



West Lothian
Council

WEST LoTHIAN COUNCIL

Benefit Fraud Strategy

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V2	Reviewed Apr'08	No Changes	AMC
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West Lothian Council
Finance Service
Revenues Unit

Amendments		Date
Para 4 – Joint Working	Due to the new partnership agreement, reference to MOU & Joint Boards have been removed (as per G5/2007)	07/04/2011

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1. Introduction

- 1.1 In the management and provision of its services, West Lothian Council is unequivocally set against any form of benefit fraud from within the council, external organisations, benefit claimants, landlords or employers.
- 1.2 The Council will develop and maintain the principles of openness, honesty and accountability in the provision of its services and the conduct of its business, while respecting the need for confidentiality when it is proper and lawful to do so.
- 1.3 The Council is committed to the prevention, deterrence, detection and investigation of benefit fraud, and will seek to prosecute or apply other appropriate sanctions to perpetrators of benefit fraud.
- 1.4 The Council will introduce and operate confidential and effective arrangements for its staff, members, residents, taxpayers and any other persons to be able to report any suspicions or concerns they may have concerning any benefit fraud.
- 1.5 This strategy document also supports West Lothian Councils Anti Fraud & Corruption policy, Service Delivery plan and Fraud Business plan

2. Investigating Benefit Fraud

- 2.1 The council is aware of the high risk within the benefit system for fraud, error or irregularity and the necessity to protect the public purse from abuse.
- 2.2 There are essentially three main ways of defrauding the system:
 - **Initial Eligibility** - claimants supply fraudulent information on their initial application form.
 - **Changes in Circumstances** - claimants fail to notify changes, which could reduce or terminate their benefit entitlement.
 - **Fraud by Landlords** - landlords create false tenancies or continue to receive benefit for individuals who have moved away.
- 2.3 The council has invested resources in establishing a team of officers dedicated to identifying, investigating and preventing Benefit fraud.
- 2.4 The council recognises that deliberate abuse of the Benefit scheme by an individual or individuals in order to obtain money from the council to which there is no legal entitlement is a criminal offence.

3. Benefit Investigation Team

- 3.1 The principal objective of the Benefit Investigation Team is to '**Provide a professional and effective Investigation Service**'
 - Confidential and consistent treatment of information received
 - Proper investigation by experienced and independent Counter Fraud Investigators.
 - Effective channels of communication to receive information from both internal and outside organisations

- 3.2 The Benefit Investigation Team Leader is responsible for following up any allegation of fraud received and will do so, through clearly defined procedures, and will ensure that:-
- Cases are dealt with promptly and are investigated to a satisfactory conclusion
 - All evidence received is recorded and kept securely
 - All evidence has been correctly obtained and adequately supported
 - A logical decision is made as to the appropriate sanction in accordance with the council's sanction policy

3.3 The Benefit Investigation Team will investigate in accordance with all appropriate legislation governing benefit fraud investigations and the Investigators Code of Conduct, by:

- Using all legislative powers
- Pursuing all lines of enquiries
- The application of new technology and Fraud Management System.
- Undertaking data matching exercises utilising data from Housing Benefit Matching Service and the National Fraud Initiative.
- Actively making use of shared intelligence with other organisations using all available legal gateways.
- Continuous review of working practises.
- Undertaking joint working with DWP Fraud Investigation Service (FIS).
- Identifying fraud trends and patterns and where possible instigate proactive Investigations.

3.4 **Surveillance**

The Council acknowledges its responsibilities in relation to the Regulation of Investigatory Powers (Scotland) Act 2000. Legal Services have participated in the development of a corporate policy document that will adhere to its requirements.

3.5 **Appointment of Local Authority Authorised Officers**

West Lothian Council will appoint Local Authority Authorised Officers, authorised by the Chief Executive. The Authorised Officers will use their powers as stipulated under the provisions within the Social Security Administration Act 1992, as amended by the Social Security Administration (Fraud) Act 1997.

All Authorised Officers will be issued with a Certificate of Authority, detailing their powers under the Social Security legislation.

4. **Joint Working with Department for Work & Pensions (DWP)**

- 4.1 West Lothian Council is committed to joint working with the DWP Fraud Investigation Service (FIS). The Partnership Agreement developed by Jobcentreplus and Local Authorities sets out the principles for effective partnership working between the two organisations.

4.2 The agreement sets out the framework for co-operation between West Lothian Council and DWP FIS. This agreement sets out local arrangements and has been personalised to take into account local issues.

5. Data Matching

5.1 Data matching is a powerful way of finding possible fraud. However, it requires careful preparation and management, and professionally conducted and managed investigations into the reasons for discrepancies.

5.2 West Lothian Council intends to continue taking part in: -

- Housing Benefit Matching Service (HBMS)
- National Fraud Initiative (NFI)

5.3 These services facilitate the cross matching of data between West Lothian Council, other Local Authorities and Government departments.

6. Training

6.1 The council recognises that the success of its Benefit Fraud Strategy will significantly depend on the effectiveness of planned training, awareness and responsiveness of employees throughout the organisation.

6.2 To facilitate this, the council will ensure that employees are provided with the necessary knowledge, skills and awareness to help ensure the success of its Benefit Fraud Strategy. This will be achieved by:

- Ensuring fraud awareness training is provided for all new staff, and is ongoing for all staff at regular intervals
- Provide fraud awareness training to stakeholders and other relevant outside organisations

6.3 The fraud awareness training will be constantly reviewed to reflect changes in legislation.

Skills and Expertise

6.4 The Council will ensure that Counter Fraud Officers possess the expertise to interview, gather evidence, interview under caution and prepare evidence for court.

7. Fraud Referrals

7.1 Referrals account for the majority of leads that the Counter Fraud Officers receive, therefore guidance in what to refer is of great importance.

7.2 All Benefit, Housing and Customer Information Service (CIS) staff have intranet/desktop access to procedures advising them of the process to follow when fraud is suspected.

8. Internal Security

A Fraudulent claim made by an Employee or a Member of the Council

- 8.1 When there is a suspicion of benefit fraud or irregularity that involves an Employee or a Member of the Council, the Benefit Investigation Team Leader will advise the Revenue and Benefits Manager immediately it becomes apparent that a fraudulent act might have been committed. An Auditor from the council's Internal Audit Section will be present at any staff interviews .
- 8.2 The Revenue and Benefits Manager will be responsible for notifying the Head of Finance, Chief Executive and the appropriate Head of Service.
- 8.3 The Chief Executive in consultation with the Head of Service, Head of Finance or Chief Legal Officer, as appropriate, shall determine, in line with the council's Anti-Fraud and Corruption Strategy, whether police involvement is appropriate.
- 8.4 Complaints relating to an Elected Member may be made to the Standards Commission for Scotland.
- 8.5 Any complaint against employees of the council will be dealt with under the provisions of the council's Disciplinary Policy.

9. Prosecution Policy

- 9.1 A policy for determining which offences are to be dealt with through a criminal prosecution and a procedure for managing the process has been set by the council.
- 9.2 West Lothian Council has agreed a Prosecution Policy for the prosecution of offenders who have committed a fraudulent act in obtaining or attempting to obtain Housing Benefit and or Council Tax Benefit.
- 9.3 West Lothian Council has the right to prosecute cases involving fraudulent claims for Housing Benefit and Council Tax Benefit.
- 9.4 We will also participate in prosecutions involving Housing Benefit and Council Tax Benefit where other relevant Social Security Benefits are/were also in payment, where the law allows.

10. Health and Safety

- 10.1 Officers involved on Counter Fraud duties will adhere to West Lothian Council's Health and Safety Policy.

11. Conclusion

- 11.1 The council has in place a clear set of systems and procedures to assist it in combating the constant threat of fraud and corruption. The council is determined that these arrangements will be regularly reviewed to ensure that they keep pace with best practice in relation to fraud prevention and detection.
- 11.2 The council will maintain a continuous overview of existing systems of control, as well as reviewing on a regular basis all relevant policies, procedures and regulations.