

**WARWICK DISTRICT COUNCIL HOUSING & COUNCIL TAX BENEFIT**  
**ANTI-FRAUD POLICY**

1. Statement of Intention

- 1.1 Warwick District Council (the Council) is committed to the delivery of Housing Benefit and Council Tax Benefit to its citizens. Benefits are for those who are most vulnerable in society and should be assessed and paid within Government Guidelines.
- 1.2 The Council is committed to ensuring that claimants get the benefits to which they are entitled and, in line with our Anti-Poverty Policy, will ensure that benefits are taken-up by those people who need to access the service.
- 1.3 However, the Council understands that some people will attempt to obtain benefit to which they are not entitled. Sometimes this is done with planning and intention. Where intention and planning is involved, then the Council will consider the circumstances of the individual and, where appropriate, will consider prosecution under the Social Security Administration Act (1992) s. 111a or the Theft Act 1968.

2. Action on Overpayment of Benefit

- 2.1 In some instances, benefits or extra benefits will have been obtained from the Council where there is no entitlement, e.g. due to a change in circumstances. This may have been done without planning, but with knowledge that the changes in personal circumstances may affect benefit entitlement and that the change should have been reported to the Council. Under these circumstances, the Council will consider the particulars of the individual case and, where the claimant could reasonably be expected to know that the failure to report the change in circumstances would cause a fraudulent overpayment of benefit, the Council will consider prosecution under the Social Security Act 1992 s. 112 or the Theft Act 1968.
- 2.2 Where appropriate, the Council will consider applying a 30% overpayment penalty or issuing a local authority caution.
- 2.3 In some circumstances, it is not in the public interest to take action against a person who has made either a false claim, or has failed to report a change in circumstances which has resulted in them obtaining benefit to which they were not entitled. Under these circumstances, the Council will seek to recover any overpaid Benefit. It would not be the Council's intention to place the claimant into hardship, but failure to come to a reasonable arrangement for repayment will result in taking civil recovery through the courts.

3. Action on Overpayment of Benefit to Landlords

- 3.1 Payments of benefit are often made directly to landlords on behalf of the claimant. In some cases, landlords falsify claims or assist claimants to falsify claims for benefits. Landlords who commit an offence under the Social Security Administration Act 1992 s. 111a will be prosecuted by the Council.
- 3.2 Landlords who are receiving benefit directly are also obliged to report any changes in their tenants' circumstances. When a Landlord fails to do this, they

may be paid more direct benefit than to which they have a right. The Council makes landlords aware of their duty to report known changes and failure to do so is an offence under the Social Security Administration Act 1992 s. 112. Where an offence has been committed, the Council will consider prosecution and will recover any overpaid benefit either directly from ongoing payments of benefit to the Landlord or through civil recovery through the courts. The Council will prosecute any persons involved in planned-fraud involving more than person. The Council will use all the powers granted to the Council by the Secretary of State for Social Security under the Social Security Administration (Fraud) Act 1997. Namely, the powers of inspection and the power to obtain information from landlords.

#### 4. Working in Partnership with Other Organisations

4.1 Where necessary, the Council will work in co-operation with other organisations such as the Police, Benefits Agency, Home Office, Inland Revenue and Customs and Excise in order to combat organised benefit fraud.

#### 5. The Data Protection Act

5.1 The Council will be correctly registered under purpose 058 in compliance with the Data Protection Act 1998. Where required, the Council will use exemption 29/3, in order to protect those organisations who may have information to supply to the Council in its investigation of fraud.

5.2 The Council has issued a Data Protection Policy which governs the conduct of all employees in handling personal data.

#### 6. Duties and Considerations of Anti-Fraud Officers

6.1 When investigating fraud, council fraud investigators will work within the guidelines of the Police and Criminal Evidence Act 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.

6.2 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.

#### 7. Duties and Considerations of all Council Employees.

7.1 The Council will require all Council officers involved in the administration of benefits to report to the Benefits Manager details of any property that they are renting to tenants and any claims of benefit to which they have some connection. This may be a claim of benefit where the officer is the landlord, the claimant, a partner, dependant or non-dependant on the application. If a benefits officer has knowledge of a claim where they are a close family member, as described by schedule 2 of the Housing Benefit and Council Tax Benefit General Regulations, then the officer must report this case to the Benefits Manager.

7.3 Interest in a benefit claim must be registered in the Register of Interests in accordance with agreed procedures.

7.4 Gifts and hospitality offered to Council employees as a consequence of their role as an employee of the Council must be reported to a senior officer and registered in the Register of Gifts and Hospitality in accordance with agreed procedures.

7.5 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 Benefits Agency will be disciplined under the Council's Disciplinary Procedures, in addition to any prosecution proceedings that may occur.

7.6 Where any Council Officer investigating a fraud abuses their powers, an investigation will take place with a view to taking disciplinary action.

## 8. Duties and Considerations of Elected Members

8.1 The Council will require all elected Members to report to the Benefits Manager details of any property that they are renting to tenants and any claims of benefit to which they have some connection. This may be a claim of benefit where the Member is the Landlord, the claimant, a partner, dependant or non-dependant on the application.

8.2 Interest in a benefit claim must be registered in the Register of Interests in accordance with agreed procedures.

## 9. Whistleblowing Policy

9.1 The Council has set out its policy on whistleblowing and Council employees and Elected Members are required to inform the Council of any abuse of power perpetrated by Colleagues. The Council will follow procedures set out in the policy when responding to allegations of abuse.

## 10. Benefit Administration and Counter-Fraud Action

10.1 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 within the official government time scales. Assistance will be given by the Council to claimants of benefits in completing and applying for benefit and to maximise take-up.

10.2 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.

10.3 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.

10.4 The Council is committed to controls designed to prevent fraud being perpetrated

by its own staff. Therefore all staff employed in Benefits and Investigation Units will be rigorously vetted at the time of application. If misrepresentation is found to have occurred on the application form or interview, disciplinary procedures will be considered.

11. Monitoring of Performance

11.1 The Council will monitor performance of the Anti-Fraud Strategy through its Social Scrutiny Committee which will receive written reports from officers.

12. In Summary

The Council is committed to ensuring that people should get all the benefits to which they are entitled.

The Council will act against those people who systematically obtain benefits to which they are not entitled.

Any benefit obtained to which a claimant is not entitled will be repaid in full to the Council. However, the Council will take care not to place anyone into hardship.

The Council will respect the civil liberties of all persons involved in an investigation of alleged fraud.

This policy follows principle seven of the Government's Green Paper on welfare reform in-so-far as it implements the three-pronged campaign against fraud; improved detection; implementation of a more effective deterrence and better prevention.

The Council will monitor performance of the Anti-Fraud Strategy through its Social Scrutiny Committee.

The Anti-Fraud Policy states the Council's attitude towards those who seek to defraud the Council. However, in order to convert the intentions of a policy into action, an Anti-Fraud Strategy is required. This is covered in the next section.

## **WARWICK DISTRICT COUNCIL HOUSING & COUNCIL TAX BENEFIT ANTI-FRAUD STRATEGY**

### 1. Introduction

- 1.1 Warwick District Council's Housing & 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.
- 1.2 This Strategy outlines the mechanisms whereby the Council will deliver the above commitment to its citizens.

### 2. Resources

- 2.1 The Council will appoint sufficient number of staff with appropriate skills to enable it to deliver the aims of the Anti-Fraud Policy and realise the intended actions set out in the Anti-Fraud Strategy.
- 2.2 The Council will appoint designated Fraud Officers, whose duties are to visit claimants of Housing Benefit/Council Tax Benefit and to check the details of the claim and confirm supporting documentation in line with the visiting programme below.
- 2.3 The Chief Executive will appoint Housing 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 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 Act 1992, the Council's logo and address and contact number for verification, the image of the inspector and the Chief Executive's signature.
- 2.4 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 Fraud Officers. These targets will be monitored and reported to the Scrutiny (Social) Committee.

### 4. Verification of Housing Benefit/Council Tax Benefit Claims

- 4.1 The information on the application form will be verified by Benefit Officers. Only original supporting documentation will be accepted. All supporting documentation will be photocopied, carry a printed name and an authenticating signature and be held on file.
- 4.2 Whenever necessary, investigators will contact third parties or interview them

under section 110 of the Social Security Administration Act 1992 and in line with the Police and Criminal Evidence Act. Obtaining evidence will be done in compliance with the Data Protection Act 1984.

5. Data Protection Registration

5.1 The Council will maintain its registration for purpose 058 and comply with any replacement scheme of notification under the Data Protection Act 1998.

6. Visiting of Claimants

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

6.2 The Fraud Officers will carry out unnotified visits of the caseload during the year, based on a random pattern in order to confirm that the details of the claim have not altered in any way.

7. The Application Form

7.1 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.

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, Fraud Inspectors 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 will be fined. The Council's inspectors will work with other local authorities to ensure that, wherever possible, landlords do not have to supply information more than once.

10. Whistleblowing

10.1 The Council will investigate all allegations of abuse made under The Whistleblowers Charter. Investigations will be in accordance with the provisions of The Whistleblowers Charter. In particular, the Council will have due regard to the confidentiality of the persons involved.

11. Register of Interests

11.1 The Council will undertake checks on all properties registered in The Register of Interest to ensure that no benefit payment has been made to these properties without the knowledge of the Benefit Manager or Head of Finance.

12. Data Matching Exercises

12.1 The Council will join the Department of Social Security's Housing Benefit Matching Service, which checks claims of benefits for duplicate claims against other local authorities and the Benefit Agency's Working Families Tax Credit scheme. The Council will also join the National Fraud Initiative administered by the Audit Commission, which allows comparison of Housing Benefit data against other data sources. The Council will also run data matching exercises against its own databases. This will include databases holding information concerning Council employees and Council Members. Recognised trade unions will be consulted prior to data matching concerning Council staff or members.

12.2 At all times, the Council will observe the advice and guidance of the Data Protection Registrar in the area of Data Matching. To this end, the Council will formulate and publish a policy and code of practice on data matching.

13. Working in Partnership

13.1 The Council is keen to undertake specific fraud drives by working with:

- the Police;
- the Benefits Agency;
- the Inland Revenue;
- London Team Against Fraud;
- Customs and Excise;
- other Councils;
- other Council Departments

13.2 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 and the rules of confidentiality at all times.

14. Specific targeted Fraud Campaigns

14.1 The Council will undertake specific fraud campaigns. This will be done either in

partnership with other organisations or alone. All campaigns will be designated with due regard to the requirements of the Council's Equal Opportunity Policy.

15. The Use of Case Management Systems

15.1 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.

15.2 The Case Management System will also assist officers to adhere to the Codes of Conduct outlined in the Police and Criminal Evidence Act.

16. Police and Criminal Evidence Act Codes of Conduct

16.1 In undertaking an investigation, the Council will observe the Police and Criminal Evidence Act Codes of Conduct. In other words, the claimant will be advised of their rights and evidence will be obtained and secured in accordance with the Act. These Codes of Conduct will also be observed when taking statements.

17. Intelligence

17.1 The Council will subscribe to the National Anti-Fraud Network in order to ensure the proper exchange of intelligence concerning possible and probable fraud activity. (Where organised fraud appears to exist, the London Team Against Fraud will be notified and, where appropriate, asked to investigate the case.)

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

17.3 The Council will subscribe to appropriate organisations such as LAIOG (LBFIG).

18. Training

18.1 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.