



Internal Audit Report

Customer and Support Services

**Unified Benefits
Department of Work and Pensions Guidance
Counter Fraud Compliance**

March 2013

1 INTRODUCTION

This report has been prepared as a result of the Internal Audit review of Unified Benefits - Benefit Fraud Team as part of the 2012 - 13 Internal Audit programme.

The government estimates that up to £3 billion pounds is lost to benefit fraud each year. This means that £120 of tax payers' money goes directly to those who commit fraud, when it should be going to families and individuals in need. It is therefore important that the Benefit Fraud Team is meeting the standards and guidelines set out by the Department Work and Pensions (DWP).

Benefit Fraud is a large part of the overall level of fraud control in Argyll and Bute, the Council's aim is to reduce and then eliminate Benefit Fraud. Fraudulent overpayments identified in Argyll and Bute 2011 / 2012 as £149,456.41p.

2 AUDIT SCOPE AND OBJECTIVES

The scope of this review is limited to the Questionnaire devised from the Good Practice Guide published on the Department of Work and Pensions (DWP) website relevant to the operation of a Benefit Fraud Team. The questionnaire was completed during discussion with the Unified Benefits -Benefit Fraud Manager with supporting evidence provided.

The broad objectives of the review were to ensure that DWP compliance is being achieved as set out in the DWP Good Practice Guide under the following sections:

- Quality fraud referrals are received and acted upon;
- Risk profiling of referrals is appropriate;
- Suitable action is taken on referrals;
- Fraud Investigators Code of Conduct is followed; and
- An Anti-Fraud Policy is available and up-to-date.

3 RISK ASSESSMENT

As part of the audit process the Risk Register was reviewed to identify any areas that needed to be included within the audit.

All areas identified within the Risk Register were included within the questionnaire used to undertake this audit, including; Leadership; New Legislation/Regulations; Resources and Anti-fraud Policy.

4 CORPORATE GOVERNANCE

There are no Corporate Governance issues to be reported as a result of this audit.

5 MAIN FINDINGS

The objective of this review was to ascertain whether the Unified Benefits – Benefit Fraud Team were following the DWP Good Practice Guidance covering Counter Fraud Activities. It was found the team is following DWP guidance and the report by section covers how the team is meeting them.

6 RECOMMENDATIONS

No recommendations were identified as a result of the audit.

7 AUDIT OPINION

The auditor is satisfied that the Benefit Fraud Manager has answered the questionnaire in an appropriate manner.

Based on the findings we can conclude that best practice as identified by the DWP is in place and the team is operating well.

8 ACKNOWLEDGEMENTS

Thanks are due to the Fraud Manager for co-operation and assistance during the audit and the preparation of the report and action plan.

Argyll & Bute Council's Internal Audit Section has prepared this report. Our work was limited to the objectives in section 2. We cannot be held responsible or liable if information material to our task was withheld or concealed from us, or misrepresented to us.

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