



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and Date of Committee	AUDIT AND GOVERNANCE – 28 SEPTEMBER 2023
Subject	COUNTER FRAUD AND ENFORCEMENT UNIT REPORT
Wards Affected	ALL
Accountable Member	Councillor Andy Graham – Leader of the Council. Email: Andy.Graham@westoxon.gov.uk
Accountable Officer	James Howse – Interim Director of Finance Email: James.Howse@westoxon.gov.uk
Report Author	Emma Cathcart – Head of Service Counter Fraud and Enforcement Unit Email: Emma.Cathcart@cotswold.gov.uk
Summary/Purpose	To provide the Committee with assurances over the counter fraud activities of the Council.
Annexes	Annex A – Work Plan 2023-2024
Recommendation(s)	<i>That Committee Resolves to:</i> <ol style="list-style-type: none"><i>1. Note the contents of the report; and</i><i>2. Note the Unit Work Plan at Annex A.</i>
Corporate Priorities	<ul style="list-style-type: none">• Working Together for West Oxfordshire
Key Decision	NO
Exempt	NO
Consultees/ Consultation	Direct updates will continue to be provided biannually. Work plans are presented to the Committee detailing progress and results for consideration and comment as the body charged with governance in this area. Work plans are agreed and reviewed regularly with the Interim Director of Finance.

	Any Policies drafted or revised by the Counter Fraud and Enforcement Unit have been reviewed by Legal Services and have been issued to the relevant Senior Officers, Governance Group and Corporate Management for comment.
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1. BACKGROUND

- 1.1** In administering its responsibilities, the Council has a duty to prevent fraud and corruption, whether it is attempted by someone outside or within the Council such as another organisation, a resident, an employee, or a Councillor.
- 1.2** The Council is committed to an effective counter fraud and corruption culture, by promoting high ethical standards and encouraging the prevention and detection of fraudulent activities, thus supporting corporate priorities and community plans.
- 1.3** The Audit and Governance Committee oversees the Council's counter fraud arrangements, and it is therefore appropriate for the Committee to be updated in relation to counter fraud activity.
- 1.4** Work plans have been agreed with the Interim Director of Finance and the Council's Management. The Audit and Governance Committee, as the body charged with governance in this area, is presented with a copy of the work plan for information.
- 1.5** Attached at Annex A is a copy of the work plan for 2023/2024.

2. MAIN POINTS

2.1 Counter Fraud and Enforcement Unit Update

- 2.2** The CFEU Head of Service forms part of the core Multi-Agency Approach to Fraud (MAAF) group. The core group consists of attendees from Gloucestershire Constabulary Economic Crime Team, Trading Standards, Victim Support, NHS and colleagues from Gloucester City and County Councils. The MAAF has been set up to discuss fraud trends, victim care and communication of fraud scams across Gloucestershire. Through collaborative working the main purpose is to raise awareness to minimise and disrupt fraud.
- 2.3** The CFEU will be working with colleagues within Trading Standards and the Police to establish an effective communication strategy to provide relevant information to members of the public relating to seasonal scams and ways to avoid them. Awareness sessions have been held for all staff. Whilst the group is Gloucestershire focussed, as a member of the CFEU Partnership, West Oxfordshire residents will benefit from any communications regarding prevention and awareness.
- 2.4** In relation to the Business Grant Schemes, as previously reported, the focus now relates to debt; recovery, reconciliation and transfer to the Department for Business and Trade (DBT). Updated figures confirm that invoices totalling £545,183 were raised; £263,119 has been recovered and returned to DBT. £263,248 has not been repaid and liability for the recovery of this has been transferred to DBT. To provide some context, West Oxfordshire District Council paid out £50,465,394 in business grants between April 2020 and March 2022.

2.5 All Local Authorities participate in the Cabinet Office's National Fraud Initiative, which is a data matching exercise to help prevent and detect fraud nationwide. The use of data by the Cabinet Office in a data matching exercise is carried out with statutory authority under Part 6 of the Local Audit and Accountability Act 2014. It does not require the consent of the individuals concerned under Data Protection Legislation.

- In relation to the matches relating to the 2020/2021 and 2021/2022 data sets, 116 accounts were updated, resulting in £87,673 increased Council Tax revenue. 50 Civil Penalties totalling £3,500 were applied. 788 matches are currently being reviewed in relation to the current data set.
- 336 further matches have been received relating to Council Tax Reduction Scheme, Housing Benefit, housing applications and internal data anomalies. 229 have been reviewed to date.

2.6 In addition to the work carried under the annual work plan attached at Annex A, as a dedicated investigatory support service, the CFEU undertakes a wide range of enforcement and investigation work according to the requirements of each Council. This includes criminal investigation and prosecution support for enforcement teams, investigations into staff/member fraud and corruption, or tenancy and housing fraud investigation work.

2.7 During Quarter 1 of 2023/2024:

- The team received 16 referrals from across the Council and closed 22 cases. This excludes any Council Tax Reduction Scheme referrals.
- The CFEU supports Enforcement Teams across the Council. Work undertaken with the ERS Team resulted in a Fixed Penalty Notice, totalling £200, being issued in relation to environmental crime.
- The CFEU undertakes the investigation of alleged fraud and abuse in relation to the Council Tax Reduction Scheme (Council Tax Support) and act as the single point of contact for Department for Work and Pensions (DWP) Housing Benefit investigations. 10 referrals were received, and 9 cases were closed.

2.8 During Quarter 1 of 2023/2024, the team received 2 referrals relating to disciplinary matters.

3. ALTERNATIVE OPTIONS

3.1 The CFEU is working with all Gloucestershire Local Authorities, West Oxfordshire District Council, and other public sector bodies such as housing associations.

3.2 The Service is a shared one across the County and, as such, overheads and management costs are also shared equally meaning there is increased value for money.

4. FINANCIAL IMPLICATIONS

4.1 The report details financial savings generated by the Counter Fraud and Enforcement Unit.

5. LEGAL IMPLICATIONS

5.1 In general terms, the existence and application of an effective fraud risk management regime assists the Council in effective financial governance which is less susceptible to legal challenge.

6. RISK ASSESSMENT

- 6.1 The Council is required to proactively tackle fraudulent activity in relation to the abuse of public funds.
- 6.2 Failure to undertake such activity would accordingly not be compliant and expose the authority to greater risk of fraud and/or corruption.
- 6.3 If the Council does not have effective counter fraud and corruption controls, it risks both assets and reputation.

7. EQUALITIES IMPACT

- 7.1 The promotion of effective counter fraud controls and a zero-tolerance approach to internal misconduct promotes a positive work environment.
- 7.2 The CFEU seeks to ensure that public authorities' actions are consistent with the Human Rights Act 1998 (HRA). It balances safeguarding the rights of the individual against the needs of society to be protected from crime and other public safety risks.

8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

- 8.1 Not applicable.

9. BACKGROUND PAPERS

- 9.1 The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:
 - None.
- 9.2 These documents will be available for inspection online at www.westoxon.gov.uk or by contacting democratic services democratic.services@westoxon.gov.uk for a period of up to 4 years from the date of the meeting.

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