

Meeting of:	Governance and Audit Committee
Date of Meeting:	Tuesday, 20 July 2021
Relevant Scrutiny Committee:	Corporate Performance and Resources
Report Title:	Annual Corporate Fraud Report 2020-21
Purpose of Report:	To provide members of the Governance and Audit Committee details of the actions undertaken in respect of counter fraud during 2020-21 including an update on the National Fraud Initiative (NFI) Exercise.
Report Owner:	Head of the Regional Internal Audit Service
Responsible Officer:	Head of Finance & Section 151 Officer
Elected Member and Officer Consultation:	No Elected Members have been consulted. Legal Services and Head of Finance.
Policy Framework:	The proposals in this report are in accordance with the policy framework and budget.
<p>Executive Summary:</p> <ul style="list-style-type: none"> • One of the core functions of an effective Governance and Audit Committee is to consider the effectiveness of the Council's risk management arrangements, the control environment and associated anti-fraud and corruption arrangements. • This annual fraud report at Appendix A summarises how the Council managed the risk of fraud during 2020-21 with the aim of prevention, detection, and subsequent investigation & reporting of fraud. • The Fraud Strategy and Framework 2018/19 - 2020/21 underpins the Council's commitment to prevent all forms of fraud, bribery and corruption, whether it be attempted externally or from within. The framework includes reactive and proactive work, the proactive work being presented in an action plan. The action plan has been updated and the current position is shown within the report. • The Council participates in the National Fraud Initiative (NFI). This is a biennial exercise coordinated in Wales by the Wales Audit Office. The results of the data matching exercise undertaken in 2018 are detailed within the annual report. A total of 152 frauds or errors were identified equating to £95,617 of recoverable funds. Progress made to date with the 2020 match, as well as the results of the single person discount matching exercise, are also included. 	

- Reactive fraud work can be as a result of a concern raised via a Whistleblowing referral or by an Officer who has identified irregularities or has concerns. A summary of the reactive fraud work undertaken during 2020/21 is included within the annual report.
- The Authority took part in a national study which was to review the effectiveness of counter fraud arrangements in the Welsh public sector. The resulting report was published in July 2020 and recommendations are being fully considered to ensure that the work undertaken in relation to counter fraud continually improves.

Recommendation

- 1.1 Member of the Governance and Audit Committee are asked to note the report, the measures in place and the work being undertaken to prevent and detect fraud and error.

Reason for Recommendation

- 1.1 To ensure effective monitoring of fraud and irregularity is undertaken.

1. Background

- 1.1 One of the core functions of an effective Governance and Audit Committee is to consider the effectiveness of the Council's risk management arrangements, the control environment and associated anti-fraud and corruption arrangements
- 1.2 The Council's Fraud Strategy and Framework 2018/19 to 2020/21 underpins the Council's commitment to prevent all forms of fraud, bribery and corruption, whether it be attempted externally or from within and progress against this is outlined within the annual report.
- 1.3 It should be noted that the Covid-19 pandemic has had a major impact on everyone during 2020-21. One consequence has been that many organisations, including Councils, are being targeted by an increase in potential scams. This growing trend has placed more importance on the roll out of fraud awareness which aims to ensure that staff are equipped to identify such threats and avoid becoming a victim of fraud.
- 1.4 Therefore, this annual report at Appendix A provides the Governance & Audit Committee with information on the arrangements that were in place during 2020-21 for managing the risks of fraud with the aim of prevention, detection and subsequent investigation and reporting of fraud.

2. Key Issues for Consideration

- 2.1 The Annual Corporate Fraud Report is at Appendix A which summarises the counter fraud work undertaken within the Authority during 2020-21.
- 2.2 The Council's Fraud Strategy and Framework 2018-19 to 2020-21 includes reactive and proactive work with the proactive work included in an action plan which sets out the developments the Council is undertaking to improve its resilience to fraud and corruption. The report at Appendix A outlines the progress made against the action plan.

- 2.3** One activity included on the Action Plan is the National Fraud Initiative (NFI). This is a biennial exercise coordinated in Wales by Audit Wales whereby data is extracted from the Council's systems and reports. These are matched against data submitted from other bodies such as other Local Authorities, DWP, NHS & Trusts, Police and Housing Associations etc. It is important to note that where a match is found, it is not in itself evidence of a fraud, it may be an error or an inconsistency that requires further investigation.
- 2.4** Appendix A provides details of the last data matching exercise which was based on data extracted in September 2018. A total of 152 frauds or errors have been identified equating to £95,617 of recoverable funds which are housing benefit or residential care home related. More detailed results are included at Annex 2 of Appendix A. The next data matching exercise has commenced, data was extracted in October 2020 and the new matches were returned in January 2021 and are being worked on.
- 2.5** Appendix A also provides the results of the annual single person discount matching exercise. A total of 1,485 households were identified for review during 2020-21 which resulted in 192 fraud or errors being identified and £117,107 being recoverable.
- 2.6** The Annual Report at Appendix A also provides detail of the internal counter fraud work undertaken by Internal Audit and the Council's Investigation Officer.
- 2.7** Finally, the Authority took part in a national study which was to review the effectiveness of counter fraud arrangements in the Welsh public sector. The resulting report was published in July 2020 and recommendations are being fully considered to ensure that the work being undertaken in relation to counter fraud continually improves. This will be incorporated into the Fraud Strategy & Framework 2021/22 to 2024/25.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** These measures aim to prevent or reduce the risk of fraud occurring. The programme of fraud awareness training and participation in the national data matching exercise demonstrates collaboration with others with the aim of making improvements over the longer term.

4. Resources and Legal Considerations

Financial

- 4.1** To ensure that the Council funds and resources are used appropriately.

Employment

- 4.2** There is a resource impact in relation to the investigation and resolution of potential fraud matters. The impact is borne by Directorates and Internal Audit.

Legal (Including Equalities)

- 4.3** Public Service organisations have a responsibility to embed effective standards for countering fraud, corruption and bribery into the organisations. This supports good governance and demonstrates effective financial stewardship and strong public financial management.

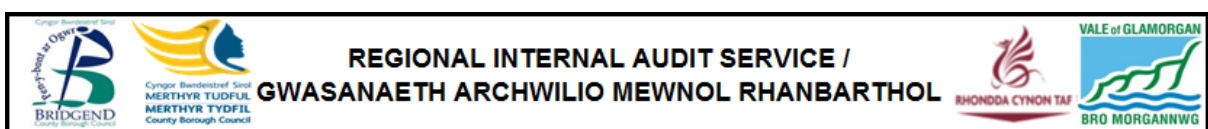
5. Background Papers

None



ANNUAL CORPORATE FRAUD REPORT

2020/2021



Section 1 – Introduction

- 1.1 The challenge presented to Councils by fraud is significant. As stated in the *Fighting Fraud and Corruption Locally a Strategy for the 2020's*, it is estimated that fraud cost councils around £2.1 billion each year and some reports produced by other organisations suggest that this figure could be as high as £7.8 billion. More recent estimates from the Auditor General for Wales in June 2019 noted that the sums lost annually in Wales to fraud and error are significant – “*and could be anywhere between £100 million and £1 billion.*” The Crime Survey for England and Wales recognises fraud as being one of the most prevalent crimes in society today.
- 1.2 The impact of fraud should never be underestimated. Fraud leaves the Council with less to spend on services for residents and costs taxpayers' money. Fraud against a local council is not a victimless crime. There is not only the lost/stolen money to consider but also the loss of working time investigating and correcting issues, liaising with police and lawyers, any subsequent court costs, increased insurance premiums, reputational damage for individuals or the Council as a whole and poor staff morale.
- 1.3 The Council sets high standards for both Members and Officers in the operation and administration of the Council's affairs and has always dealt with any allegations or suspicions of fraud, bribery, and corruption promptly. It has in place policies, procedures, and reporting mechanisms to prevent, detect, and report on fraud, bribery, and corruption. These include the Fraud Strategy and Framework, a Whistleblowing Policy, ICT Code of Conduct and the Anti-Fraud and Bribery Policy.
- 1.4 The Fraud Strategy and Framework 2018/19 to 2020/21 continued to underpin the Council's commitment to prevent all forms of fraud, bribery, and corruption, whether it be attempted externally or from within for the year.
- 1.5 The Covid-19 pandemic has had a major impact on everyone during 2020-21. One consequence has been that many organisations, including Councils, are being targeted by an increase in potential scams. This growing trend has placed more importance on the roll out of fraud awareness which aims to ensure that staff are equipped to identify such threats and avoid becoming a victim of fraud.

Section 2 – Proactive Work

- 2.1 The Fraud Strategy and Framework 2018/19 to 2020/21 includes reactive and proactive work and the proactive work is included in the action plan which sets out the developments the Council proposes to improve its resilience to fraud and corruption. The Action Plan is at **Annex 1** and progress made against the headings is described below.

Fraud Risk Register

- 2.2 The Council can be exposed to fraud and corruption through a variety of internal and external sources. These include:
- Council Tax Reduction Scheme (including Discounts and Exemptions).
 - Parking concessions (Blue Badges).
 - Grants.
 - Procurement.
 - Employee fraud (For example: fraudulent claiming by employees of flexi and mileage expenses).
- 2.3 These areas, and others, can be regularly subject to attack by individuals / groups intent on committing fraud, which means that there is less money and resources available for those in genuine need. It is therefore important that the Council acknowledges the risk of fraud and undertakes an assessment on how it prevents, detects, and pursues monies or assets obtained fraudulently and considers how services that are more susceptible manage that risk.
- 2.4 A draft fraud risk register has been produced and work is ongoing to develop a more detailed fraud risk assessment process that links with the corporate risk management process. It is envisaged that this will provide a robust tool to assist in ensuring resources are targeted correctly.

Policies

- 2.5 A review of all the current Council policies used to assist and support the raising of fraud awareness and tackling fraud, bribery and corruption has been completed. As a result, new policies have been drafted to support and facilitate the current fraud strategy plan.
- 2.6 These policies will dovetail and ensure that the public, members, and staff, will have clear guidance on how to identify and report suspected or known fraud, bribery, or corruption. Below are the policies reviewed and drafted to date.
- Whistleblowing Policy
 - Anti-Fraud, Bribery & Corruption Policy
 - Anti-Money Laundering (AML) Policy

- 2.7 The updated Whistleblowing Policy is to be presented to Cabinet for review and approval July 2021. It is anticipated that the new Policy will then be launched during August 2021.
- 2.8 Following the launch of the Whistleblowing Policy, the Anti-Fraud, Bribery & Corruption and Anti-Money Laundering (AML) Policies will then be presented to the Governance and Audit Committee for review, prior to submission to Cabinet for review and approval.

Develop Fraud Awareness

- 2.9 The Fraud and Internal Audit intranet pages have been improved and fraud information is being made available to staff. The action plan states that alerts and newsletters will be developed to raise awareness and notify readers of new and potential fraud risks. This information is still being developed and will be made available on the fraud pages so all service areas including schools will have access to this information.
- 2.10 Fraud awareness training continued to be delivered remotely by the Investigation Officer. During 2020-21 it was delivered to remotely to staff within Benefits, Housing Options, Council Tax and Customer Services.

Training

- 2.11 A Fraud Prevention e-learning module has been developed to support the Anti-Fraud and Bribery and Anti-Money Laundering policies. This training will enhance staff understanding of how fraud may occur, it should encourage prevention, promote detection of suspicious activities, encourage staff to act with integrity and to respond effectively when incidents occur.
- 2.12 The e-Learning module is being prepared for roll out alongside the new policies.

Data Analytics

- 2.13 A data analytic tool and techniques have been developed during the year to enable data held within the financial systems to be extracted and analysed. This has enabled increased testing within planned audits and has provided an opportunity to identify any trends that may be occurring.

Section 3 – National Fraud Initiative Data Matches 2018 & 2020

- 3.1 The National Fraud Initiative (NFI) is a biennial exercise coordinated in Wales by Audit Wales whereby data is extracted from the Council's systems and reports. This data is matched against data submitted from other bodies such as other Local Authorities, DWP, NHS & Trusts, Police and Housing Associations etc. It is important to note that where a match is found, it is not in itself evidence of a fraud; it may be an error or an inconsistency that requires further investigation.
- 3.2 Internal Audit together with the Council's Investigation Officer facilitates the upload of data, user account management and provides assistance and advice to officers reviewing the data matches.
- 3.3 A data matching exercise began in September 2018 and the matches were released in January 2019. The exercise was concluded in September 2020. A total of 2,191 matches across areas including housing benefit, payroll, blue badges, personal budgets, care homes, licencing were identified. Of these, approximately 1,700 were categorised as high or medium risk. In addition, another 1,765 creditor matches have been issued. The review of these data matches resulted in 152 frauds or errors being identified. Table 1 summarises the results and more detail are provided in **Annex 2**.

Table 1 – National Fraud Initiative 2018 Matching Exercise - Results

Type	Fraud/ Error Number	Fraud/ Error Value	Recoverable	NFI Projected Savings
Housing Benefit	22	£37,195	£37,195	£22,043
Waiting List	24	0	0	£77,760
Blue Badge	87	0	0	£50,025
Council Tax Reduction Scheme	7	£11,113	£11,113	0
Residential Care Homes	2	£28,156	£28,156	£12,967
Creditors	10	£24,583	£19,154	0
Totals	152	£101,047	£95,617	£162,795

- 3.4 This exercise resulted in a total of £101,047 being identified as potential fraud or error with £95,617 being recoverable. Of this, as illustrated in annex 2, £47,310 has been recovered by the Council with £37,195 being recovered by the DWP. The remaining balance will be recovered by the Council over an undefined period.
- 3.5 A new bi-annual NFI data matching exercise started in October 2020 when data was extracted and forwarded to the NFI. The new matches were produced in January 2021. Data matches will also be produced for potential Covid-19 Grant anomalies during this release. The latest 2021/22 match data has produced 3,168 matches for investigation.

- 3.6 NFI projected savings are a Cabinet Office defined methodology which predicts the potential or projected loss if the fraud/error had not been identified. The projected savings are also published by Audit Wales in their fraud related reports. It is not “real” money to the authority and cannot be reflected in bottom line savings. **Annex 3** provides a summary of the Cabinet Office methodology.

Single Person Discount (SPD) – 2020/21

- 3.7 The NFI also run an annual exercise relating to SPD generated within the Council Tax system. These matches highlight where there may be more than one adult at a location currently in receipt of SPD.
- 3.8 In total, 1,485 households were identified for review during 2020/21. The review of these data matches resulted in 192 frauds or errors being identified. Table 2 summarises the results and more details are provided in **Annex 4**.

Table 2 – NFI Single Person Discount Results 2020/21

Type	Fraud/Error Number	Fraud/Error Value	Recoverable	NFI Projected Savings
Single Person Discount	192	£117,109	£117,107	£166,706

- 3.9 Further SPD data was extracted and forwarded to the NFI in October 2020 and these matches were produced December 2020. In total a further 3,314 matches have been produced for investigation and work has commenced on these.

Section 4 – Counter Fraud Work

- 4.1 A total of 8 potential fraud or irregularity matters were referred to Internal Audit and/ or the Investigation Officer for review during 2020/21. This work can be generated in several ways; by whistleblowing or complaint referrals, by Managers who may have concerns over a certain issue or individual or as a result of an audit review. These are listed in Table 3.

Table 3 - Potential Fraud & Corruption Work 2020-21

No.	Area
1	Primary School - Financial Information Review
2	Whistleblowing - FOI Request Issue
3	Whistleblowing - Contracted and timesheet hours
4	Complaint - Dinas Powys
5	Contract Award - Lessons to be Learnt
6	Council mobile phone left in taxi
7	Covid Grants - validity of claims
8	Whistleblowing - Barry Leisure Centre

- 4.2 Of the 8 matters listed above, 7 were fact finding exercises and no audit opinion in respect of the control environment was provided due to the nature of the work. The contracted and timesheet hours allegation resulted in an audit review of the systems and processes being undertaken and an audit opinion of reasonable assurance was given.
- 4.3 In all cases reports were presented to Manager's to consider the next course of action, such as disciplinary action and where necessary recommendations were made to improve controls where any weaknesses were identified.
- 4.4 Due to the outbreak of the COVID-19 pandemic scams have been circulating. All staff as well as residents are made aware of these by information being circulated through the Council's Communications Team, Fraud Update Page or by the Investigation Officer.
- 4.5 As a result of the pandemic, the Council distributed many grants to businesses and individuals. Prior to this, the proposed processes were discussed with Internal Audit and the Investigation Officer to ensure that the controls were sufficient to prevent, as much as possible, fraudulent claims. In addition, the Credit Industry Fraud Avoidance System (CIFAS) was utilised to provide assurance on first phase Covid 19 Business Grant applications. Data relating to approximately 1,900 grant applications was checked with no concerns identified. This again provided assurance that the checking processes had been successful in the prevention of fraudulent applications.

Section 5 – Joint Working & Partnerships

- 5.1 The authority is an active member of the Wales wide network of Local Authority Fraud investigators, which provides the opportunity to share knowledge, intelligence, and best practice. This group has been meeting virtually during 2020/21.
- 5.2 The authority has a good working relationship with the Police and other outside agencies which all share information/intelligence. In addition, as new grants have become available due to COVID-19, intelligence, procedures, local risks, and threats have been shared with other local authorities to actively try to prevent fraudulent claims.

Section 6 – National Studies

- 6.1 During 2019/20, the authority took part in a national study, the objective being to review the effectiveness of counter fraud arrangements in the Welsh public sector. Information including policies, resources, and good practice in respect of counter fraud work was provided, which was supplemented by more in depth questioning and information gathering by Audit Wales.
- 6.2 The resulting Audit Wales report, '*Raising Our Game Tackling Fraud in Wales*', was published in July 2020. The report and any recommendations along with the '*Fighting Fraud and Corruption Locally a Strategy for the 2020's*' guidance will be fully considered and integrated into the 2021/22 to 2024/25 Fraud Strategy & Framework. This will ensure that the counter fraud work being undertaken demonstrates continual improvement.

Fraud Strategy and Framework Action Plan - 2018/19 to 2020/21

No.	Activity	Scope	Responsible	Progress	Completion / Further Action
1	Fraud Risk Registers	i. To develop Fraud Risk Register(s) and align to complement the existing risk management approach.	Investigation Officer	Draft Fraud Risk Register produced, and risk areas identified.	complete
		ii. Maintain the fraud risk register and regularly monitoring trends to identify areas of high risk		Working on aligning with the new 'Near Miss Policy' to ensure scoring mechanism and lines of reporting dovetail and complement each process.	Include in 2021/22 to 2023/24 action plan
2	National Fraud Initiative (NFI)	i. To facilitate the timely delivery of NFI 2018 /19 data matches.	Investigation Officer	The bi-annual 2018 exercise was delivered as per timescales, with all data uploaded and returned to the NFI during October 2020.	complete
		ii. Undertake integrity checks on a sample of cleared matches to ensure robustness / quality of review and select of sample of high risk matches across the spectrum to investigate.		Of the of the 3055 matches produced, 2732 were processed and checked, identifying 152 errors/frauds.	complete
		iii. Regularly monitor progress against recommended matches throughout the duration of the exercise.		Inputted updates are monitored on a weekly basis. The Investigation Officer contacts key stakeholders in the relevant department to clarify and challenge where necessary any issues identified.	On-going for new match
3	Develop devoted fraud internet / intranet pages	i. To enable a clear and concise point of reference for necessary information on fraud and irregularity maximising the potential of digital to enhance the user experience.	Investigation Officer	All intranet sites are operational and refreshed. The following sites are available, Internal Audit, Financial Procedure Notes, Schools Internal Audit Guidance, and a Fraud Update site.	complete
		ii. Maintain the fraud internet / intranet pages to ensure they are kept up to date.		During November 2020 an intranet site was developed to support the International Fraud Awareness week. The Fraud Update site has been regularly updated with fraud advice associated to the Covid pandemic, with particular emphasis being placed on scams associated with the grant schemes available.	On-going
				An internet page will also be developed to promote the updated Whistleblowing and Anti-Fraud, Bribery & Corruption policies once they are authorised and implemented.	Include in 2021/22 to 2023/24 action plan

No.	Activity	Scope	Responsible	Progress	Completion / Further Action
4	Training & Awareness	i. Develop an effective fraud awareness training programme for Members and Officers.	Investigation Officer	The Investigation Officer attended meetings across all Directorates with departmental heads, raising the profile of fraud awareness and the associated fraud risks.	complete
		ii. Provide ongoing training as required for the duration of the action plan		<p>NFI training has been provided to all members of the Housing and Benefits Team, along with Fraud Awareness seminars for the both sets of teams. Bespoke presentations have also been delivered to the Benefits and Payroll Teams raising the awareness of the increased threat of 'phishing scams'. Bespoke presentations have also been produced at departmental level and are awaiting sign off and roll out.</p> <p>A Fraud Awareness training module has also been developed and is now ready for release on iDev. This module will be released to coincide with the updated Whistleblowing and Anti-Fraud, Bribery & Corruption releases.</p>	<p>On-going</p> <p>Include in 2021/22 to 2023/24 action plan</p>
5	Data Analytics	To maximise the use of data analytics and data matching to match electronic data to detect and prevent fraud.	Investigation Officer	<p>The NFI, Academy, Oracle and OHMS sites are regularly reviewed and analysed to aid fraud investigations.</p> <p>Techniques using a data analytic tool have been developed during 2020/21 to enable data held within the financial systems to be extracted and analysed. This has enabled increased testing within planned audits and has provided an opportunity to identify any trends that may be occurring.</p> <p>During 2020 a CIFAS analytic tool was used to enhance our Covid Business Grant assurance and review processes.</p>	complete
6	Develop alerts and newsletters to raise awareness and notify readers of new and	i. Develop alerts and newsletter across the Council.	Investigation Officer	A newsletter has been developed, produced, and authorised for distribution, an initial draft, is awaiting sign-off prior to distribution.	complete
		ii. Produce Newsletters at regular intervals throughout the duration of the action plan.		Daily updates were produced during the November 2020 Fraud Awareness week. Fraud updates and awareness information is	On-going

No.	Activity	Scope	Responsible	Progress	Completion / Further Action
	potential fraud risks.			regularly updated on the Fraud Updates intranet site. Known and advised Fraud threats are delivered to departmental heads as and when received.	
7	No Recourse to Public Funds	With a national increase in applications there has been a consequent increase in attempts by fraudsters to obtain public funds via false applications. Also, a developing trend for individuals to make multiple applications across different authorities. This can be linked to the NFI 2018 data matching exercise.	Investigation Officer	A programme of implementation of the Appcheck Suite via the NFI Site was delivered to the Housing and Benefits Teams during 2019/20. The system provides assurance that all new housing or benefit applications are genuine. All relevant departments are also active contributors to the NFI and Restart (SPD) applications, which over the period of Action Plan, identified over £300k in potential recoveries.	complete
8	Annual Report on Fraud & Irregularity	To produce an end of year report to those charged with governance covering all reactive and proactive fraud initiatives.	Head of Internal Regional Audit & Investigation Officer	Produced and distributed to Governance & Audit Committee on an annual basis.	complete
9	Schools	To maximise the use of data analytics and data matching to match electronic data to detect and prevent fraud.	Investigation Officer	A schools anti-fraud toolkit has been produced and signed-off. There is a supporting self-assessment health check to support this document. Both of which have been loaded on to the Schools Audit webpage. Due to Covid 19 and current working practises, the option to open the fraud awareness module on the iDev platform for Deputy and Head Teachers is being explored.	Include in 2021/22 to 2023/24 action plan

National Fraud Initiative Data Match 2018 - Detailed Results

NFI	Type / Area	Frauds/Errors	Fraud/Error Amount	Recoverable	NFI Projected Savings
173	Private Residential Care Homes to Benefits Agency Deceased Persons	2	£28,156	£28,156	£12,967
708	Duplicate Records by Invoice Amount and Creditor Reference	7	£22,377	£17,688	£0
711	Duplicate records by supplier invoice number and invoice amount but different creditor reference and name	3	£2,206	£1,466	£0
		12	£52,740	£47,310	
436.1	Council Tax Reduction Scheme to Pensions	1	£4,899	£4,899	£0
439	Council Tax Reduction Scheme to Payroll	3	£5,109	£5,109	£0
440	Council Tax Reduction Scheme to Payroll	1	£290	£290	£0
459.1	Council Tax Reduction Scheme to Taxi Drivers	2	£815	£815	£0
		7	£11,113	£11,113	
2	Housing Benefit to Student Loans	17	£31,186	£31,186	£17,401
13	Housing Benefit Claimants to Payroll	2	£122	£122	£1,025
14	Housing Benefit Claimants to Payroll	1	£0	£0	£426
47.1	Housing Benefit Claimants to Taxi Drivers	2	£5,887	£5,887	£3,191
		22	£37,195	£37,195	
170	Blue Badge Parking Permit to Blue Badge Parking Permit	2	£0	£0	£1,150
172.1	Blue Badge Parking Permit to Benefits Agency Deceased Persons	85	£0	£0	£48,875
230	Waiting List to Housing Tenants	4	£0	£0	£12,960
261	Waiting List to Benefits Agency Deceased Persons	20	£0	£0	£64,800
		111			
		152	£101,047	£95,617	£162,795
	Colour Coding:				
	Recovered by VoG during 2019/20 financial year.				
	Recoverable by VoG over an undefined period.				
	Recoverable by DWP over an undefined period.				
	Notional NFI projected savings during financial year (SPD saving based on 2 years).				

Cabinet Office Methodology

Data Match	Basis of Calculation of Estimated Savings
Welfare Benefits	Value of sanctions applied plus weekly benefit reduction multiplied by 21
Pensions	Annual pension multiplied by the number of years until the pensioner would have reached the age of 85
Blue Badges	Number of badges confirmed as deceased multiplied by £575 to reflect lost parking and congestion charge revenue
Concessionary Travel	Number of passes cancelled multiplied by £24, based on the cost of reimbursement to bus operators for journeys made under the concessionary pass scheme
Tenancy Fraud	£93,000 per property recovered based on average four-year fraudulent tenancy. Includes: temporary accommodation for genuine applicants; legal costs to recover property; re-let cost; and rent foregone during the void period between tenancies.
Right to Buy	£65,000 per application withdrawn based on average house prices and the minimum right to buy discount available.
Payroll	£5,000 per standard case - £10,000 for an immigration case
Council Tax SPD	Annual value of the discount cancelled multiplied by two years
Housing Waiting Lists	£3,240 per case, based on the annual cost of housing a family in temporary accommodation and the likelihood a waiting list applicant would be provided a property
Personal Budgets	Monthly reduction in personal budget payment multiplied by three months
Residential Care Homes	£7,000 per case based on the average weekly cost of residential care multiplied by 13
Other Immigration	£50,000 for a removal from the UK case

Single Person Discount 2020/21

NFI	Type / Area	Frauds/ Errors	Fraud/Error Amount	Recoverable	NFI Projected Savings
801	Council Tax and Electoral Register	156	£102,766	£102,766	£134,972.26
802	Council Tax rising 18s	29	£10,713	£10,713	£26,538.88
803	Council Tax to Other Data Sets	7	£3,630	£3,628	£5,194.52
		192	£117,109	£117,107	£166,706
	Colour Coding:				
	Recoverable by VoG over an undefined period.				
	Cabinet Office projected savings during financial year (SPD saving based on 2 years) .				