



DERBY CITY COUNCIL

**AUDIT AND ACCOUNTS
COMMITTEE
4 DECEMBER 2008**

Report of the Head of Audit and
Risk Management

ITEM 11

National Fraud Initiative - Update

RECOMMENDATION

- 1.1 To note the report.

SUPPORTING INFORMATION

- 2.1 At the meeting on 24 September 2008, members received a report on the National Fraud Initiative 2008/9. This report provides an update on the 2008/9 exercise and on the outcomes to date on the two additional datasets, Council Tax (Single Person Discount) and the Electoral Register, requested by the Audit Commission in 2007/8.
- 2.2 All of the datasets requested from the Council for the 2008/9 exercise were uploaded onto the Audit Commission's secure website on 9 and 10 October 2008. The matches should be available from 28 January 2009.
- 2.3 The data matching exercise of people claiming single person discount to Electoral Roll match produced 2 reports for review by the Council:
1. Council Tax to Electoral Register - 3525 cases selected (7877 lines of data)
 2. Council Tax rising 18 - 1966 cases (1966 lines of data)
- 2.4 The Council Tax to Electoral Register report has been the major task to complete as it involved contacting the customer to investigate the change to the circumstances in the household. It has been tackled in three stages:-
1. Staff in the visitors team, Customer Services have gone through the report and have identified which cases need to be checked by way of a visit to the customer. For these cases, a visit request was raised, and although first visits have been made to the properties concerned, we are still waiting on the results for a number of cases. Some cases are due to be changed at a point in the future – where an occupier becomes 18 years old – for these a “diary flag” has been put onto the account. These have given the customers the opportunity to claim 2nd adult rebate when applicable, or to update their details and claim a different discount e.g. where a student has joined the household. This stage is completed apart from the follow-ups on non-contacts by the customer.

2. The second stage has consisted of Council Tax staff working through the file to update it for:
 - cases where the circumstances had already been update between the extraction of data and the delivery of the file (flagged as resolved without investigation)
 - cases where the results of the visit are known – where these have resulted in a discount being withdrawn, the Council Tax staff have noted the “clawback” amount on the file.

This stage is almost complete – as at 19 November 2008, 393 cases were due to be revisited (investigations outstanding), £121,548.79 has been clawed back and all of the lines of data have been updated

3. The final stage is to keep monitoring the cases which are still pending further information. This will not be indefinite, in that, if the customer does not respond after two contacts, the discount is being withdrawn with effect from 1 April 2008 and although the customer may wish to claim a replacement discount or 2nd adult rebate they will not be able to do this without first getting an increased bill.

2.5 The “Council Tax rising 18” report is to be addressed once the Council Tax to Electoral Register report is resolved. Some of the highlighted cases are duplicated in the CT to ER report, which will be a simple case of copying the results from one file to the other. Some cases will be due for action in the future and these will be given a “diary note” as for the future cases in the CT to ER report. Some cases will already have been resolved i.e. through the passage of time. Once the “already resolved” cases are dealt with, customers will be contacted to let them know of the potential change to their account.

2.6 The Council Tax and the Electoral Register datasets will be subject to a further matching exercise by the Audit Commission in October 2009.

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Background papers:	
List of appendices:	Appendix 1 – Implications

IMPLICATIONS

Financial

1. As detailed in the main body of the report.

Legal

2. None directly arising

Personnel

3. None directly arising

Equalities impact

4. None directly arising.

Corporate objectives and priorities for change

5. The functions of the Committee have been established to support delivery of corporate objectives by enhancing scrutiny of various aspects of the Council's controls and governance arrangements.