Protecting the Public Purse Fraud Briefing 2013

Leicester City Council

Agenda

- Introduction and purpose of your Fraud Briefing
- *Protecting the Public Purse (PPP) 2013* report – national picture
- Interpreting fraud detection results
- The local picture
- Questions?

And do not forget

–Checklist for those charged with governance (Appendix 2 of PPP 2013)
–Questions councillors may want to ask/consider (Appendix 3 of PPP 2013)

Introduction

- Fraud costs local government in England over £2 billion per year (*source: National Fraud Authority*)
- Fraud is never a victimless crime
- Councillors have an important role in the fight against fraud

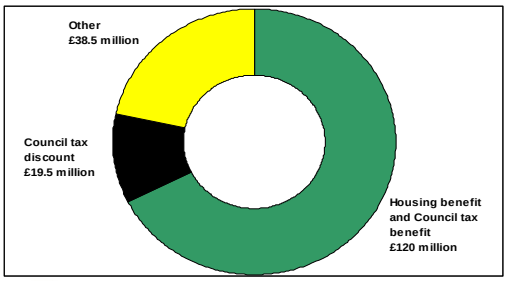
Purpose of Fraud Briefing at your council

- Opportunity for councillors to consider fraud detection performance, compared to similar local authorities
- Reviews current counter fraud strategy and priorities
- Discuss local and national fraud risks
- Reflect local priorities in a proportionate response to those risks

Your council is compared with the metropolitan districts and unitary authorities of the west midlands, east midlands and east of England regions

National Picture 2012/13

Total cases detected107,000, with a value of £178 million (excluding social housing fraud)



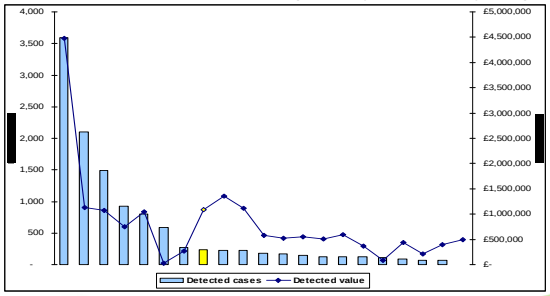
Nationally, the number of detected frauds has fallen by 14% since 2011/12 and the value by less than 1%

Interpreting fraud detection results

- Contextual and comparative information needed to interpret results
- Detected fraud is indicative, not definitive, of counter fraud performance (Prevention and deterrence should not be overlooked)
- No fraud detected does not mean no fraud committed (Fraud will always be attempted and even with the best prevention measures some will succeed)
- Councils who look for fraud, and look in the right way, will find fraud (There is no such thing as a small fraud, just a fraud that has been detected early)

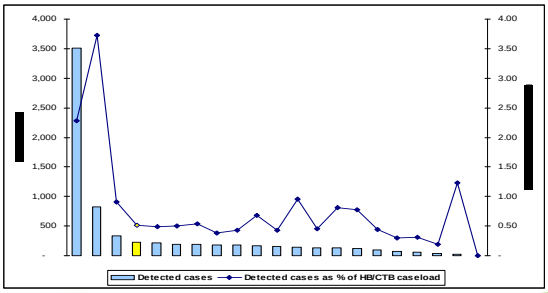
Your council is highlighted in yellow in the graphs that follow

The local picture
How your council compares to other Midlands and East of England metropolitan districts and unitary authorities
Total detected cases and value 2012/13 (excluding social housing fraud)



Leicester detected: 241 cases, valued at £1,081,423

Midlands and East of England metropolitan districts and unitary authorities 2012/13
Housing benefit (HB) and Council tax benefit (CTB) fraud
Detected cases and detected cases as a percentage of HB/CTB caseload

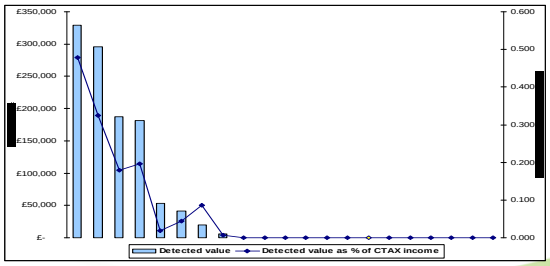


Leicester detected: 221 cases, valued at £925,627

Midlands and East of England average:

332 cases, valued at £698,296

Midlands and East of England metropolitan districts and unitary authorities 2012/13
Council tax (CTAX) discount fraud
Detected value and detected value as a percentage of council tax income

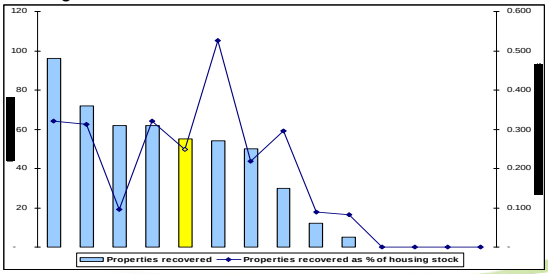


Leicester detected: no cases

Midlands and East of England average:

188 cases, valued at £53,054

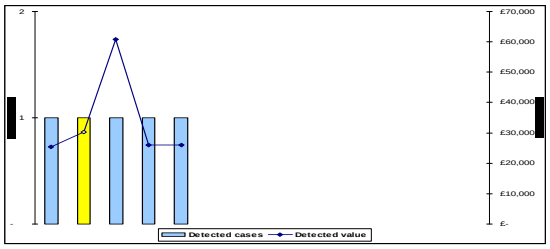
Midlands and East of England metropolitan districts and unitary authorities with housing stock 2012/13
Social housing fraud
Properties recovered and properties recovered as a percentage of housing stock



Leicester recovered: 55 properties

Midlands and East of England average: 36 properties

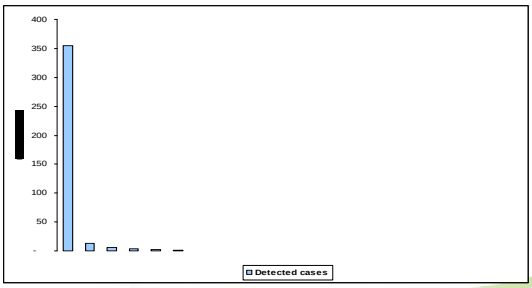
Midlands and East of England metropolitan districts and unitary authorities with housing stock 2012/13
Right to buy fraud
Detected cases and detected value



Leicester detected: 1 case, valued at £30,360

Midlands and East of England metropolitan districts and unitary authorities combined only detected a total of 5 cases, with a total value of £168,590

Midlands and East of England metropolitan districts and unitary authorities 2012/13
Disabled parking (Blue Badge) fraud
Detected cases



Leicester detected: no cases

Midlands and East of England average: 18 cases

Leicester City Council
Other frauds

- Procurement: no cases
  (Ave per Midlands and East of England Met & UA: 5 cases, valued at £963)
- Insurance: 1 case, valued at £500
  (Total Midlands and East of England Met & UA: 3 cases reported, valued at £53,500)
- Social care: no cases
  (Total Midlands and East of England Met & UA: 5 cases, valued at £140,874)
- Economic & Third sector: 1 case, valued at £34,730
  (Total Midlands and East of England Met & UA: 1 case, valued at £34,730)
- Internal fraud: 8 cases, valued at £99,611
  (Ave per Midlands and East of England Met & UA: 6 cases valued at £17,791)

Correctly recording fraud levels is a central element in assessing fraud risk
It is best practice to record the financial value of each detected case

audit commission

Any questions?

audit commission