

Subject:	Cabinet Response to the Findings of the Counter Fraud Task and Finish Group	Status:	For Publication
Report to:	Overview and Scrutiny Committee	Date:	14 th March 2016
Report of:	Fraud and Compliance Officer	Portfolio Holder:	Portfolio Holder for Customer Services and Health
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: /No
Biodiversity Impact Assessment	Required:	No	Attached: No
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1.	RECOMMENDATION(S)
1.1	That the Overview and Scrutiny Committee considers the Cabinet's response to the recommendations within the Counter Fraud Task and Finish Group Report
1.2	That the Scrutiny Support Officer will in six month's monitor the recommendations agreed by Cabinet/THG to ensure these have been implemented and if not, receive an explanation for the delay.

2. PURPOSE OF REPORT

2.1 That Overview and Scrutiny Committee consider the Cabinet's response to the recommendations of the Counter Fraud Task and Finish Group.

3. CORPORATE PRIORITIES

3.1 The matters discussed in this report impact directly on the following corporate priorities:

- **Responsive Value for Money Services:** This priority is about the Council working collaboratively, being a provider, procurer and a commissioner of services that are efficient and that meet the needs of local people.

4. RISK ASSESSMENT IMPLICATIONS

4.1 There will be a significant risk of increased Fraud against the Council if the Counter Fraud post is not extended past the end of the current term and Council Tax and Council Tax Support Penalty and Prosecution Policy is not passed.

4.2 There is no other staffing resource that could take on the extra work associated with this post. It is a huge risk to the organisation not to have a fraud resource. Many of the duties carried out by this post are statutory.

4.3 As well as deterring fraud and saving money the post also brings money in to the Council.

5. BACKGROUND AND OPTIONS

5.1 Following on from the Rogue Landlords Task and Finish Group, the Council identified a number of properties that have been 'deleted' or rated zero exempt from the Valuation Office

Agency (VOA) database, which would have a direct financial impact on revenue to the Council.

The following Terms of Reference were agreed.

- To explore how the Council intends to identify the number of deletions and exemptions of both residential and non-domestic properties from the VOA Rating List.
- To understand how the Council intends to identify how fraud/avoidance has been committed and measure being put in place to recoup these costs.
- To make recommendations to Cabinet on the results of this piece of work

5.2 The Counter Fraud Project was a joint pilot with Rochdale Housing Initiative, who work on behalf of Rochdale Metropolitan Council, of which Rossendale was the lead on the project. Meetings were held between 22 July 2015 to 12th January 2016, during which time the task and finish group were supported in their work by Officers from the Service Assurance Team, and the Economic Development and External Funding Officer. A representative from Rochdale Housing Initiative attended one meeting to explain how they were working on this pilot.

5.3 The final report was submitted to Cabinet Agenda Setting on 16th February when it was agreed to make the following response to the recommendations.

Response to recommendations

Recommendation 1:

That consideration be given by the Council's Management Team, subject to the detailed business plan, that the post dedicated to the Counter Fraud Project activity continues at the end of the fixed term, so long as the finances coming in continue to be more than the costs of the post and any associated expenses.

Cabinet supports this recommendation.

Recommendation 2:

That officers investigate whether there would be capacity to undertake Land Registry checks in –house, rather than continuing to use Rochdale's Land Registry.

Cabinet supports this recommendation.

Recommendation 3:

That an update on the use of Analyse Local is provided at the end of the project to the task and finish group members.

Cabinet support this recommendation.

Recommendation 4:

That Cabinet adopt the Council Tax and Council Tax Support Penalty and Prosecution Policy to support the Counter Fraud Project work and to enable officers to use the policy to act as a deterrent against fraudulent activity.

Cabinet support this recommendation and will ask officers to pursue this issue.

**COMMENTS FROM STATUTORY OFFICERS:
SECTION 151 OFFICER**

- 6.1 Any financial implications arising will be contained within existing budgets.

7. MONITORING OFFICER

- 7.1 No additional comments

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

- 8.1 No HR implications.

Consultation has been carried out by Members of the Task and Finish Group, Members of the Public, other organisations and various Officers from Rossendale Borough Council.

9. CONCLUSION

- 9.1 The Cabinet supports the recommendations of the Counter Fraud Scheme Task and Finish Group.
- 9.2 Cabinet values this important review undertaken by the Task and Finish Group.

Background Papers

Document	Place of Inspection
Phase 1 Report of the Welfare Reforms Task and Finish Group	Democratic Services Room 213, Futures Park