

Annual Report on Internal Audit Activity 2017/18

1. Role of Internal Audit

- 1.1 The requirement for an internal audit function is detailed within the Accounts and Audit (England) Regulations (amended) 2016, which states that a relevant body must: *'Undertake and effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.'*
- 1.2 The mandatory UK Public Sector Internal Audit Standards (PSIAS) are the 'auditing standards' which the Accounts and Audit Regulations refer to and which the Council must comply with. Under these standards, internal audit are required to have an external quality assessment at least once every five years. Haringey's audit was externally assessed in 2014, which confirmed that the Council complied with the required standards; annual self-assessments undertaken since this have ensured continuing compliance with PSIAS.
- 1.3 The Council is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. The Accounts and Audit Regulations require the Council to review, at least annually, the effectiveness of its system of internal control. Internal audit plays an important role in advising the Council that these arrangements are in place and operating effectively. The Council's response to internal audit activity and recommendations should strengthen the control environment and ultimately contribute to achieving the organisation's objectives.
- 1.4 Internal Audit services for Haringey Council, excluding the investigation of allegations of fraud and corruption, are provided by Mazars Ltd (Mazars) as part of the framework contract awarded to the London Borough of Croydon. The contract was retendered in 2017 and now runs until 2024 with a further option to extend for 2 years.

2. Internal Audit Approach

- 2.1 To assist the Council in meeting the relevant audit standards and achieving its objectives, internal audit provide a combination of assurance and advisory activities. Assurance work involves assessing how well the systems and processes are designed and working; advisory activities are available to help improve systems and processes where required.
- 2.2 A full range of internal audit services has been provided during the year and considered when forming the annual opinion. The approach to each audit review is determined by the Head of Audit and Risk Management, in discussion with Mazars and service management and will depend on: the level of assurance required; the significance of the area under review; and risks identified.
- 2.3 A report is issued for every assurance project in the annual audit plan, which provides an overall audit opinion according to the seriousness of the findings.

In addition, each recommendation is given a priority rating, to assist service management in prioritising their work to address agreed recommendations. The overall classification relates to the findings at the time of the audit work. Internal Audit undertake formal follow up work to ensure recommendations are implemented.

3. Internal Audit Opinion

- 3.1 The Head of Audit and Risk Management is responsible for delivering an annual audit opinion and report that can be used by the Council to help inform its statutory Annual Governance Statement. The annual audit opinion provides a conclusion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
- 3.2 In April 2018, a new Head of Audit and Risk was appointed, the period April to December 2017 was covered by the outgoing Head of Audit and Risk and an interim post holder covered the January to March period before the new post holder started. The views of all three individuals have been considered as part of hand over arrangements and in producing this report.
- 3.3 Internal audit work, using a risk based approach, included reviews of those systems, projects, and establishments to discharge the Chief Financial Officer's responsibilities under s151 of the Local Government Act 1972; the 2013 UK Public Sector Internal Audit Standards; and the 2016 Accounts and Audit (England) Regulations.
- 3.4 In providing the annual audit opinion reasonable, but not absolute, assurance can be provided that there are no major weaknesses in the processes reviewed. In assessing the level of assurance given, I have taken account of:
- Reports on all internal audit work completed, including any advisory work and briefings to management;
 - Results of follow up exercises undertaken;
 - Any reviews completed by external review bodies;
 - The resources available to deliver the internal audit plan; and
 - The compliance with 2017 UK PSIAS.

4. Audit Opinion 2017/18

- 4.1 I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and effectiveness of the Council's internal control environment.
- 4.2 I have considered the work completed by both Mazars and the in-house counter-fraud investigation team for 2017/18. This includes reviews of internal audit reports, fraud investigations and briefings to management. In my opinion, with the exception of those areas where 'limited' or 'nil' assurance reports have been issued, the controls in place in those areas reviewed are adequate and effective.

- 4.3 Where weaknesses in controls have been identified, internal audit has worked with management to agree appropriate actions and timescales for implementation. Internal Audit will undertake follow up reviews or further audit work to confirm their implementation.
- 4.4 In my opinion, the Council's framework of governance, risk management and management control is adequate and audit work has found controls to be generally effective. Issues arising from internal audit's work which have significant implications for the Council's control and assurance framework have been included in the Annual Governance Statement, which is reported separately to the Corporate Committee.
- 4.5 The control environment at Osborne Grove was an area of significant concern during the year. Osbourne Grove is a Council run Nursing Home in Stroud Green. We visited the establishment following an adverse CQC report and subsequently issued a No Assurance report. Management took swift action to rectify the issues identified and on a follow up visit no recommendation remained outstanding.
- 4.6 Analysis of recommendations raised in service focus reviews shows that a significant proportion of recommendations raised relate to organisation controls highlighting staff are aware of their responsibilities and such responsibilities being appropriately discharged. This includes such issues as out of date policies, procedures and guidance, poor record keeping, failure to keep service user data and service assessments up to date, poor training provision and a lack of up to date job descriptions.
- 4.7 Further actions to enhance the governance framework, where controls were not fully implemented in 2017/18 included:
- The need to review and refresh the Human Resources policies and present to Standards and Remuneration Committee;
 - Finalisation of the Adults safeguarding protocols;
 - The need to establish a database of all consultation responses which is accessible on the council's website; and
 - Updating the Local Code of Corporate Governance. A significant amount of work has been carried out in this area and the code will be finalised shortly.
- 4.8 We reported last year that the control environment in Haringey's schools required improvement. While this year our schools visits have indicated an improvement with fewer schools assessed as limited or no assurance opinion, some schools are still a cause for concern. This includes one school where a No Assurance report has been issued for two years in a row. Work continues to be undertaken in conjunction with the Schools Forum and Children's Services to assist schools and reduce the potential risks. A summary of outcomes for 2017/18 is as follows:
- 11 schools received a 'substantial' assurance rating; (2016/17 -9)
 - Seven schools received a 'limited' assurance rating (2016/17 – 13); and
 - Two schools received a 'nil' assurance rating (2016/17 3).

5. Internal Audit Coverage and Output

5.1 The 2017/18 audit plan was informed by internal audit's own assessment of the Council's key risk areas and discussions with Priority Owners and senior management to ensure that audit resources were aligned to agreed areas of risk. A small contingency was included in the audit plan to ensure any emerging risks during the year could be adequately reviewed. Work has been planned and performed in order to obtain reasonable assurance that the internal control system is operating effectively.

5.2 The original plan for 2017/18 included 55 projects, including schools audits, and was approved by the Corporate Committee on 21 March 2017. Internal audit liaised closely with Priority Owners and senior managers during the year to ensure that audits planned continue to focus on high risk areas in light of emerging risks and changes to operational processes.

5.3 As a result of ongoing liaison and review of risks, some changes were made to the original plan during the year as follows:

Number of projects as per the original plan	55
Audits added to the plan	4
Cancelled audits	4
Audits deferred to 2018/19	1
Total number as per the revised plan	54

5.4 Most of the audit work was geared towards providing assurance to management on the adequacy and effectiveness of the Council's internal control environment. This work provided an outcome report with an assurance rating. Other work provided advice and support to management to improve efficiency, or the effectiveness of systems, services or functions; in these cases an outcome report or assurance rating is not provided.

5.5 Resources to complete follow up work are also included in the annual audit plan, including formal follow up reports for schools. The results of the follow up reviews were reported to the Corporate Committee throughout 2017/18.

5.6 The 2017/18 internal audit plan was substantially completed with the following exceptions:

- Fieldwork was in progress for 11 review at 31 March 2017; and
- Two audits had been postponed at management request to commence after 31st March 2018.

I do not consider these exceptions to have an adverse impact on providing my overall opinion for 2017/18.

5.7 Including follow up work and resources to support work, which did not result in a formal report, Mazars have delivered 98% of the planned audit work; this meets the agreed performance indicator of a 95% completion rate.

- 5.8 The following table indicates the audits completed and levels of assurance provided for the 2017/18 audit plan. Four audits reports were still to be issued as final.

Table 1 – Number of reports issued by assurance level

Assurance Level	Number of Reports Issued
Full Assurance	0
Substantial Assurance	27
Limited Assurance	16
No Assurance	3
Advisory work completed	4
Final reports to be issued	4
Total	54

Assurance Definition:

Full Assurance: There is a sound system of control designed to achieve the system objectives.

Substantial Assurance: There is basically a sound system, but there are weaknesses which put some of the system objectives at risk.

Limited Assurance: Weaknesses in the system of controls are such as to put the system objectives at risk.

No Assurance: Control is generally weak leaving the system open to significant error or abuse.

- 5.9 Key financial systems - In 2016/17, it was agreed with the Chief Operating Officer and system managers that audits of the key financial systems at the year end did not provide ongoing assurance throughout the year. Previous years' audits had not highlighted any significant control weaknesses in the key financial systems and no high priority recommendations remained outstanding. Internal audit agreed to work with senior managers to develop a continuous audit approach during 2017/18 which provided feedback on the management of key risks and controls on a more regular, quarterly basis. The key risks and test programmes have now been agreed and initial findings have been reported to managers on an on-going basis; no significant control issues were raised.
- 5.10 The level of audit coverage provided in 2017/18 is satisfactory and complies with the requirements of the mandatory UK Public Sector Internal Audit Standards (PSIAS).

Internal Audit Plan 2017/18 – Summary of Audit Recommendations and Assurance Ratings

Ref.	Audit area	Assurance Level	P1 Recs.	P2 Recs.	P3 Recs.	Status
	CORPORATE RISK AUDITS					
1	HR processes - IR35 implementation and exit payments.	Substantial	0	1	1	Final
2	Declaration of Interests.	Substantial	0	3	3	Final
3	Information governance – data storage arrangements (electronic and physical).	Limited	2	7	0	Final
	Priority 1 – Outstanding for all (Children Services)					
4	High Needs Block funding – <i>postponed at management request.</i>	-	-	-	-	-
5	Looked after children/care leavers - high cost placements <i>postponed at management request.</i>	-	-	-	-	-
6	Early Help processes	Substantial	0	2	0	Final
7	Children's Centres – safeguarding and financial processes	Substantial	1	2	0	Draft
8	No Recourse to Public Funds (including refugee/asylum seekers).	Limited	0	8	0	Final
	School Admissions – policy and operational processes. <i>postponed at management request.</i>	-	-	-	-	-
	Priority 2 – Outstanding for all (Adult Social Services)					
9	Discharge to Assess	Substantial	0	2	0	Final
10	Osborne Grove	No	11	11	2	Final
11	Direct Payments	Limited	1	6	1	Final
12	Community Alarm Service	Limited	4	7	1	Final
13	Safeguarding	Substantial	0	4	1	Final
14	Reviews for independence	Substantial	0	2	1	Final
15	The A Team	Limited	7	11	2	Final

Appendix A

Ref.	Audit area	Assurance Level	P1 Recs.	P2 Recs.	P3 Recs.	Status
	Priority 3 – Clean and Safe (Environmental Services & Community Safety)					
15	Capital and project expenditure and procurement processes	Advisory	0	8	1	Final
	Highways – contractor invoicing and monitoring	Substantial	0	1	1	Final
16	Reactive maintenance	Substantial	1	0	1	Final
18	Operational Services – Budget allocation and management	Substantial	0	2	0	Final
	Priority 4 – Sustainable Housing Growth and Employment (Regeneration)					
19	Haringey Development Vehicle – strategic partner/operating processes	Advisory	N/A	N/A	N/A	Final
20	Estate Renewal – re-housing and payments	Substantial	0	4	0	Final
	CORPORATE IT AUDIT:					
21	Shared digital – contract management	Substantial	0	2	2	Final
22	Project management processes – <i>postponed by management request.</i>		-	-	-	-
23	Mosaic application	Substantial	0	0	2	Final
24	ICON application upgrade	Substantial	0	2	0	Final
	CONTRACT AND PROCUREMENT:					
25	Provision of pharmacies enhanced service (framework)	Substantial	0	3	0	Final
26	Master vendor for supply of agency staff	Substantial	0	4	0	Final
27	Contract extensions/waivers.	Limited	1	2	0	Final
28	Operational procurement processes	Limited	1	5	1	Final
	KEY FINANCIAL SYSTEMS					
	Strategic Financial Management & Budgetary Control	N/A	-	-	-	Continuous
	Cash Receipting	N/A	-	-	-	Continuous
	Treasury Management	N/A	-	-	-	Continuous
	Accounting & General Ledger	N/A	-	-	-	Continuous
	Accounts Payable (Creditors)	N/A	-	-	-	Continuous
29	Pension Fund	Substantial	0	0	2	Final

Appendix A

Ref.	Audit area	Assurance Level	P1 Recs.	P2 Recs.	P3 Recs.	Status
	Accounts Receivable (Sundry Debtors)	N/A	-	-	-	Continuous
	Housing Benefits	N/A	-	-	-	Continuous
	Council Tax	N/A	-	-	-	Continuous
	NNDR	N/A	-	-	-	Continuous
	Payroll	N/A	-	-	-	Continuous
30	Teachers' Pensions contributions	Grant certification	-	-	-	Final
	School Audits					
	Primary Schools					
31	Alexandra	Substantial	0	4	4	Final
32	Bounds Green	Substantial	0	0	4	Final
33	Bruce Grove	Limited	3	9	5	Final
34	Chestnuts	No	10	10	1	Final
35	Coldfall	Substantial	0	4	0	Final
36	Crowland	Limited	3	14	1	Final
37	Ferry Lane	Limited	1	6	4	Final
38	Lancasterian	Limited	0	10	4	Final
39	Mulberry	Substantial	0	4	0	Final
40	Rhodes Avenue	Substantial	0	4	2	Final
41	St Martin of Porres RC	Substantial	0	6	2	Final
42	St Mary CE	Substantial	0	6	1	Final
43	St Paul's RC	Substantial	0	5	2	Final
44	Stamford Hill	No	6	13	2	Final
45	Stroud Green	Limited	4	7	4	Final
46	Tiverton	Substantial	0	7	2	Final
47	Welbourne	Substantial	0	6	7	Final
	Infants Schools					
48	Rokesly Infants	Limited	0	5	5	Final
49	St Peter in Chains	Limited	1	9	1	Final
	Secondary Schools					
50	Highgate Wood	Substantial	1	3	0	Final
	Ad-hoc Work:					
51	High Road West**	Substantial	0	1	0	Final
52	Oakmont (19 plus)**	Limited	0	3	1	Draft
53	Residents Permits**	Limited	0	8	1	Final
54	Headteachers Pay**	Advisory	N/A	N/A	N/A	Final

**Four reviews added to the 2017/18 plan at the request of Priority Owners

2017/18 - Audits Deferred and Cancelled

Appendix A

Audit area	Reason audit not undertaken
Information Governance – Data Protection and GDPR preparations	Deferred to 2018/19 to allow new processes and systems to be embedded
High Needs Block Funding	Deferred to Quarter 4 2017/18 to Quarter 1 2018/19.
Looked after Children / Care leavers – High cost Placements	Deferred to Quarter 4 2017/18 to Quarter 1 2018/19.
School Admissions – Policy and Operational Procedures	Deferred to Quarter 4 2017/18 to Quarter 1 2018/19.

Counter-fraud work 2017/18

1. Introduction

1.1 Haringey Council is committed to ensuring the highest possible standards are maintained by its staff, contractors and residents. Fraud and corruption can impact on the public's confidence in the Council and its reputation in the long term. Counter-fraud policies and strategies are in place to detect and prevent fraud and a corporate Fraud Team is managed by the Head of Audit and Risk Management.

2. Transparency Code 2015

2.1 In accordance with Part 2 of the Local Government Transparency Code 2015, Haringey is required to publish information on the cost of its counter-fraud work and the outcomes achieved. Details of the required information and the Fraud Team's involvement in counter-fraud work during 2017/18 is summarised below:

Table 2 Transparency Code reporting – costs and fraud cases 2017/18

Transparency Code requirement	2017/18
Allocated budget for counter-fraud work	£685k
Number of staff (absolute and FTE) undertaking counter-fraud work	8 staff: 8.0 FTE
Number of staff of professionally accredited counter-fraud specialists	5 staff
Total amount of time spent on the investigation and prosecution of fraud	1,463 days
Total number of fraud cases investigated	842
Number of occasions powers under the Prevention of Social Housing Fraud Regulations have been used	48

2.2 The Transparency Code also requires a breakdown of the 842 fraud cases (identified in Table 2) investigated during 2017/18. This detail is summarised in Table 3 below:

Table 3 Transparency Code reporting – investigations completed by type

Investigation area	Number of investigations
Right to Buy applications	280
Tenancy fraud	142
Pro-active tenancy checks	148
Gas Safety tenancy checks	170
Employee fraud cases	21
No Recourse to Public Funds	81
Total	842

3. Internal Employee Investigations

- 3.1** During 2017/8, eighteen (18) investigations were completed involving council employees. The allegations covered a number of issues including misuse of position, misuse of council resources, misuse of blue badge, tenancy fraud, dishonesty and one case of 'no right to work in the UK'. The number of investigations completed by directorate is shown below. The number of investigations in total is consistent with previous year's work.
- 3.2** In all 18 investigations, the Head of Audit and Risk Management issued an Irregularity Report to service management; which identified the relevant breach of the Council's Code of Conduct and recommended:
- (i) Disciplinary action be taken in accordance with Council procedures and /or
 - (ii) Changes to policy, practice or procedure to mitigate similar occurrences.
- 3.3** In eight (8) cases, the investigation found evidence to support the allegations. In five (5) instances the Fraud Team were required to support the disciplinary process, which led to three (3) dismissals and one (1) final written warning. In one (1) instance, the member of staff was re-instated. Three (3) employees resigned prior to a disciplinary hearing.
- 3.4** In ten (10) cases, service management completed the disciplinary process. There was one (1) instance of a compromise agreement, two (2) employees were re-instated and no further action recorded in the remaining seven (7).
- 3.5** The Fraud Team work closely with officers from HR and the service area involved to ensure that the investigation is completed as quickly as possible. The Fraud Team have a target to complete investigations within eight weeks of the referral. This was achieved in 2017/18; although cases can and do take longer to go through the disciplinary process and reach a conclusion.
- 3.6** The Fraud Team work closely with officers from HR and the service area involved to ensure that the investigation is completed as quickly as possible. The Fraud Team have a target to complete investigations within eight weeks of the referral.

Table 4 – Employee Investigations by service area

Service area	Investigations 2017/18
Deputy Chief Executive	6
Chief Operating Officer	7
Homes for Haringey	4
Corporate Governance	1
Total	18

4. Use of the Council's Whistleblowing policy 2017/18

4.1 The Head of Audit and Risk Management maintains the central record of referrals made using the Council's whistleblowing policy. In total, three whistleblowing referrals were made during 2017/18, all which were anonymous.

4.2 All referrals made using the whistleblowing policy are reviewed and subsequent investigations are managed according to all relevant statutory requirements, including Data Protection, Regulation of Investigatory Powers and Police and Criminal Evidence Acts. In some cases, the limited amount of information provided means a full investigation cannot be undertaken. The Head of Audit and Risk Management undertakes an initial review of the information before agreeing an approach with HR and service management. Any allegations relating to financial issues are investigated by the Fraud Team.

4.3 In 2017/18, two cases were referred to service management to be dealt with as they did not relate to financial issues; two cases related to previous whistleblowing referrals made in 2015/16 which had been closed due to lack of evidence, no further information was provided and the cases were closed; ten cases were investigated by the Fraud Team, eight cases were closed either due to lack of information or evidence and two cases were subject to further action; two cases remained ongoing at the year end.

4.4 Regular reminders regarding expected standards of behaviour and how to report suspected fraud are provided via staff newsletters, the Council's intranet and website and via Haringey People and Home Zone publications.

5. Pro-active and Reactive Counter Fraud Activity 2017/18

5.1 During 2017/18, the Fraud Team have undertaken a number of pro-active and reactive counter-fraud projects in areas which have been identified as a high fraud risk. Progress reports on this work have been reported to the Corporate Committee during the year; the findings and outcomes are all shared with service managers as the projects are delivered. Details of the key counter-fraud projects are detailed below.

5.2 Tenancy Fraud

5.2.1 In 2017/18, the Fraud Team continued to work with Homes for Haringey to prevent and detect tenancy fraud. Numbers of referrals received, investigations completed and properties recovered to date by the Fraud Team are summarised below.

Table 5 – tenancy fraud referrals, investigations and properties recovered**2017/18 – Referrals received**

Brought forward from 2016/17	93
Referrals received in 2016/17	197
Total referrals received for investigation	290

2016/17 Outcomes

Properties Recovered	55
No Fraud identified	125
Total cases concluded	180
Ongoing Investigations	110*

*See Note 1 below

Note 1:

Of the 110 ongoing investigations; 42 of these cases (38%) are progressing towards Tenancy recovery. Following a referral, the status of the tenancy has been investigated and the case is either awaiting a Court Hearing, the Particulars of Claim are with Legal Services, an NTQ is awaiting expiry, a succession application has been refused and the tenant is awaiting an offer of smaller accommodation, or the rent account is showing an “Unauthorised Occupant” on the Housing database, awaiting eviction.

Note 2:

Twenty-two (22) of the properties recovered in the financial year have been assisted through a Tenancy Fraud project which involves officers from the Fraud Team accompanying warrant officers, where a court order has been granted to access properties, to ensure the safety of gas appliances.

5.3 Prosecutions

- 5.3.1 As at 31 March 2018 (Q4) two (2) Tenancy Fraud cases are in preparation for prosecution and one (1) further joint prosecution with a Registered Provider is under consideration.

5.4 Gas safety – execution of warrant visits

- 5.4.1 170 Gas Safety warrants have been executed in total in the financial year; where twenty-two (22) of the 55 properties recovered through Tenancy Fraud can be attributed in whole, or part to ongoing investigations by the Fraud Team.
- 5.4.2A further sixteen (16) properties are under continued investigation or monitoring for one of the following three reasons (i) a forced entry and awaiting collection of the keys by the displaced occupant (ii) the property is already under investigation and awaiting possession actions by either Tenancy Management or Legal Services) (iii) the property is already subject to an

‘Unauthorised Occupant’. There may be some duplication with these cases and those that are recorded as being with Legal (Note 1 above).

5.4.3 Through these visits, the Fraud Team have come across cases of concern; where the living conditions and/or vulnerability of a tenant needs to be addressed by Tenancy Management or Social Services. These are reported to the appropriate Service. In 2017/18, instances began to arise of the Fraud Team attending properties for a second time, to execute a warrant, where cases of concern were still apparent from a previous visit.

5.5 Keys

5.5.1 Following Gas Warrant interventions and particularly where there has been a forced entry, but keys have not been collected; the Fraud Team have begun working with:

- (i) Gathered evidence;
- (ii) Homes for Haringey (HfH) Tenancy Management data; and
- (iii) HfH Repairs Team records and matching with public information to establish genuine occupancy details. Where discrepancies are noted, tenancy fraud recovery action will be taken.

5.6 Regeneration

5.6.1 The Fraud Team are now working with the Regeneration Team to review tenancies (both secure and Temporary Accommodation) to assist in:

- (i) The decanting and re-locating of displaced tenants on Regeneration estates, and
- (ii) Leaseholders who are in negotiation to have their homes bought back.

5.6.2 To date the Fraud Team have prevented one fraudulent application to decant an individual to a larger property than needed and prevented one fraudulent application to have a home brought back as a resident, rather than a non-resident leaseholder.

5.7 No Recourse to Public Funds (NRPF)

5.7.1 In November 2017, the NRPF team received a Final Report following an Internal Audit, where they received Limited Assurance. One of the recommendations was that the NRPF team work with the Fraud Team at initial interview, or screening stage of an application. It is expected that this will resume in 2018/19.

5.7.2 As at Quarter 4, eighty-one (81) referrals have been received and responded to by the Fraud Team through the financial year. It can be reported that in at least 35 instances (43%) the Fraud Team intervention has averted a fraudulent application and/ or either financial or accommodation support being given. The average cost of NRPF support per family (accommodation and subsistence for a 2 child household) is around £20,000 per annum.

5.7.3 It can be viewed that the interventions of the Fraud Team have therefore saved the Council £700,000 in support and accommodation costs, which may otherwise have been awarded where there was, in fact, no eligibility for assistance.

5.7.4 The project will be carried forward into the Fraud Work plan 2018/19, where advice, support and assistance to NRPF will continue and enhanced recording and monitoring of outcomes will be established.

6. Counter-fraud – value of outcomes achieved in 2017/18

6.1 In 2017/18, the target for counter-fraud work was to contribute a minimum of £10m worth of savings, or avoided expenditure, to assist the Council in improving its frontline services. The total cost of the counter-fraud team in 2017/18 was £685k.

6.2 The Cabinet Office (previously the Audit Commission) valued the recovery of a tenancy, which has previously been fraudulently occupied, at an annual value of £18,000, relating to average Temporary Accommodation (TA) costs. No new national performance indicators for tenancy fraud have been produced; therefore the £18,000 figure is still used, although this is considered low if the tenancy has been illegally sublet for several years.

Table 6 – value of outcomes achieved as a result of counter-fraud work

Different values can be attributed to the recovery of a property where tenancy fraud has been identified. Across London different criterion are used. Haringey continue to base their tenancy fraud values on the former Audit Commission (now Cabinet Office) assessment of £18,000, being the estimated expenditure on Temporary Accommodation (TA) for one year, which would not have been necessary with the use and occupation of a legitimate secure tenancy.

The following values (savings) can therefore be attributed to the recovery, or cessation, of fraudulent tenancies in the financial year 2017/18.

Counter-Fraud Activity	Number	Unit value £000s	Total £000s
Recovery of Council Tenancy Sublet/ Succession	54	18	972
Recovery of TA	1	18	18
Total	55	18	990