

Hambleton District Council

Report To: Audit, Governance and Standards Committee

Date: 21 March 2023

From: Chief Executive

Subject: **Head of Internal Audit Opinion and Counter Fraud update 2022/23**

Portfolio Holder: Economic Development and Finance
Councillor P R Wilkinson

Wards Affected: All Wards

1.0 Purpose and Background

- 1.1 Under the Accounts & Audit Regulations 2015, it is a statutory requirement for councils to have effective internal audit that complies with public sector internal audit standards.
- 1.2 Regulation 11 of the Local Government (Structural Changes) (Further Transitional and Supplementary Provision and Miscellaneous Amendments) Regulations 2009/276 provides that each district council must, in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, prepare and approve an Annual Governance Statement (AGS) prior to the Local Government reorganisation date.
- 1.3 In accordance with paragraph 5.1 of the Council's Audit Charter, 'The Head of Internal Audit is required to provide an annual report to the Audit, Governance and Standards Committee. The report will be used by the Committee to inform its consideration of the Council's annual governance statement.'
- 1.4 The Annual Head of internal Audit report (included at annex 1) summarises the outcomes of audit work undertaken in 2022/23. The report provides an opinion on the overall adequacy and effectiveness of the authority's framework of governance, risk management and control. A report setting out counter fraud activity and performance is also included at annex 2.

2.0 The Report

- 2.1 The results of completed audit work have been reported to relevant officers during the year. Appendix A in annex 1 provides details of the completed work. Appendix B contains further details on the audits finalised since the last report to this committee in January 2023.
- 2.2 The overall opinion of the Head of Internal Audit on the framework of governance, risk management and control operating within the Council is that it provides Substantial Assurance. No reliance was placed on the work of other assurance

bodies in reaching this opinion and there are no significant control weaknesses which, in the opinion of the Head of Internal Audit, need to be considered for inclusion in the Annual Governance Statement.

2.3 An overview of the work undertaken by the counter fraud team is provided in annex 2. A range of work has been completed in 2023/23 which has included investigation of potential criminality, raising awareness of fraud reporting mechanisms for staff and members of the public, and preparing for Local Government reorganisation in North Yorkshire.

2.4 Investigative work by the counter fraud team has helped the Council to achieve £42.7k of savings. Warning have been issued to five people who incorrectly obtained money or discounts from the Council.

3.0 Link to Council Priorities

3.1 The work of internal audit supports the Council's overall aims and priorities by promoting probity, integrity and honesty and by helping support the Council to become a more effective organisation.

4.0 Risk Assessment

4.1 There are no risks associated with this report.

5.0 Financial Implications

5.1 There are no financial implications associated with this report.

6.0 Legal Implications

6.1 There are no legal implications associated with the recommendations in the report.

7.0 Equalities and Diversity Issues

7.1 Equality and Diversity issues have been considered. There are no issues associated with this report.

8.0 Recommendation

8.1 Members of the Committee are asked to

- a) Note the results of the audit and counter fraud work undertaken in 2022/23
- b) Accept the opinion of the Head of Internal Audit on the framework of governance, risk management and control operating within the Council

Justin Ives
Chief Executive

Background papers: None

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ANNUAL HEAD OF INTERNAL AUDIT REPORT

21 March 2023

Annex 1

HAMBLETON
DISTRICT COUNCIL



CONTENTS

 Background	4	 Internal audit work carried out	4
 Follow up of agreed actions	5	 Professional standards	6
 Opinion of the Head of Internal Audit		7	
Appendix A Internal audit work in 2022/23		8	
Appendix B Summary of key issues from work finalised since the last report to the committee		9	
Appendix C Audit opinions and priorities for actions		15	



Stuart Cutts
Assistant Director - Audit Assurance



Max Thomas
Head of Internal Audit



BACKGROUND

- 1 The work of internal audit is governed by the Public Sector Internal Audit Standards (PSIAS) and the Council's audit charter. These require the Head of Internal Audit to bring an annual report to the Audit Committee. The report must include an opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control. The report should also include:
 - (a) any qualifications to the opinion, together with the reasons for those qualifications (including any impairment to independence or objectivity)
 - (b) any particular control weakness judged to be relevant to the preparation of the annual governance statement
 - (c) a summary of work undertaken to support the opinion including any reliance placed on the work of other assurance bodies
 - (d) an overall summary of internal audit performance and the results of the internal audit service's quality assurance and improvement programme, including a statement on conformance with the PSIAS.
- 2 Regulation 11 of the Local Government (Structural Changes) (Further Transitional and Supplementary Provision and Miscellaneous Amendments) Regulations 2009/276 provides that each district council must, in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, prepare and approve an Annual Governance Statement (AGS) prior to the Local Government reorganisation date.
- 3 Internal audit's opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and control are a key source of assurance in preparing the AGS and the reason why the annual report of the Head of Internal Audit is being presented to this meeting.



INTERNAL AUDIT WORK CARRIED OUT IN 2022/23

- 4 The financial year 2022/23 has been a year dominated by preparations for local government reorganisation (LGR). This was anticipated at the beginning of the year when the internal audit work programme was presented to this committee in March 2022.
- 5 The approach to internal audit delivery has been significantly different to previous years. This was intentional and designed to ensure that we could provide support but also assurance in areas of most importance from a risk or priority perspective, while recognising the demands on officers due to LGR. This has required, in some instances, careful programming and planning to deliver financial systems work and, in others, a need to be flexible and responsive, and picking up and pausing audit work in response to pressures facing service areas.

- 6 In addition to internal audit work undertaken directly for Hambleton District Council, Veritau has supported all eight councils involved in the transition to North Yorkshire Council through its attendance at, and contributions to, a number of LGR workstreams, and associated activities throughout 2022/23. A portion of our time this year has been spent providing direct support and advice in respect of these evolving arrangements.
- 7 Senior managers at Hambleton District Council have continued to support delivery of internal audit work during 2022/23. Work has been prioritised based on risk and the need to provide coverage of the Council's framework of governance, risk management and control. However, particular emphasis has been given to providing assurance on the continued effective operation of the Council's key financial systems amidst the changes and pressures brought about by LGR.
- 8 The results of completed audit work are reported to the relevant managers, the s151 officer and the Audit, Governance and Standards Committee. A summary of the internal audit work undertaken during the year is contained in appendix A. All but one piece of planned work has, at the time of writing this report, been completed to final report stage.
- 9 We been able to deliver a body of internal audit work during the year which has, overall, resulted in good coverage of the Council's framework of governance, risk management and control.
- 10 Appendix B provides details of the key findings from internal audit assignments completed, that we have not previously reported to the committee.
- 11 Appendix C sets out our current definitions for each assurance level and the priorities for management action.

FOLLOW UP OF AGREED ACTIONS

- 12 It is important that agreed actions are followed up to ensure they have been implemented. Veritau has followed up agreed actions during the year taking account of the timescales previously agreed with management for implementation.
- 13 Our work shows that generally, good progress has been made by management during the year to address relevant previously identified control weaknesses. There are no significant weaknesses to report to the Committee.

PROFESSIONAL STANDARDS

- 14 In order to comply with Public Sector Internal Audit Standards (PSIAS) the Head of Internal Audit is required to develop and maintain an ongoing quality assurance and improvement programme (QAIP). The objective of the QAIP is to ensure that working practices continue to conform to professional standards. The results of the QAIP are reported to the committee each year as part of the annual report. The QAIP consists of various elements, including:
- maintenance of a detailed audit procedures manual and standard operating practices
 - ongoing performance monitoring of internal audit activity
 - regular customer feedback
 - training plans and associated training and development activities
 - periodic self-assessments of internal audit working practices (to evaluate conformance to the standards)
- 15 External assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. The most recent external assessment of Veritau internal audit working practices was undertaken in November 2018¹. This concluded that Veritau internal audit activity generally conforms to the PSIAS².
- 16 The outcome of the last QAIP (reported to this committee in July 2022) demonstrated that the service continued to conform to the PSIAS. The results of the self-assessment and QAIP for 2022/23 are not yet complete but will be available for review after April 2023. The full QAIP will be presented to a meeting of the Audit Committee of the new North Yorkshire Council in 2023/24.
- 17 The Internal Audit Charter sets out how internal audit at the Council will be provided in accordance with the PSIAS. The Charter was last reviewed in January 2022 when an updated charter was approved by this committee. No further amendments are required, and the existing Internal Audit Charter will continue to guide and govern the performance of Veritau's internal audit work for the Council up until 31 March 2023.

¹ Reported to the Audit, Governance and Standards Committee in January 2019

² PSIAS guidance suggests a scale of three ratings, 'generally conforms', 'partially conforms' and 'does not conform'. 'Generally conforms' is the top rating.

OPINION OF THE HEAD OF INTERNAL AUDIT

- 18 The overall opinion of the Head of Internal Audit on the framework of governance, risk management and control operating at the Council is that it provides **Substantial Assurance**. No reliance was placed on the work of other assurance providers in reaching this opinion, and there are no significant control weaknesses which, in the opinion of the Head of Internal Audit, need to be considered for inclusion in the Annual Governance Statement.

- 19 The opinion given is based on work that has been undertaken directly by internal audit, and on the cumulative knowledge gained through our ongoing liaison with officers. However, in giving the opinion, we would note that preparations for local government reorganisation (LGR) have, over the last year, required a significant investment of time, effort and resources across the organisation. This has put strain on the Council's control environment and its business operations. The Council has had to operate during periods of uncertainty and substantial change all while maintaining service delivery and other key support functions. The unique circumstances and uncertainty brought about by the LGR transition have combined to create a very challenging operating environment. While the work of internal audit is directed to the areas that are considered most at risk, or to provide most value for the Council, it is not possible to conclude on the full extent of the LGR transition on the Council's operations.

APPENDIX A: 2022/23 INTERNAL AUDIT WORK

Final reports issued

Audit	Reported to Committee	Assurance Level
Creditors	March 2023	Substantial Assurance
Payroll migration	March 2023	Substantial Assurance
ICT disaster recovery	March 2023	Substantial Assurance
Environmental health – follow up	March 2023	No opinion (follow up)
Risk management	March 2023	No opinion (baseline review for opinion)
Housing Benefits	March 2023	Substantial Assurance
Sundry Debtors and Debt Recovery	March 2023	Substantial Assurance
Crematorium governance	January 2023	Substantial Assurance
General Ledger	January 2023	Reasonable Assurance
Revenues and benefits	September 2022	Substantial Assurance
Payroll and employee overtime	September 2022	Reasonable Assurance
Sundry Debtors and Debt Recovery	July 2022	Reasonable Assurance
Risk Management	July 2022	Substantial Assurance
Cyber Risk Management	July 2022	Substantial Assurance
Creditors	July 2022	Substantial Assurance
Public Sector Decarbonisation	July 2022	No opinion (project risk review)

Audits in progress (as at 9 March 2023)

Audit	Status
Business Rates and Council Tax	Work in progress ³

Other work completed in 2022/23

Internal audit work has been undertaken in a range of other areas during the year, including those listed below.

- Certification of the Homelessness Prevention Grant, Local Authority Test and Trace Support Payments, and Contain Management Outbreak Fund return.
- Regular discussion with management, including ongoing discussions linked to local government reorganisation.
- Ongoing review of key documentation and meetings/minutes to help inform our future work and provide assurance/insight for our 2022/23 opinion.

³ A verbal update on this work will be provided to members at the committee meeting.

APPENDIX B: SUMMARY OF KEY ISSUES FROM AUDITS FINALISED SINCE THE LAST REPORT TO THE COMMITTEE

System/area	Opinion	Area reviewed	Date issued	Comments	Management actions agreed
Creditors	Substantial Assurance	<p>We reviewed the creditor payments system to ensure:</p> <ul style="list-style-type: none"> • payments were made for goods and services that had been appropriately ordered and received • duplicate payments were prevented • changes to the contact details and bank accounts of suppliers were altered in accordance with Council procedures and guidelines. • invoices were paid in a timely manner 	February 2023	<p>Council payment controls were working effectively. All payments reviewed were appropriate, for goods and services correctly ordered and received.</p> <p>Testing of all payments confirmed no duplicate payments had been made. There were also no instances where payments were made before the date on the invoice.</p> <p>Changes to supplier bank account details were being checked and authorised following Council procedures.</p> <p>Approximately 9 out of every 10 invoices with an associated purchase order were paid within 30 days between January 2022 and January 2023.</p>	No areas requiring management actions were identified.
Payroll Migration	Substantial Assurance	<p>The ResourceLink HR and Payroll system is used at North Yorkshire County Council and was selected as the payroll system to be used by the new North Yorkshire Council.</p> <p>Hambleton was the first authority to migrate payroll data to ResourceLink and the 'go-live' date was 1 October 2022.</p> <p>The purpose of the audit was to provide assurance to management that procedures and controls ensured that:</p>	February 2023	<p>Governance arrangements were robust.</p> <p>A clear migration project plan was in place and supported the management of the project. A Payroll Board was established and there was regular communication between relevant parties. Three parallel runs were performed before the payroll was solely run through ResourceLink in October 2022.</p> <p>We used our data analytics software to analyse data from Hambleton's ITrent payroll system, and ResourceLink. We found no issues. Where there were differences in the number or nature of</p>	No areas requiring management actions were identified.

System/area	Opinion	Area reviewed	Date issued	Comments	Management actions agreed
		<ul style="list-style-type: none"> governance arrangements around the migration were robust. migrated payroll data was accurate. Key controls within the ResourceLink system operated to ensure payroll data remained accurate. 		<p>employee records held on the two systems, these were able to be explained.</p> <p>Key controls, such as exception reporting, are in place within the ResourceLink system. The payroll team at HDC are also still involved in checking for discrepancies each month.</p>	
ICT Disaster Recovery	Substantial Assurance	<p>In 2022 existing back up servers were decommissioned by the Council and replaced with a cloud based solution.</p> <p>The purpose of this audit was to provide assurance to management that procedures and controls within the system will ensure that:</p> <ul style="list-style-type: none"> There are robust disaster recovery plans in place Backups are taken in line with the Council's requirements and are validated. Disaster recovery plans are tested and action is taken to address lessons learned. 	February 2023	<p>The Council have a disaster recovery plan in place that sets out how they will restore the network from full and partial network outages. The disaster recovery plan is stored in several accessible and secure locations.</p> <p>The Council replicates its data in real time. This means that a failure of servers would result in minimal data loss. Snapshots of the data is sent to the Council's servers, stored within Amazon's data centres.</p> <p>The Council have backups that are taken on a daily basis. Backups are monitored to ensure they have been successfully taken. A copy of the backups is stored in a secure location and is supported by several appropriate security controls to help ensure these backups cannot be compromised.</p> <p>Since the Council moved to a cloud-based disaster recover solution in Summer 2022, tests have been carried out to restore components of the network and individual</p>	No areas requiring management actions were identified.

System/area	Opinion	Area reviewed	Date issued	Comments	Management actions agreed
				systems. A full disaster recovery test was carried out in November 2022. This test was largely successful with issues that arose analysed and assessed to prevent them from recurring.	
Environmental Health	No opinion (follow up of previous weaknesses)	<p>Internal Audit work in May 2018 highlighted issues with Environmental Health performance reporting, system upgrades and patches, and terms of reference/user group participation. The work concluded there were a number of improvements that could be made.</p> <p>The Council took the decision to replace the IDOX system with the Civica Cx system which went live in March 2022.</p> <p>This audit considered the extent to which the new system and associated processes have addressed the weaknesses found in 2018.</p>	February 2023	<p>All applicable issues from the 2018 report have been satisfactorily addressed.</p> <p>Since the implementation of the Cx system in March 2022 performance monitoring, system updates and statutory reporting have been vastly improved. The new system allows for easier interrogation and more informed performance management and monitoring.</p> <p>The system is updated at regular intervals and communication is in place between the Environmental Health Team and the team at Civica. A User Group and forum has been established where best practice and updates are shared and discussed.</p>	No areas requiring management actions were identified.
Risk Management	No opinion (baseline review for internal audit opinion)	This work focused on a review of risk management activity in 2022/23 to provide assurance for our annual internal audit opinion, that the Council has continued to maintain control over risk management arrangements and prepare for	February 2023	<p>Risk management arrangements continued to operate during 2022/23. Corporate and service level risk registers continued to be reviewed, updated and reported in line with established procedures.</p> <p>Procedures were in place to help ensure the Council could identify, assess and</p>	No areas requiring management actions were identified.

System/area	Opinion	Area reviewed	Date issued	Comments	Management actions agreed
		the upcoming LGR related organisational changes.		manage risks. Risks related to upcoming changes related to LGR have been considered and we saw evidence of risks related to this upcoming change being incorporated into current risk registers. The upcoming changes as a result of LGR will mean systems at the existing authorities will be combined into a single central system. Risk management arrangements for the new North Yorkshire Authority are currently being developed by a LGR strategic risk management group.	
Housing Benefits	Substantial Assurance	<p>Previous internal audit reports covering the housing benefits service area (July 2019 and July 2022) found a strong control environment in place.</p> <p>The purpose of this audit was to review key Housing Benefits information to assess the quality of arrangements being operated in 2022/23.</p>	March 2023	<p>We found no new risks relating to the quality of arrangements being operated during 2022/23.</p> <p>New claims processing speeds were within the 20-day target that is set across all North Yorkshire local authorities and the local 4 day target for processing change in circumstances.</p> <p>Key Performance Indicators (KPIs) were produced and monitored on a regular basis. The service generally performed well and clear explanations were provided on each indicator for performance levels.</p> <p>Department of Work and Pensions (DWP) data on performance in 2022 raised no issues.</p> <p>No complaints were upheld specifically relating to housing benefits.</p>	No areas requiring management actions were identified.

System/area	Opinion	Area reviewed	Date issued	Comments	Management actions agreed
				External Audit reviews of the housing benefit subsidy claim form for the last two years found only minor issues which had no impact on the overall subsidy.	
Sundry debtors and debt recovery	Substantial Assurance	<p>We reviewed key controls within the sundry debtors and debt recovery systems to ensure that:</p> <ul style="list-style-type: none"> • invoices were requested and raised accurately and in a timely manner • outstanding debt was actively pursued and correct procedures followed • income was appropriately reconciled • debt write-off procedures were being followed. 	March 2023	<p>Invoices were requested and raised accurately, in a timely manner, and included all necessary information.</p> <p>All reminder letters reviewed were issued in line with Council guidance.</p> <p>Daily reconciliations were being performed between the cash receipting system and the general ledger. No issues were noted with those we tested.</p> <p>Our work on outstanding debt noted some outstanding debt that had not been reviewed in the last year. This is not unexpected given the sundry debtors team has, in recent years, had many extra demands placed upon them; more recently (after the Covid-19 pandemic, including processing Business Grants), Local Government Reorganisation, and the additional fuel payment support.</p> <p>Whilst sampling showed some debts are being left to age, action has been taken by officers to collect outstanding debt. Outstanding debt also decreased from £306,234 in June 2022 to £236,428 in December 2022. Officers have prioritised the available resources, for example working on larger debts.</p>	<p>2 Priority 3 actions were agreed</p> <p>A review of small/older debts will be undertaken, and action taken to write-off where appropriate, before 31st March 2023 and the transition to the new Authority.</p> <p>It is planned that the new authority will implement new processes by 31st December 2023, to ensure debts are reviewed on a regular basis, regular reporting is provided to Management and appropriate recovery/write-off action taken where appropriate.</p>

APPENDIX C: AUDIT OPINIONS AND PRIORITIES FOR ACTIONS

Audit opinions

Our work is based on using a variety of audit techniques to test the operation of systems. This may include sampling and data analysis of wider populations. It cannot guarantee the elimination of fraud or error. Our opinion relates only to the objectives set out in the audit scope and is based on risks related to those objectives that we identify at the time of the audit. Our overall audit opinion is based on 4 grades of opinion, as set out below.

Opinion	Assessment of internal control
Substantial assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control, to effectively manage risks to the achievement of objectives in the area audited.
No assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

*There are circumstances when it is not appropriate to give an opinion/assurance level on completed work, for example on project and other support, consultancy, grant certification and follow up work. When '**no opinion**' is our conclusion this is not to be confused with a no assurance opinion.

Priorities for actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

COUNTER FRAUD PROGRESS REPORT 2022/23

Date: 21 March 2023

Annex 2





BACKGROUND

- 1 Fraud is a significant risk to the public sector. The government estimates that the taxpayer loses up to £51.8 billion to fraud and error in public spending every year¹. Financial loss due to fraud can reduce a council's ability to support public services and cause reputational damage.
- 2 Veritau delivers a corporate fraud service to the council which aims to prevent, detect and deter fraud and related criminality. We employ qualified criminal investigators to support departments with fraud prevention, proactively identify issues through data matching exercises, and investigate any suspected fraud. To deter fraud, offenders face a range of outcomes, including prosecution in the most serious cases.
- 3 The purpose of this report is to update the Committee on counter fraud activity in 2022/23.



FRAUD MANAGEMENT

- 4 Veritau undertakes a range of non-investigative activity to support the development of counter fraud arrangements at the council. Preparation for Local Government Reorganisation (LGR) in North Yorkshire has been a focus for Veritau in 2022/23. The counter fraud team has worked with all councils to ensure that strong counter fraud policies and procedures are in place when the new authority forms. An e-learning package designed to prepare staff for the threat of fraud was released in September 2022 and has been completed by key finance employees.
- 5 Raising awareness of fraud issues within the council is an important part of the work of the counter fraud team. In June 2022, Veritau raised awareness of whistleblowing and highlighted the importance of the role of managers in the process. In October, warnings about the latest methods and tactics used by cyber criminals were communicated to officers as part of Cybersecurity Awareness Month. During International Fraud Awareness Week in November, messaging to staff reinforced how to report concerns to the fraud team. In December we highlighted the importance of the council's anti-bribery and anti-money laundering policies.
- 6 To help the council meet obligations under the Local Government Transparency Code 2015, Veritau provided transparency data on counter fraud work completed in 2021/22. This information is published on the council's website.

¹ Fraud and Error (Ninth Report of Session 2021/22), Public Accounts Committee, House of Commons



MULTI-AGENCY WORK

- 7 The National Fraud Initiative (NFI) is a large-scale data matching exercise that involves all councils and several other public sector bodies in the UK. Central government oversight of the NFI has now transferred to the new Public Sector Fraud Authority.
- 8 The council uploaded mandated data sets in November 2022 and January 2023. Matches have now begun to be released. These will be reviewed by relevant council officers. Any suspected instances of fraud will be reported to Veritau.



INVESTIGATIVE WORK

- 9 Veritau have received 52 reports of potential fraud in 2022/23. These involve suspected council tax support, council tax and business rates discounts/exemptions, and covid-19 grant fraud. The team works closely with staff and encourages members of the public to report any concerns they have about fraud affecting the council.
- 10 The counter fraud team has helped the council achieve £42.7k of savings in 2022/23. The savings figures comprise repayment of debt arising from investigative work, a maximum of one year future savings if an investigation has stopped an ongoing fraud that would otherwise have continued, and the prevention of any one-off payments that would have been made without the intervention of the team.
- 11 Investigations linked to the awards of government funded Covid-19 grant payments to businesses resulted in £24.5k of business rates savings. Information from new national data matches helped identify potential fraud and error that cannot be detected by local records alone. Officers processing applications also highlighted potentially incorrect awards of business rates exemptions.
- 12 Warnings have been issued to five individuals following investigation. Two for failing to provide up to date information while receiving a single person discount, and two were issued to business owners who incorrectly received covid-19 grants payments and/or business rates exemptions. A further warning was issued to an individual for failing to provide correct information when receiving council tax support.
- 13 Elven investigations are ongoing. Any cases that remain open at the end of March 2023 will transfer to the new North Yorkshire Council.
- 14 A summary of investigative work is included in appendix A, below.

APPENDIX A: SUMMARY OF INVESTIGATION ACTIVITY

Activity to date includes the following:

	2022/23 (As at 13/02/23)	2022/23 (Target: Full Yr)	2021/22 (Actual: Full Yr)
Amount of actual savings (quantifiable savings - eg repayment of loss) identified through fraud investigation	£32,757	£16,000	£12,294
% of investigations completed which result in a successful outcome (for example payments stopped or amended, sanctions, prosecutions)	53%	30%	47%
Amount of savings from the prevention of Covid-19 grant fraud	£10,000	n/a	£5,681

Caseload figures for the period are:

	2022/23 (As at 13/02/23)	2021/22 (Full Year)
Referrals received	52	85
Number of cases under investigation	11	18 ²
Number of investigations completed	19	38

² As at 31/03/2022

Work completed or in progress

The service promotes the use of criminal investigation techniques and standards to respond to any fraud perpetrated against the council. Activity in 2022/23 includes the following.

- **Covid-19 related fraud** – Warnings have been issued to two individuals who incorrectly obtained covid-19 grant payments. Eight investigations have been completed in 2022/23, and two investigations are ongoing. The council has referred several businesses to the Department for Business, Energy and Industrial Strategy for recovery of grant payments.
- **Council Tax Reduction fraud** – Investigations have helped recover £4.1k of incorrectly obtained council tax reduction. Two cases have been completed, one resulting in a warning being issued for failing to declare correct information. One case remains under investigation.
- **Council tax fraud** – The team have eight council tax investigations ongoing. Nine cases have been completed, two resulting in warnings being issued. Investigative work has led to recovery of £4.1k of underpaid council tax.
- **NNDR fraud** – One case is currently under investigation. Investigations linked to applications for Covid-19 grants have led to £24.5k of savings from recovered business rates, removal of exemptions and generation of new liabilities.
- **Internal fraud** – No referrals of internal fraud have been received.