

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

13 April 2010

Report of the Chief Internal Auditor

Part 1- Public

Matters for Information

1 UPDATE ON NATIONAL FRAUD INITIATIVE 2008

This report advises Members on the progress of investigations arising from the National Fraud Initiative 2008(NFI).

1.1 Introduction

1.1.1 Members will be aware of my previous report to the January Audit Committee. This report is intended to update Members on the progress made since then.

1.2 Current Position

1.2.1 A total of 29 reports containing 2,342 matches were received by the Council. At the time of writing this report there are 34 matches that are still being investigated.

1.2.2 One of the outstanding cases has reached the sanction stage and has been recommended for prosecution.

1.2.3 There were 36 cases where the single person allowance has been reviewed and following the gathering of additional evidence it has been cancelled. As a result Council Tax bills for 2009/10 were increased by £25,133.90 and future bills will not attract a single person discount.

1.2.4 A further extract was taken recently and matched against the latest electoral register. This has resulted in a further 1026 referrals being received in March 2010. Work has not yet commenced on these.

1.2.5 Although there were only 36 accounts where the single person discount was considered to be incorrectly applied steps have been taken to make Council Tax payers more aware of the circumstances when this discount is claimed. The single person discount form now has guidance attached to it that also makes it clear that false claiming of the allowance may be an offence under the Fraud Act.

1.2.6 Further work is being carried out in liaison with external partners to investigate the possibility of Experian checks being carried out on all single person discounts in order to identify potential fraud.

1.3 Legal Implications

1.3.1 There are no direct legal implications arising from this report.

1.4 Financial and Value for Money Considerations

1.4.1 The Council is committed to paying the correct amount of benefit to the right person and collecting the correct amount of Council Tax from each person. Participation in this exercise assists in achieving those objectives.

1.5 Risk Assessment

1.5.1 Participation in the NFI exercise is considered best practice and is included in the Use of Resources study carried out by the Audit Commission. Failure to participate could lead to instances of fraud remaining undetected.

Background papers:

contact: David Buckley

NFI Reports

David Buckley
Chief Internal Auditor