

# Appendix D - Anti-fraud



2024/25

# Anti-Fraud 2024/25

## Introduction

Haringey Council is committed to ensuring the highest possible standards are maintained by its employees, contractors and residents. Fraud and corruption can impact on the public's confidence in the Council and its reputation in the long term as well as placing unnecessary additional burden on the public purse. Anti-fraud policies and strategies are in place to detect and prevent fraud and a corporate team of investigators within the Audit and Risk service is managed by the Deputy Head of Audit and Risk Management.

We reviewed our Fraud Strategy in September 2024, along with all the linked policies, against latest good practice. Our work plan is driven by a Fraud Risk assessment which is reviewed annually. For 2024/25 our planned work focused on Housing Fraud with proactive checks to prevent fraud and dedicated resources responding to reactive fraud referrals. Planned proactive projects were not completed due to high levels of fraud referral. Work to complete the Blue Badge Fraud project and transition back to business as usual with fraud resources focused on prosecution cases was completed. An additional project regarding Hidden Assets was added to the plan but due to high levels of reactive referrals and a need for management to strengthen the control environment in 2024/25 was moved into 2025/26. We also participated in the National Fraud Initiative including a Pilot regarding dual roles which has been a high risk since covid.

Referrals to the team for both proactive fraud checks, and reactive investigations increased again in 2024/25 from prior years, in particular in relation to employee fraud cases. In 2024/25 the team reviewed their fraud system and reprocedured the contract.

The purpose of this document is to outline the activities of the team that have been considered when forming the Head of Internal Audit Opinion, it also seeks to ensure that in accordance with Part 2 of the Local Government Transparency Code 2015, the council has published information on the cost of its anti-fraud work and the outcomes achieved. The team's performance is reported quarterly to the Council's Audit Committee during the year.

# Transparency Code 2015 requirements

Requirement	2022/23	2023/34	2024/25
Allocated budget for anti-fraud work	£556k	£506k	£521k
Number of staff (absolute and FTE) undertaking anti-fraud work	8 staff: 6.5 FTE	8 staff: 6 FTE	8 staff: 6.5 FTE
Number of staff of professionally accredited anti-fraud specialists	6 Staff	6 Staff	6 Staff
Total amount of time spent on the investigation and prosecution of fraud	1,135 days	1,047 days	1,235 days
Total number of fraud cases investigated	657 <i>(341 reactive cases)</i>	801 <i>(387 reactive cases)</i>	796 <i>(411 reactive cases)</i>
Number of occasions powers under the Prevention of Social Housing Fraud Regulations have been used	48	65	78

# Transparency Code 2015 requirements

Type of Activity	2022/23	2023/24	2024/5
Tenancy Fraud Cases	229	332	282
Employee Fraud / Whistleblowing Cases	9	17	31
Non Employee Fraud/ Whistleblowing Cases	0	1	3
Right to Buy applications	211	171	308
Blue Badge	3	38	95
Gas Safety & Proactive Tenancy Visits	81 72	105 85	35 55
No Recourse to Public Funds financial checks	52	42	61
Business Grant pre payment checks	0	20	0
<b>TOTALS</b>	<b>657</b>	<b>801</b>	<b>870</b>

# Anti-Fraud Outcomes 2024/25

## Tenancy Fraud

The tables on the next slide contains information regarding caseload.

In 2024/25, 42 council stock properties had been recovered through the (reactive) investigations of the Fraud Team; circa £1.76m can be attributed to the recovery, or cessation, of fraudulent council and temporary accommodation tenancies. This compares to 52 in 2023/24. A further 10 recoveries were as a result of proactive work in year.

In 2024/25 there were 411 referrals to the anti-fraud team. This is an increase again on prior years. The sources of referrals include: general public, members, council officers, other councils or government agencies, National Fraud Initiative and our own proactive activities/campaigns to identify fraud.

In addition to this the team undertake proactive fraud checks to prevent fraud occurring in the succession and grant of tenancy processes. These are high inherent fraud risk areas for the council.

The team work closely with officers in Housing via an officer seconded to work alongside the fraud team part time each week. There is acknowledgement regarding the improvement in Housing processes as part of the Housing Improvement Programme which has helped to generate this year's outcomes and we hope to build on further in 2025/26.

The workplan for 2025/26 will include a focus on Housing Fraud and will include proactive tenancy fraud activity, more work on temporary accommodation and this will be supplemented by the use of data matching and intelligence from the National Fraud Initiative.

# Tenancy Fraud 2024/25

	Open	Closed
Brought Forward at year start	336	
New referrals in year	282	
<b>TOTAL OPEN</b>	<b>618</b>	
Cases closed – no fraud		124
Cases closed – property recovered		42
<b>TOTAL at year end</b>		<b>452</b>

# Anti-Fraud Activity & Outcomes 2024/25

## Employee and Non-Employee Fraud and Whistleblowing cases

The Head of Audit and Risk Management maintains a record of referrals made using the Council's whistleblowing policy. In total, three whistleblowing referrals were made and two were accepted under the policy during 2024/25, compared to six in the prior year. All were employee related.

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 management of the Audit and Risk service undertakes an initial review of the information before agreeing an approach with HR and service management. Any allegations relating to issues of financial irregularity are investigated by an investigator in the Audit & Risk team.

In 2024/25, two cases were investigated and closed at year end, for one there was no case to answer for the other management action was taken. The remaining (non-employee related) one is still open, but as further concerns were identified in year relating to the case the fraud team are now leading the investigation as opposed to the service, as was the case previously. The Head of Internal Audit and Risk gathers outcomes for information on all cases referred to the team. For the complete investigations, where applicable, management actions were identified, and updates are discussed periodically.

# Anti-Fraud Activity & Outcomes 2024/25

## Employee and Non-Employee Fraud and Whistleblowing cases

Where the allegation relates to a breach of a council policy and the investigation falls under the disciplinary policy, the severity of the breach is considered and where appropriate the team is deployed to work with the relevant stakeholders, usually the service management and human resources, to ensure the relevant policy is followed; all available evidence is gathered effectively and secured, and the appropriate action is taken. Part of this work is to reflect on the control environment and ensure controls are in place to prevent similar occurrences in future.

The team accepted 31 referrals relating to employees in 2024/25. The majority of these cases relate to dual working allegations so the case will be considered under both the fraud and disciplinary policy once the initial intelligence and evidence is available.

At the end of the year investigations and disciplinary processes were all on-going but final outcomes will be shared in quarterly reporting. Statutory Officers Group have had periodic update on this work in year due to the much higher case load.

Haringey is leading on one dual working employee prosecution case supported by the other employing Boroughs. We will file charges and support other Boroughs in prosecuting these offences where they have the strongest case and are the lead authority. In some instances, a referral to the police will be made as our powers are limited and this often hinders gathering evidence to a criminal standard.

We have one procurement fraud case that has been referred to legal.



# Anti-Fraud Activity & Outcomes 2024/25

## Right to Buy Applications

In 2024/25, 49 applications were withdrawn or refused either following investigations and/or failing to complete money laundering processes. This compares to 111 in 2023/24. The equivalent of 0.5 full time investigator undertakes this work to ensure that money laundering and fraud are not present in the sales of properties. Overall, the 49 RTB applications withdrawal or refusal represents circa £5m in potential RTB discounts; and means the properties are retained for social housing use.

There has been an increase in live applications year on year and this continues in 2024/25. This will continue into 2025/26 as the spike in applications following the announcement to reduce the discounts filters through the process. At year end circa 303 applications were in the process with 94 at the anti money laundering stage. This activity also can identify Housing Tenancy Fraud for us or affecting other local authorities and Housing Benefit overpayments.

## No Recourse to Public Funds

As at 31 March 2025, 61 referrals have been received and responded to by the Fraud Team through the financial year. Referrals are received where the NRPF team has suspicion of fraud and needs to obtain assurance. The average cost of NRPF support per family (accommodation and subsistence for a 2 child household) is around £20,000 pa so fraud prevention, whilst ensuring the service supports those genuinely in need is essential. Referrals from the NRPF decreased by 10 from the prior year but request remains higher than the pre covid years. The fraud team provide the intelligence to the NRPFs team to enable them to make their decision with regards entitlement in line with legislation, we have no other role in these cases.

# Anti-Fraud Activity & Outcomes 2024/25

## Fraud Reporting

The team monitor reports of fraud received by the council from residents of the borough, many of the reports relate to services and Housing Benefit fraud so these are assessed and signposted on as appropriate. This mechanism although currently resource intensive to administer does generate some good referrals for the team.

Hundreds of communications are received each year from members of the public via our fraud hotline or email address. All are reviewed and intelligence checks undertaken as part of the referral acceptance process. The majority do not result in council fraud cases, but all are sign posted on the relevant public sector body or council service for investigation and action. In year we have been working with digital services to create an eform which will improve efficiency in the process.

## DPA requests

The team have responded to over 100 Data Protection Requests with regards the prevention and detection of fraud from a range of organisations, including other local authorities.

## Blue Badge

An investigator was allocated to focus on Blue Badge Fraud ran in year with the aim of deterring Blue Badge Fraud in the Borough through greater use of sanctions. Two case was successfully prosecuted.

# Anti-Fraud Activity & Outcomes 2024/25

## Proactive Data Matching

The team review results of data matching exercises generated by campaigns such as the National Fraud Initiative as well as local exercises interrogating council held data sets. This year the team identified a number of cases, and provided intelligence they had gathered to housing colleagues to ensure appropriate action could be taken. Although we were unable to do the full proactive relating to deceased tenant's smaller projects have been achieved.

These proactive exercises are either undertaken to compliment audit activities that are in the audit plan or identify control failings so that audit resources can be directed to this area and control improvement designed. Temporary Accommodation has been an area of focus and that work will continue into 2025/26.

In 2024/25, 10 council properties were recovered as a result of a proactive project to identify unknown voids. There are a further 82 still being investigated or recovery actioned.

The team have been part of a pilot exercise with NFI on dual roles which is now going to be run periodically to detect more fraudsters.

## Squatting

This has been a risk area that has increased significantly in 2024/25, and the team have worked with management to provide audit and risk advice but also reviewed cases for criminal activity and liaised with the police or evidence of internal corruption. This work continues into 2025/26.