

Corporate Anti-Fraud Team (CAFT) Annual Report 2016/17

The purpose of this annual report is to provide a summary on the outcome of all CAFT work undertaken during 2016-17 including CAFT progress and outcomes set against the objectives as set out in our annual strategy and work plan.

All CAFT work is conducted within the appropriate legislation and through the powers and responsibilities as set out within the financial regulations section of the Council's constitution. CAFT supports the Chief Operating Officer and Section 151 Officer in fulfilling their statutory obligation under section 151 of the Local Government Act 1972 to ensure the protection of public funds and to have an effective system of prevention and detection of fraud and corruption. It supports the Council's commitment to a zero tolerance approach to fraud, corruption, bribery and other irregularity including any Money Laundering activity.

During the last year CAFT have launched a new 'Fraud Risk Awareness' module as part of the Council's Management Academy. The Management Academy is for approximately 200 of the council's managers. Its aim was to provide a range of learning and development solutions, and to build on manager's current skills, knowledge and behaviour. The Fraud Risk Module was designed, developed and delivered by CAFT and Risk Management teams. It is a practical workshop specifically designed for each Delivery Unit across the Council to explore and identify how different fraud risks arise, the steps or controls that can be put in place to mitigate them and case studies to illustrate how these risks have actually materialised.

Blue Badge Fraud and Misuse featured heavily within the CAFT program in 2016-17. Officer resource was increased to combat what has proved to be an area of increasing fraud. The results of these activities are recorded within the performance indicators section of this report.

In October 2016 CAFT introduced 'Simple Cautions' as an alternative sanction in accordance with our Fraud, Bribery and Corruption Policy.

A 'Simple Caution' is an alternative sanction to prosecution with the following aims:

- To offer a proportionate response to low-level offending where the offender has admitted the offence;
- To deliver swift, simple and effective justice that carries a deterrent effect;
- To record an individual's criminal conduct and can form part of the defendant's criminal record for possible reference in future criminal proceedings or other similar checks;
- To reduce the likelihood of re-offending;
- To increase the amount of time police/council officers spend dealing with more serious crime and reduce the amount of time officers spend completing paperwork and attending court, whilst simultaneously reducing the burden on the courts.

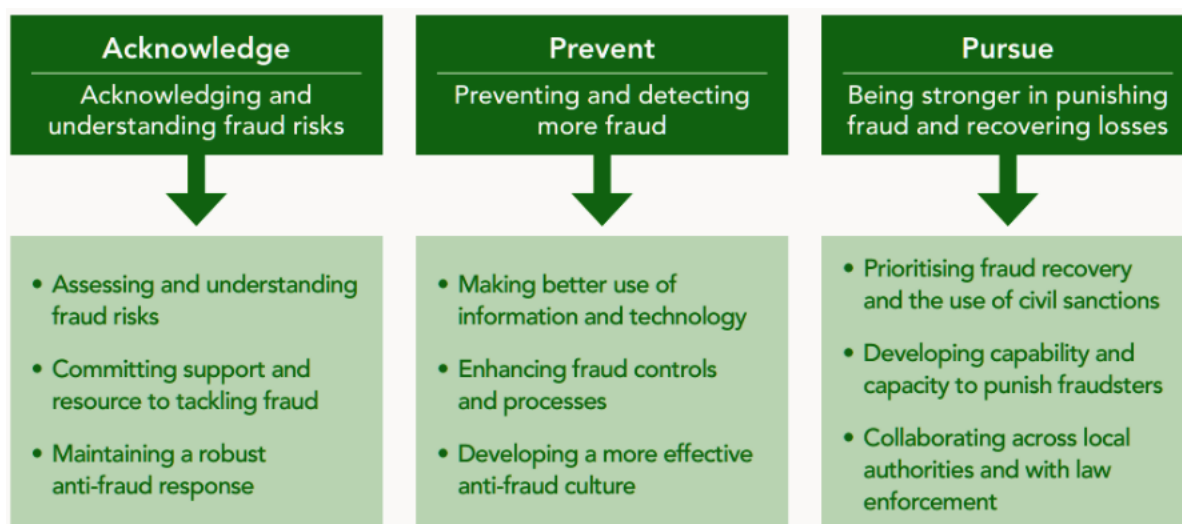
In summary CAFT continue to provide an efficient value for money counter fraud service and is able to investigate all referrals or data matches to an appropriate outcome. CAFT also provide advice and support to every aspect of the organisation including its partners and contractors. This advice varies between fraud risk, prevention and detection, money laundering and other criminal activity as well as misconduct and misuse of public funds. Some of the matters will progress to criminal investigation and others will not, but in all cases appropriate actions, such as disciplinary or recovery action is taken. It is this element along with the 'preventative – deterrent' nature of the work of CAFT that is hard to quantify statistically but where possible we have done so in the performance indicators section of this report.

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1. Anti-Fraud Strategy

Our annual anti-fraud strategy was aligned with the strategic approach as outlined in 'Fighting Fraud Locally' (FFL) – the Local Government Fraud Strategy 2016 -2019. This provided a blueprint for a tougher response to tackle public sector fraud. In 2016-17 we also considered and incorporated the new six themes as detailed within the 2016 FFL (**Culture, Capability, Capacity, Competence, Communication** and **Collaboration**) and as such have further adapted our strategy and approach to incorporate a response to these themes as well as consideration of local fraud risks facing the Council alongside horizon scanning on emerging national fraud risks and relevant good practice guidance.



Culture – creating a culture in which beating fraud and corruption is part of daily business
Capability – ensuring that the range of counter fraud measures deployed is appropriate to the range of fraud risks
Capacity – deploying the right level of resources to deal with the level of fraud risk
Competence – having the right skills and standards
Communication – raising awareness, deterring fraudsters, sharing information, celebrating successes
Collaboration – working together across internal and external boundaries: with colleagues, with other local authorities, and with other agencies; sharing resources, skills and learning, good practice and innovation, and information.

This year we launched our new communications strategy which aimed to increase CAFT's impact and effectiveness by aligning with the strategic approach set out in FFL. The aim was to increase awareness around CAFT policies and channels through which concerns and incidents can be reported as well as emphasize the responsibility of staff on making reports and enable residents to report any suspicions or incidents of fraud or wrongdoing.

We recognise that our communications play a key role in ensuring that our staff and residents understand and recognise fraud risks, understand the role of CAFT, different types of fraud and through which channels they can report any concerns or incidents of fraud. To support this CAFT work closely with the communications team to ensure that press releases are made in regards to pro-active exercise carried out by the team as well as prosecutions that take place.

Our **internal awareness campaign** and face to face fraud awareness sessions aim to increase fraud understanding between staff and their ability to detect fraud.

Month	Campaign
April 2016	New Fraud Awareness E Learning launched as part of 'on boarding/induction' process.
May 2016	Internal CAFT poster was distributed across the Council. The purpose of the poster was to raise awareness of the team on how to report any concerns to CAFT
May 2016	Launch of the new mobile device Barnet 'fraud app'
June 2016	First Team email: - promoting CAFT and channels on how to raise any concerns.
Ongoing	CAFT conducted face to face fraud risk awareness session to various teams within Barnet Homes such as neighbourhood housing teams and associated teams.
Ongoing	CAFT delivered face to face fraud/risk sessions across the all Delivery Units throughout the year as well as 'new manager' induction training
Summer	CAFT delivered 'new manager' induction training
November 2016	Financial Abuse session delivered by CAFT as part of Safeguarding Month

The **external awareness campaign** was targeted to residents across the borough with the aim to increase awareness around fraud and the different ways they can report any concerns.

Month	Campaign
July 2016	Barnet First; promotion of fraud awareness and the Fraud Team and new mobile 'fraud app'
September 2016.	Narrative around fraudulent school admissions was included in the school circular
October 2016	Barnet First; promotion of awareness of Blue Badge Misuse and Fraud including details on badges seized, how many drivers have been prosecuted and reminders of the rules around Blue Badge use.
December 2016	A poster for Housing Tenancy Fraud was included at the back page of 'At Home' magazine (Barnet Homes magazine)
March 2017	Barnet First; further Blue Badge Misuse and Fraud awareness narrative
Ongoing	CAFT utilised the Council's Twitter Account to highlight Blue Badge misuse and fraud

Acknowledging (and detecting) Fraud

CAFT is the council's dedicated fraud team, which consists of counter fraud specialists that operate under a framework of relevant policies and internal working procedures.

Each year we consider and review national fraud risks and emerging fraud trends against local intelligence fraud risks to assist in developing our risk based annual work plan (part of which is joint with internal audit). During the last year we have continued to strengthen our collaborative working with internal audit and key partners by utilising our intelligence, data analytics and data matching results to help direct anti-fraud reviews. We continue to work with services and key partners in helping ensure that anti-fraud arrangements are fit for purpose on all aspects of fraud risk. We have a working protocol with both CAPITA covering the CSG and Re contractual arrangements that address anti-fraud responsibilities as well as Barnet Group in relation to the management agreement arrangements that address anti-fraud responsibilities.

During the summer of 2016 a comprehensive review of the council's approach to risk management was undertaken. Fraud risks were considered as part of this exercise (supported by CAFT) and as such the new corporate risk register as well as revised service risk registers now reflect updated fraud risk information.

Each year we make a commitment to tackling fraud and deliver a robust anti-fraud response through the existence and work of the CAFT, supported by our annual risk based work plan (and joint plan with internal audit). This plan is approved each year by senior management and the Audit Committee. Progress on and changes to the plan are reviewed constantly and reported quarterly to senior management and the Audit Committee.

Preventing (and deterring) Fraud

We recognise that employees are often the first line of defence in preventing fraud. The Financial Regulations within the Council's Constitution places the responsibility for fraud prevention on all employees.

We have many open and easily accessible channels for reporting fraud, as well as confidential reporting 'Whistle blowing' policy in place to assist employees in reporting concerns about fraud and other issues without fear of harassment or victimisation. There is CAFT dedicated e-learning training within the corporate 'induction' programme for all new starters. During the last year CAFT also delivered bespoke face to face session on fraud awareness as part of the council's 'Safeguarding Month' and 'Management Academy' covering areas on financial fraud and abuse as well as delivering Tenancy Fraud awareness session to many Barnet Homes front line staff as well as the new managers induction program.

CAFT routinely use data matching techniques to identify possible fraudulent activity as well as centrally co-ordinating and investigating referrals relation to the National Fraud Initiative (NFI) data matching exercises to ensure that it is given high priority within services. During the last year we have also introduced the use of data analytics as part of our pro-active exercises in order to have more targeted approach.

CAFT continue to work closely with services and management in high fraud risk area's to ensure that working procedures and practices include robust fraud preventative measures. CAFT also conduct targeted proactive anti-fraud activity throughout the year, joint reviews with internal audit as well as re-active investigation work. Outcomes from reviews and investigations where appropriate are reported to management to support their on-going work and to assist in either confirming effective anti-fraud controls and or suggested areas for improvement.

We have effective liaison and working relationships with our HR team and where criminal activity is suspected or found, CAFT will deal with the criminal matter and disciplinary process in parallel to avoid duplication.

Pursuing Fraud (and seeking redress)

During the last year CAFT have undertaken a comprehensive exercise to review all internal investigation processes and procedures to ensure that they are effective, efficient and compatible with all governing legislation. There are internal CAFT management processes that ensure all investigations are carried out in a consistent, compliant and timely manner. This also ensures that we take appropriate action/sanctions against anyone who commits fraud whether they are members of staff or members of the public.

To this end we have developed a financial investigation function within CAFT. The purpose of this function is to liaise closely with other internal departments and external partner's (including the Police) that prosecute offenders in order to raise awareness around Proceeds of Crime Act (POCA) and ensure that where possible financial investigations are considered and undertaken by CAFT so that we can assist in the recovery of losses to the public purse and obtain where possible compensation and/or confiscation under the POCA. We also ensure that we utilise civil recovery procedures in relation to Tenancy Fraud and work collaboratively with other LA's and law enforcement agencies to ensure best use of resources with holistic approach to counter fraud at all times.

2. Pro-active fraud plan

Table 1 provides an update against all CAFT pro-active activity as set out within the 2015/16 plan

CAFT Pro-active review	Outcome
<p>Children's - Schools Admissions</p> <p>Proactive targeted anti-fraud work in this area to ensure the safeguarding of school placements.</p>	<p>As part of this exercise we have used 7,893 school admissions entries from seven heavily oversubscribed secondary schools in order to proactively check and validate applications before offers are made.</p> <p>The exercise identified discrepancies in over 350 applications.</p> <p>Investigations and joint working with Schools Admissions team is ongoing in relation to verifying the information supplied by the applicants.</p> <p>So far one place has been withdrawn with a further 8 applications being considered for further action.</p>
<p>National Fraud Initiative data matching exercises</p> <p>The National Fraud Initiative (NFI) is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud and error.</p>	<p>Various data sets from across the Council and Barnet Homes data sets were uploaded in October 2016.</p> <p>In February 2017 the matches resulting from the exercise were received from the Cabinet Office. A risk assessment is applied to each match by the Cabinet office and there are 2,601 red 'high quality - recommended' cases within these red matches.</p> <p>These are categorised as follows:-</p> <ul style="list-style-type: none"> • 936 Blue Badge to deceased • 4 Blue Badge to Blue Badge (in another authority) • 235 Housing Benefit • 593 Creditors • 497 Council Tax Reduction Scheme • 22 Housing (tenants / waiting list) • 13 Private residential care home to deceased • 37 Resident Parking Permits to deceased • 96 Pensions • 13 Insurance • 144 Personal budgets • 11 Payroll <p>CAFT co-ordinate this exercise for the Council and where relevant will also further investigate relevant matches or related referrals.</p> <p>The approach taken in resolving these matches is that normally matches are sent to the relevant nominated link officer within a service to assess and resolve matches as appropriate (including errors in our data), calculate overpayments where relevant and upload all results directly to through the web based Cabinet Office NFI Portal. For these services criteria is set by CAFT in</p>

	<p>relation to a service to referral a match back to CAFT for further investigation.</p> <p>CAFT have access to view all data and results uploaded to the NFI Portal for oversight purposes and some groups of matches are not passed to service areas to review as they are dealt with by CAFT directly.</p> <p>A new approach for 2017 is that we will be utilising the NFI data matches for directed sampling in relevant internal audit reviews.</p> <p>Further updates on outcomes from these matches will be reported to management and Audit Committee through CAFT quarterly progress updates reports in 2017-18.</p>
<p>Disabled Blue Badge Street Operations</p> <p>Disabled Blue Badges must only be used by the named badge holder, or by a person who has dropped off or is collecting the badge holder from the place where the vehicle is parked. It is a criminal offence for anyone else to use a Blue Badge in any other circumstances.</p>	<p>During the year CAFT have conducted five intelligence led proactive ‘street’ exercises across the borough – these are accompanied by NSL parking enforcement officers and Barnet Police. All the results of these operations are included within the statistical information in section 3 of the report.</p> <ul style="list-style-type: none"> On the 13th June 2016 CAFT officers accompanied by NSL parking enforcement officers and Barnet Police carried out a street based operation in the Chipping Barnet and Golders Green areas. During this exercise 66 badges were checked for validity which resulted in 6 badges being seized for misuse as the badge holders were not present, and investigations subsequently identified that 2 of those badges seized belonged to badge holders who were deceased. On the 29th & 30th September 2016 CAFT officers accompanied by NSL parking enforcement officers and Barnet Police carried out a street based operation in the Burnt Oak, Temple Fortune and Mill Hill areas. During this exercise 103 badges were checked for validity which resulted in 17 cases of misuse being identified. This led to 13 badges being seized; two of which were being used despite the permit holders being deceased and two had been reported stolen. The Operation also resulted in 22 parking penalty charge notices being issued: 16 of which relating to Blue Badge misuse and a further six for parking related contraventions. On 30th November 2016 CAFT officers accompanied by NSL parking enforcement officers and Barnet Police carried out a street based operation in the in the High Barnet area. During this exercise 62 badges were checked for validity which resulted in 4 Blue Badges being seized due to misuse (of these 1 was a cancelled badge and 3 were valid badges but the badge holder was not present), a further 2 badges were processed for further investigation. This half day operation also

	<p>resulted in 5 Penalty Charge Notices being issued for parking contraventions.</p> <ul style="list-style-type: none"> On 23rd February 2017 CAFT officers accompanied by NSL parking enforcement officers and Barnet Police carried out a street based operation in the Hendon area. During the operation 78 badges were checked which resulted in 11 Blue Badges being seized due to misuse (of these 3 were cancelled due to being reported lost or stolen and 7 were valid badges but the badge holder was not present and 1 badge was found to be a counterfeit), a further 2 badges were processed for further investigation; the operation therefore creating 13 new cases. <p>Overall street based operations have resulted in 34 Blue Badges being seized.</p> <p><i>Further statistic's on Blue Badge misuse/fraud are reported within section 3 of the report – Performance Indicators.</i></p>
<p>Tenancy Fraud Pro-active exercises</p> <p>CAFT have a service level agreement with Barnet Homes in relation to Tenancy Fraud. As part of this agreement we committed to four pro-active exercises across the borough</p>	<p>All the results of these operations are included within the statistical information in section 3 of the report.</p> <ol style="list-style-type: none"> In September 2016 an exercise was carried out in a particular road in the HA8 area where was suspicions of subletting. During this exercise 66 properties were visited by CAFT officers in order to confirm tenancies. Of these 64 were confirmed as the correct tenants. One property was recovered due to subletting and another property is still under investigation In November 2016 CAFT carried out an exercise following a Police reassurance operation where they visited elderly tenants in the borough. The police reported to Barnet Homes that different people were resident in some of those properties. The CAFT exercise resulted in 119 properties being visited. Of these, 117 were found to be the correct tenants. 2 properties were recovered due to non- occupation as a result of the exercise. In January 2017 an exercise was carried out in a particular road in the N3 area where there was suspicions of subletting. During this exercise 92 properties were visited by CAFT officers in order to confirm the tenancies. This exercise resulted in 92 properties being visited. Of these, 90 were found to be the correct tenants. 1 property was recovered due to non- occupation and 1 property is still under investigation.

	<p>4. In February 2017 an exercise was carried out in a specific estate in the N11 area. During this exercise 114 properties were visited by CAFT officers in order to confirm tenancies. So far this has resulted in 78 tenants confirmed as resident and there are on-going investigations at the remaining 36 properties.</p>
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Table 2 provides details of joint CAFT and Internal Audit Reviews and overall assurance ratings as set out within the 2016/17 plan. Further details of these reviews can be found in the relevant internal Audit quarterly progress reports.

CAFT and Audit Joint Reviews	Outcome / Assurance rating	Summary of Findings	Relevant quarter issued in / Link to Internal Audit Report
Street Scene Operational Review - follow up	Implemented	Processes to prevent HR and operational trade waste fraud were implemented	Internal Audit Progress Report Q1
Re Operational Review - Phase 1 - control design	Reasonable	Actions were agreed to ensure procedure documents were updated to include fraud indicators and escalation to CAFT where appropriate	Internal Audit Progress Report Q3 and Appendix 1 Regional Enterprise (Re): Operational Review-Phase 2: Operating Effectiveness Investigating and resolving alleged breaches of planning control.
Purchase Cards / Expenses	Reasonable	Controls to prevent the misuse of Purchase Cards were found to be operating at a satisfactory level	Internal Audit Progress Report Q1
Adults Direct Payments	Reasonable	Sufficient controls were found to be in place to mitigate risk of fraudulent direct payments	Internal Audit Progress Report

			Q2
KFS - Accounts Payable (CAM)	Reasonable	Controls adequate and effective to mitigate the risk of fraudulent payments	Internal Audit Progress Report Q3
KFS - Non-Schools Payroll (CAM)	In Progress		
No Recourse to Public Funds	In Progress		
Nursery places	In progress		
Estates subcontractor ordering processes	In progress		
SWIFT to Mosaic Data Migration	In progress		
Fraud Risk Checklist on all Schools Audits	Various	All checklists reviewed by CAFT officers and where appropriate advice given to schools	

3. Performance Indicators

Table 3 provides an update against all performance indicators as set out within the 2016/17 plan

Performance Indicator	2016-17	Comments
Corporate Fraud Team deal with the investigation of any criminal and fraud matters (except Benefit and Tenancy related fraud) attempted or committed within or against Barnet such as internal employee frauds, frauds by service recipients and any external frauds.. They work in partnership with partners, other organisations and law enforcement agencies to ensure that the public purse is adequately protected		
Number of carried forward Fraud investigations from previous year	30	
Number of new fraud investigations	65	
Total Number of closed fraud investigations	67	Please refer to noteworthy investigations sections of the report for further details if fraud is proven.
Total number of on-going fraud investigations	28	Of these 28 cases 7 relate to Schools and Learning, 6 relate to Planning, 1 relates to Family Services, 1 relates to Waste and recycling, 1 relates to Adults & Communities, 1 relates to Procurement, 3 relate to Parking & 8 relate to School Admissions
Number of staff no longer employed / dismissed as a result of CAFT investigations.	1	Please refer to noteworthy investigations sections of the report for further details
Disabled Blue Badge Misuse and Fraud this details the investigation of Blue Badge Misuse as well as Blue Badge fraud. Blue Badges can only be used by the named badge holder, or by a person who has dropped off or is collecting the badge holder from the place where the vehicle is parked. It is a criminal offence for anyone else to use a Blue Badge in any other circumstances.		
Number of carried forward Fraud investigations from previous year	15	

Number of new BB referrals received	187	
Number of BB cases closed	162	23 cases were successfully prosecuted and 43 were given Formal Cautions (<i>Please refer to noteworthy investigations sections</i>) 17 closed No fraud, 37 Warning letters issued, 34 closed insufficient evidence and 6 cases referred to the police & 2 were closed Advice and Assistance given
Open On-going BB investigations	40	6 cases are already with our legal team for prosecution 2 are being considered for Formal cautions and 32 are on-going investigations
Financial Investigations - a Financial Investigation under the Proceeds of Crime Act 2002 ensures that any persons subject to a criminal investigation by Barnet do not profit from their criminal action		
Number of carried forward Financial investigations from 15-16	8	
Number of new Financial investigations	6	
Number of closed Financial investigations	2	1 related Benefit and money laundering 1 relates to trading Standards Fraud
Total Number of on-going Financial investigations	12	Of these investigations, 6 relate to planning, 1 relates to Trading standards and 1 relates to Direct Payments 1 relates to schools and Learning, 2 relate to adults and communities and 1 relates to commissioning. Details of cases are reported on closure if fraud is proven or another sanction given.
Tenancy Fraud Team prevent, identify, investigate, deter and sanction or prosecute persons that commit tenancy fraud in Barnet, ensuring maximising properties back to the council where Tenancy Fraud has been proven. CAFT provide a detailed monthly statistical report, along with a more comprehensive quarterly report to Barnet Homes outlining how many properties have been recovered, along with a list of all referrals from the neighbourhood officers and the current status of the cases referred.		
Number of carried forward Tenancy Fraud investigations from previous year	103	
Number of new Tenancy Fraud investigations year	307	Of the 91 on-going investigations there are currently 3 cases with legal awaiting criminal hearings and 7 cases are awaiting civil hearings.
Total Number of closed Tenancy Fraud investigations this year	319	

Total number of on-going Tenancy Fraud Investigations at year end	91	The 81 remaining cases are still under investigation.
Number of properties recovered this year	64	<p>Of the 64 properties recovered this year so far these include:-</p> <ul style="list-style-type: none"> • 6 succession applications being denied • 13 emergency accommodation properties being cancelled. <p>The savings that this number of recovered properties equates to is £9,600,000.00*</p> <p><small>*according to audit commission calculation of £150k per recovered property</small></p>
Number of 'Right to Buy' applications denied as a result of CAFT intervention this	17	<p>There is a maximum discount of £103,900 per property on right to buy cases. During this financial year CAFT have saved £1,539,600* in discounts</p> <p><small>*14 x £103,900, 1 x £85,000 due to length of residency and 2 where the application did not reach valuation stage.</small></p>
Number of Housing Applications denied as a result of CAFT intervention this year	10	CAFT work closely with the housing options team and offer advice in addition to investigating cases
Regeneration properties where number of bedrooms has been reduced following CAFT investigation this year	2	These are when tenants are stating other persons are resident in order to obtain extra bedrooms in regeneration properties. CAFT intervention has ensured they have accommodation suitable for their needs
Joint tenancy denied this year	1	This is when a tenant has attempted to add another person onto the tenancy. There were concerns that the original tenant would then move out of the property.
Downgrading of housing application banding this year	2	These are where a housing applicant applies to have a higher banding in order to get a higher position on the waiting list.
Other information reported as per requirements of policy.		
Number of requests authorised for surveillance in accordance with Regulation of Investigatory Powers Act 2000 (RIPA).	Nil this year. This statistic is reported for information purposes in accordance with our policy and statistical return to the Office of Surveillance Commissioners.	
Number of referrals received under the council's whistleblowing policy.	<p>Three matters were referred under whistleblowing policy in the last year – summarised below:-</p> <p>Q1 A whistleblowing letter was received this quarter but this related to a grievance issue and the whistle-blower was</p>	

	<p>informed how to raise the issue in accordance with the relevant HR Policy.</p> <p>Q3 A whistleblowing referral was received this quarter which was passed to appropriate service to deal with under the corporate complaints procedure</p> <p>Q4 A whistleblowing referral was received this quarter which is currently being investigated</p>
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4. Noteworthy investigations summaries for 2016/17

Corporate Fraud Investigations

False Identity Documents

As a result of a referral, CAFT officers identified that a Staff member working in the Street Scenes delivery unit had obtained employment by using a counterfeit passport. Checks were done to confirm the true identity of the employee after which CAFT officer, accompanied by police attended the Mill hill Depot where Mr I was suspended from the council service and arrested. Mr I has subsequently been dismissed and is awaiting prosecution for fraud and possession of false documentation

Fraudulent School Admissions application

A school application was received for Mill Hill County School where the applicants address was stated to be in Grahame Park, NW9 area. Checks carried out as part of the exercise showed that the registered occupant at this address was not recorded as being the same as the details submitted on the application form. A visit was conducted and the actual resident at the address confirmed that the names given on the application form were not known and did not live there. This resulted in the offer of a school place being withdrawn.

Financial Investigation that was carried out on behalf of Waltham forest Council (LBWF)

A request for assistance was received from the Fraud Team Manager at LBWF council in respect of a fraud investigation they had carried but now needed the services of a qualified Financial Investigator to instigate the recovery of funds under the Proceeds of Crime Act. An agreement was put in place on a recharge basis for our costs whereby a duly qualified accredited CAFT officer was able to prepare and present a confiscation case at court which allowed funds to be recovered by LBWF council. This is an example of where the knowledge and expertise of specialist CAFT officers has been used to the benefit of other local authorities.

Mr A– Proceeds of crime (POCA) Case

‘A landlord who was previously found guilty of breaching a planning enforcement notice has been ordered to pay a record fine and costs to Barnet Council after a lengthy and complex Proceeds of Crime investigation led by the Council’s Corporate Anti-Fraud Team (CAFT)’.

Mr A was found guilty at Wood Green Crown Court in August 2015 for breaching a planning enforcement order. Following the guilty verdict CAFT initiated an investigation under the Proceeds of Crime Act (POCA).

CAFT Specialist Financial investigators were able to investigate the case using special powers under the POCA to both identify and calculate the criminal benefit that Mr A had received. These officers were able to restrain properties to secure assets that would be used during the confiscation process. At the end of the POCA hearing at Wood Green Crown Court on 21st September 2016 His Honour Judge Patrick found in favour of Barnet Council

and a confiscation order was made against Mr A for an amount of £555,954 being the profit generated from his criminal conduct. He was also fined £65,000 and ordered to pay £80,000 in costs.

Under the government's POCA incentivisation scheme the confiscation amount of £555,954 will be split into 3 parts - £277,977 (50%) goes to the Treasury, £69,494 (12.5%) goes to the courts and **£208,482 (37.5%) comes to Barnet council.**

Mr B A Referral was received by CAFT from one of Barnet's delivery Units where there was suspicion that Mr B, who at the time was employed by the London Borough of Barnet as a Social Worker, had been taking payments from a Carer of a Barnet Council client and was in receipt of a direct payment to assist them in obtaining care.

In October 2016 Mr B pleaded guilty at Harrow Crown Court to offences contravening Section 4 of the Fraud Act 2006 and was sentenced to 18 months imprisonment suspended for 2 years and ordered to carry out 150 hours of unpaid work. The Judge also signed a compensation order for £10,090 to be paid to LBB by April 2017.

Mr D was found to be displaying a laminated copy of his friend's Blue Badge. As a result he was brought before Barnet Magistrate court where he pleaded guilty to offences of Fraud by false representation and of Making / supplying an article for use in fraud. Mr D was ordered to pay a victim surcharge of £60.00 and to pay costs of £85.00 to the Crown Prosecution Service. Some weeks later Mr D was again found to be using a copy of the same Blue Badge. As this was a second offence CAFT contacted the police who arrested him and he was again brought before Magistrates. Mr D was sentenced to 14 months imprisonment for offences contravening the Fraud Act 2006 and for perverting the course of justice. This case is a good example of CAFT's joint working with the Police service.

Mr E was found to be using a deceased relative's Blue Badge in Watling Avenue, Edgware. The case was brought before Willesden Magistrates Court where he pleaded guilty. The Court issued a Fine of £250 and ordered Costs of £808.32 and victim Surcharge of £25.00 to be paid.

Ms F was found to be using her young son's Blue Badge in Finchley Road, whilst the child was at school. She failed to attend Willesden Magistrates' Court and was found guilty in her absence. The Court issued a Fine of £420, and ordered costs of £829 and victim Surcharge of £42 to be paid.

Mr G was investigated for using a stolen Blue Badge on his vehicle in East Finchley to park up for work. The case was brought before the court on 18th October 2016. He entered a guilty plea by post for misuse of a disabled badge contrary to section 117 Road Traffic Regulation Act 1984. The Court issued a fine of £365 and ordered costs of £1,009 and a victim surcharge of £37 to be paid.

Mrs H was in receipt of a personal budget for her disabled child when it was discovered that she had used the funds to purchase a vehicle for family use. As a result of a second investigation by CAFT officers it was further found that Mrs H had also been misusing her child's Blue Badge. The case was brought before Magistrates Court where she pleaded guilty to charges of fraud by false representation and Blue Badge misuse. The Court sentenced Mrs H to 12-month conditional discharge and a compensation order for £2,145.00 for the fraud and a further 12-month conditional discharge for the Blue Badge offence.

Mr K During a Blue Badge operation in the Golders Green area a Mercedes Benz was observed displaying a Blue Badge. Checks were carried out on the badge resulting in a phone call to the Badge holder's home address. The Badge Holder answered the phone and confirmed that his son was using the badge. The vehicle owner Mr K was interviewed under caution where he stated that he forgot the badge was on the dashboard but neglected to buy a parking ticket. The matter was brought before the court where Mr K pleaded guilty by post which resulted in a fine of £150, ordered to pay costs of £150, and a victim surcharge of £30.

Mr L falsified an email purporting to be from the Parking Operations Manager at Barnet Council in order to avoid paying enforcement fees for an unpaid parking fine and requesting the return of £500. In an interview under caution his Solicitor read out a pre-prepared statement which gave a full and frank admission to fraudulently drafting and sending the email. Mr L was offered a simple caution and asked to pay towards the costs of the case, which he refused to pay. A record of the offence under Section 2 of the Fraud Act 2006 was recorded on the Police National Computer System.

Mr M was stopped by CAFT officers during a Blue Badge operation in Mill Hill Broadway, NW7. He was found to be using an expired Blue Badge belonging to his mother. He was formally interviewed under caution where he fully admitted the offence so was offered a simple caution and asked to make a contribution towards costs of £138 which he paid.

Ms N was stopped by CAFT officers during a Blue Badge operation in Temple Fortune, NW11, on inspection it was found that she was misusing her mother's Blue Badge. She was formally interviewed under caution where she fully admitted the offence so was offered a simple caution and asked to make a contribution towards costs of £174.00 which she paid.

Mr Q was found to be misusing his father's Blue Badge in Bunns Lane car park, Mill Hill, NW7. He was formally interviewed under caution where he fully admitted the offence so was offered a simple caution and asked to make a contribution towards costs of £130 which he paid.

Mrs P was found to be misusing her mother's Blue Badge, whilst her mother was in care home. She was formally interviewed under caution where she fully admitted the offence so was offered a simple caution and asked to make a contribution towards costs of £144.00 which she paid.

Tenancy Fraud Investigations

Mr AA had a 2 bedroom flat in Barnet. As part of a pro-active data matching exercise, this case was investigated as there were concerns that the tenant may not be resident. He was invited in for an interview under caution regarding the tenancy, as evidence indicated his wife and he owned two other properties and had been subletting their council property. A week before the interview, Mr AA handed the keys to the property back, however he was advised that he still needed to be interviewed under caution as we had reasonable grounds to believe a criminal offence had been committed. After his interview under caution and the decision was taken to prosecute Mr AA for 5 offences of obtaining property by deception and subletting contrary to the Theft Act 1968 and Fraud Act 2006. In May 2016 he pleaded guilty and was given a 14 month suspended sentence and ordered to carry out 180 hours of unpaid work. A compensation order for Mr AA to repay £127,000 was awarded to Barnet Council, in addition to costs of £20,000. This was ordered to be repaid within 6 months. This has now been repaid in full.

Ms BB had a two bedroom flat in Barnet. As part of a pro-active data matching exercise, this case was investigated as there were concerns that the tenant may not be resident. Further checks showed that Ms BB had been a joint owner of a property in another area for many years and had many other links to the property. Notices were served to recover the property. Ms BB was interviewed under caution and continued to state that she did reside in Barnet. However, the evidence was overwhelming and following the interview Ms BB confirmed that she was living in the other area and agreed to hand the keys back to the property, which she duly did. Due to the fact that Ms BB had been subletting the property in Barnet for many years and actually owned another property at the same time, the case has been passed to our legal team to commence criminal proceedings. This is currently still ongoing

Mr CC had a three bedroom flat in Barnet. CAFT assisted Barnet Homes in a key fob exercise on an estate in the area and credit checks were undertaken on all properties to be given new fobs. This check identified various discrepancies in respect of Mr CC's tenancy including having a mortgage on another property and lots of credit cards elsewhere. On the day of the key fob exercise, Mr CC's brother attended to collect the key fob and when questioned admitted he had "taken over" the tenancy. Notices were served to recover the property and the

matter was passed to our legal team to instigate civil legal proceedings. Once the tenant was aware of this, Mr CC contacted CAFT and agreed to relinquish the tenancy and duly did so.

Miss DD was in a three bedroom emergency accommodation outside Barnet. A referral was received from an officer in the emergency accommodation team stating they had concerns that the tenant was not resident. A joint unannounced visit was arranged, and CAFT officers were met at the property by the landlord. On entering the property, it was obvious that the tenant was sub-letting the property. A sub-tenant provided a statement saying that he had been resident for 2 weeks and another sub-tenant said that they had been in the property for a longer period of time. As a result of the investigation, the emergency accommodation was cancelled and the duty to house Miss DD was discharged.

Mrs EE had a one bedroom flat in Barnet. A referral was received stating that Mrs EE actually resided in another area and another family member was residing in the flat. Investigations confirmed that Mrs EE was spending the vast majority of her time in another area and the family member had various financial credits at the flat in Barnet that indicated they were resident. Notices were served as we were satisfied the tenant was living elsewhere. When Mrs EE made contact, she was informed that we had concerns that she was living elsewhere. Mrs EE rang back later on the same day to say that she wished to hand the keys back to the property and the keys were returned shortly afterwards.

Mr FF had an emergency accommodation studio flat outside Barnet. A referral was received from the emergency accommodation team that there were concerns Mr FF was not resident. Unannounced visits were made to the property without response and information obtained from neighbours stating the tenant had not been seen for some time. In view of this, the emergency accommodation was cancelled and no further contact has been received from Mr FF.

Mr GG had a 3 bedroom flat in Barnet. He had previously been investigated but we had been unable to prove that he was not resident. It was looked into again following Mr GG making a right to buy application. Checks were made and revealed somebody else living in the property, as well as details of a previous sub-tenant. Mr GG was interviewed under caution regarding the matter, but remained adamant that he was resident. The matter was passed to our legal team to commence civil proceedings. A court date was set, but Mr GG then made contact and handed the keys back to the property.

Mr HH made a succession claim to succeed his late Mothers 2 bedroom flat in Barnet. Checks showed that he had links to another property in the area. A visit was made to the other property and Mr HH was present. He confirmed that he held a tenancy at this address and he had not resided with his late Mother. As a result of this, the succession claim was denied and the property was recovered.