



Stafford

BOROUGH COUNCIL

**HOUSING BENEFIT/COUNCIL TAX
BENEFIT
ANTI-FRAUD POLICY**

HOUSING BENEFIT/COUNCIL TAX BENEFIT ANTI-FRAUD POLICY

Ward Interest - Nil

Report of Strategic Director

Purpose of Report

To approve the Housing Benefit/Council Tax Benefit Anti-Fraud Policy.

Statement of Intention

Stafford Borough 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 at least within Government Guidelines.

The Council is committed to ensuring that claimants get the benefits to which they are entitled and, will take steps to ensure that benefits are taken up by those people who need to access the service.

However, the Council understands that some people will attempt to obtain benefits 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.

Action on Overpayment of Benefit

In some instances, benefits or extra benefits will have been obtained from the Council where there is no entitlement, eg 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. Where the claimant could reasonably be expected to know that the failure to report the change in circumstance would cause a fraudulent overpayment of benefit, the Council will consider prosecution under the Social Security Administration Act 1992 s112. Where appropriate, the Council will consider applying a 30% overpayment penalty or issuing a local authority caution. 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 action through the Courts. The aforementioned action will be carried out in accordance with the Council's Benefits Prosecution Policy.

Action on Overpayment of Benefit to Landlords

Payments of benefit are often made directly to Landlords on behalf of the claimant. In some cases, landlords falsify claims to assist claimants to falsify claims for benefits. Landlords who commit an offence under the Social Security Administration Act 1992 s111 will be prosecuted by the Council. Landlords who are receiving benefit directly are also obliged to report any changes in their tenant's 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 s112. 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 one 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.

Working in Partnership with Other Organisations

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.

The Data Protection Act

The Council will be correctly registered under the Data Protection Act 1998. Where required, the Council will use exemption under s35.1 of that Act, in order to protect those organisations who may have information to supply to the Council in its investigation of fraud.

Duties and Considerations of Anti-Fraud Officers

When investigating fraud, Council Fraud Investigators, Inspectors and Visiting Officers 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.

It is the duty of the Fraud Investigators, Inspectors and Visiting Officers to look at all referrals of suspected or alleged benefit fraud and to establish the facts of each case.

Duties and Considerations of all Council Employees

The Council will require all Council Officers involved in the administration of benefits, and those who receive benefit as a result of their interest in a property where benefit is paid, to report to the Head of Finance and Revenue Services 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, dependent or non-dependent 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.

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. 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.

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

Duties and Considerations of Elected Members

The Council will require all elected Members to report to the Head of Finance and Revenue Services 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, dependent or non-dependent on the application.

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

Gifts and hospitality offered to a Council Member, as a consequence of their role as an Elected Member of the Council, must be reported to the Strategic Director and registered in the Register of Gifts and Hospitality in accordance with agreed procedures.

Whistleblowing Policy

The Council has already set out its policy on whistleblowing in "The Whistleblowers Charter". 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 Whistleblowers Charter when responding to allegations of abuse.

Benefit Administration and Counter-Fraud Action

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. The minimum standard for verification will be the guidelines given in the Department of Social Security's Verification Framework.

However, although claims for benefit will be subject to close scrutiny, the Council is committed to delivering benefit within the official government time scales. The

Council will give assistance to claimants of benefits in completing and applying for benefit and to maximise take up.

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. The form will contain all the information the customer will require to understand their rights. Guidance to form completion will be available in the majority of languages that are spoken within the Borough.

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.

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.

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 insofar as it implements the three-pronged campaign against fraud: improved detection; implementation of a more effective deterrence and better prevention.

Proposal of Deputy Leader

That the policy as set out be approved.

Officer Contact

Mrs J. Wallace, Fraud Investigation Team Leader, Tel 619288