of offenders, without being in breach of data protection principles.

## 24. **Duties and Considerations of Benefit Investigation Officers**

- 24.1 When investigating fraud, council fraud investigators will work within the guidelines of the Police and Criminal Evidence Act 1984, Criminal Procedures Investigation Act 1996, Human Rights Act 2000, Social Security Administration Act 1992 and apply the Council's policies on equal opportunities and customer care. The Council's officers will at all times apply appropriate procedures to maintain confidentiality.
- 24.2 It is the duty of the fraud investigators to investigate all referrals of suspected or alleged benefit fraud and to establish the facts of

each case.

**25. Duties and Considerations of all Council Employees**

- 25.1 The Council will require all officers involved in the administration of benefits to report to the Customer Accounts Manager details of any connection they have to a claim, such as being a landlord, claimant, partner, non-dependant etc. The details will be held on a register held by the Customer Accounts Manager (Fraud) and access will be restricted to investigation staff and managers.
- 25.2 The Council will require all officers involved in the administration of benefits to report to the Customer Accounts Manager where they are aware that a close family member has claimed Benefit. The details will be held on a register held by the Customer Accounts Manager (Fraud) and access will be restricted to investigation staff and managers.
- 25.3 Gifts and hospitality offered to employees as a consequence of their role - as an officer dealing with benefits - must be reported to a senior officer.
- 25.4 Any Council officer found to be involved in an offence under the Social Security Act 1992, or any criminal offence involving claims of benefit either at this Council, any other Council or the Department for Work and Pensions will be disciplined under the Council's Disciplinary Procedures, in addition to any prosecution proceedings that may occur.
- 25.5 Where any Council Officer investigating a benefit fraud abuses their powers, an investigation will take place with a view to taking disciplinary action.

**26. Duties and Considerations of Elected Members**

- 26.1 The Council will require all elected Members to report to the Customer Accounts Manager (Fraud) details of any connection they have to a claim, such as being a landlord, claimant, partner or non-dependant. The details will be held on a register held by the Customer Accounts Manager (Fraud) and access will be restricted to investigation staff and managers.

Members should e-mail the Customer Accounts Manager (Fraud) at [julie.luckman@centralbedfordshire.gov.uk](mailto:julie.luckman@centralbedfordshire.gov.uk)

Any reports received will be held in confidence for the period of the benefit claim and will only be referred to should an investigation be initiated into the particular claim.

This requirement is not contained within the Council's Constitution but is deemed to be good practice as demonstrated by bench marking with other local authorities.

**27. Confidential Reporting Code (“whistle blowing”)**

- 27.1 The Council has set out its policy on whistle blowing and Council employees and Elected Members are encouraged to inform the

Council of any abuse of power perpetrated by colleagues. The Council will follow procedures set out in this code when responding to allegations of abuse.

**28. Benefit Administration and Counter-Fraud Action**

- 28.1 The Council believes that it is important to discourage and prevent fraud from taking place in the first instance. The Council will implement vigorous procedures for the verification of claims. Although claims for benefit will be subject to close scrutiny, the Council is committed to delivering benefit expeditiously.
- 28.2 The Council's application form for Housing Benefit/Council Tax Benefit will include questions and instructions in plain language giving the customer clear directions to what is required of them. The form will carry warnings and information; so that the claimants will understand the risks to them should they choose to misinform the Council of their personal circumstances.
- 28.3 The Council will put in place systems which will allow the customer to request assistance to complete their application form and to inform the Council of changes to their circumstances.
- 28.4 The Council is committed to having controls designed to prevent fraud being perpetrated by its own staff. Therefore all staff employed in Benefits and Investigation Departments will be rigorously vetted at the time of application. If misrepresentation is found to have occurred on the application form or at interview, disciplinary procedures will be considered.