

# **BENEFIT FRAUD INSPECTION REPORT FOR BENEFIT INTERVENTIONS**

**Report By: Head of Benefit and Exchequer Services**

## **Wards affected**

County-wide.

## **Purpose**

To update Members on the Benefit Interventions Report from the Benefit Fraud Inspectorate and the follow-up action taken.

## **Financial Implications**

The level of benefit subsidy received could be affected by failure to meet the interventions target.

## **Recommendation**

**THAT progress to date on the action plan be noted.**

## **Considerations**

1. Councils are required to carry out benefit interventions each year, which are the review of a selection of housing and council tax benefit claims. The methods of carrying out an intervention are by visiting the claimant's home, sending a postal check form or by matching data with other national benefits records.
2. The number of interventions required is determined by the Department for Work and Pensions with each council being set an annual target; this target includes a minimum number of interventions that have to be commenced each month. The cases selected for intervention are based on a risk assessment of the benefit caseload that seeks to identify those cases where the claimant's circumstances are likely to have changed.
3. During 2005/6 the Council failed to achieve the monthly target and as a result was selected for an inspection by the Benefit Fraud Inspectorate. The main reason for failing to meet the intervention target was a backlog of work caused by the implementation of new benefits computer software in March 2005. This new software was required because the current system was unable to meet the existing statutory requirements and in recognition of this the DWP helped with funding the cost of the software.

4. At the time of their inspection the inspectors recognised that the Council had already taken action to resolve problems with interventions and identified some areas of good practice. These included:
  - Setting up a dedicated team to focus on interventions
  - Significant progress in clearing the backlog of work
  - Excellent processes in place for verifying new claims
5. The report also identified areas where there was a need for further improvement and made a series of recommendations to deal with these.
6. The Council has responded to these recommendations by developing an action plan, which is attached to this report. This plan has been submitted to the Department for Work and Pensions for approval and Members will note that significant progress has already been made on implementing the action plan.

## **Risk Management**

7. The Council now has in place a Statement of Internal Control Assurance Framework, which was approved by the Audit Committee. Part of the process involves actions that arise from the Council's Annual Audit and Inspection letter and associated reports. Lack of action on the Council's part could have an adverse effect on the Council's Use of Resources score at the next assessment.

## **BACKGROUND PAPERS**

Report from the Benefit Fraud Inspectorate - Inspection of Security - Interventions.