



cutting through complexity™

Protecting the Public Purse Fraud Briefing 2013

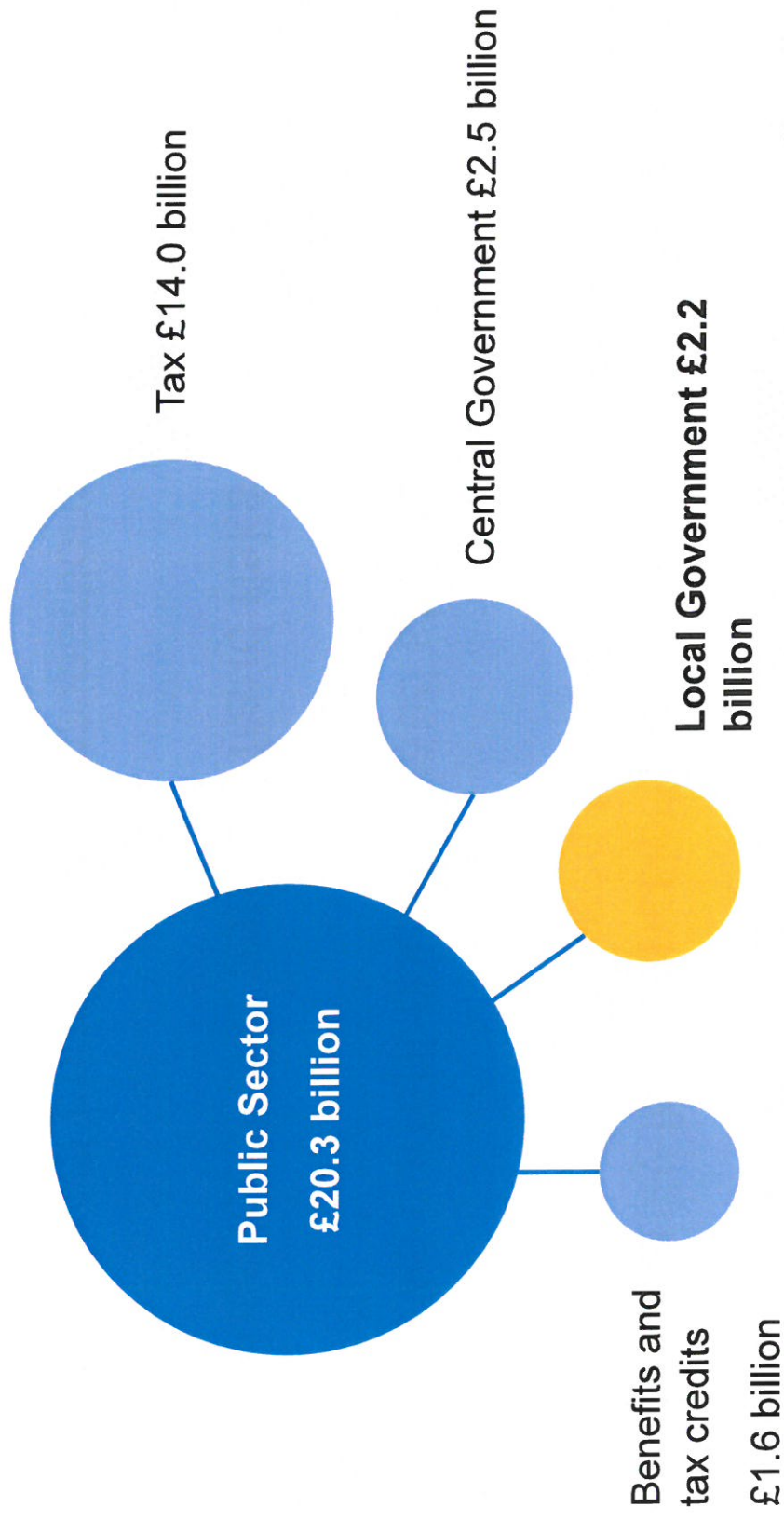
Barnsley Metropolitan
Borough Council

Agenda

- Introduction and purpose of your fraud briefing
- Protecting the Public Purse (PPP) 2013 report
 - national picture
- Interpreting fraud detection results
- The local picture
- Fraud drivers
- Questions
- KPMG resources

Introduction Fraud in the public sector

Public Sector fraud costs the UK economy billions each year.



Source: National Fraud Authority:
Annual Fraud Indicator, March 2012

Introduction

Purpose of your fraud briefing

- Opportunity for councillors to consider fraud detection performance, compared to similar local authorities
- Reviews current counter fraud strategy and priorities
- Discuss local and national fraud risks
- Reflect local priorities in a proportionate response to those risks

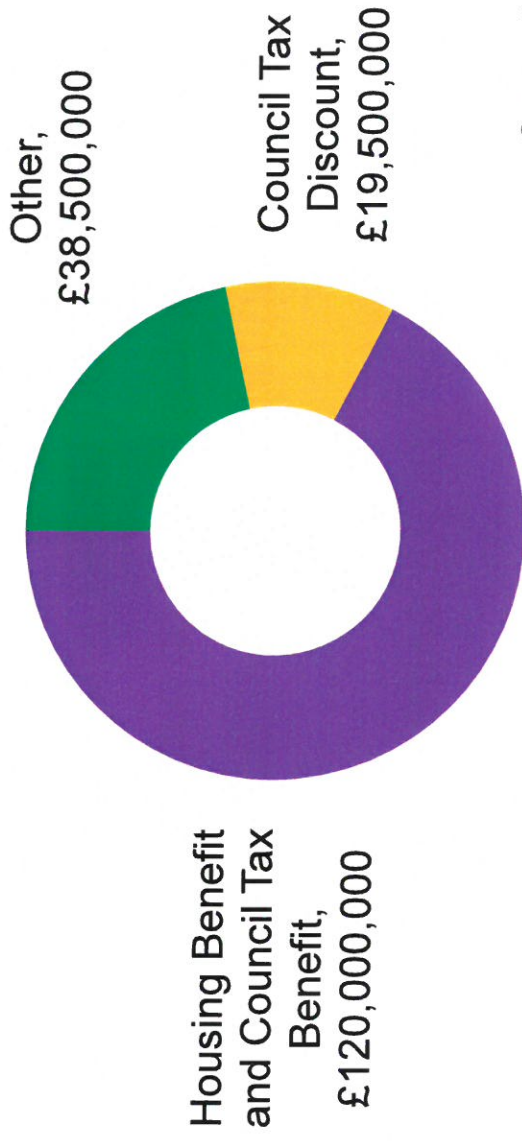
Your council is compared with the metropolitan districts and unitary authorities of the north west, north east and Yorkshire and the Humber regions

National Picture 2012/13

107,000 total cases detected with value of £178m (excluding social housing fraud)

Nationally, the number of detected frauds has fallen by 14% since 2011/12 and the value by less than 1%

Detected Fraud



Source: Audit Commission

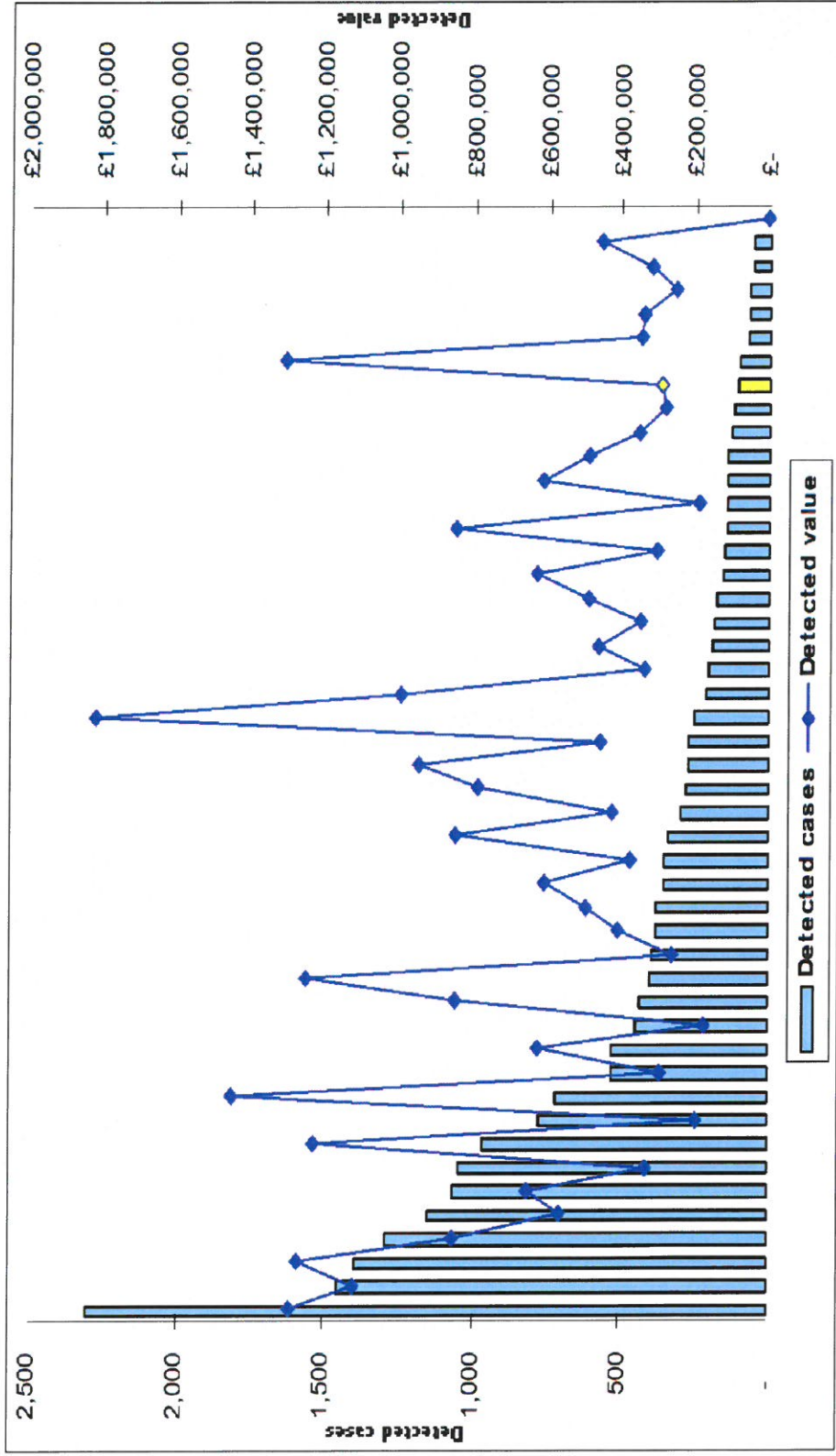
Interpreting fraud detection results

- Contextual and comparative information needed to interpret results
- Detected fraud is indicative, not definitive, of counter fraud performance (prevention and deterrence should not be overlooked)
- No fraud detected does not mean no fraud committed (fraud will always be attempted and even with the best prevention measures some will succeed)
- Council who look for fraud, and look in the right way, will find fraud (there is no such thing as a small fraud, just a fraud that has been detected early)

Your council is highlighted in yellow in the graphs that follow

The local picture

How your council compares to other Northern metropolitan districts and unitary authorities
 Total detected cases and value 2012/13 (excluding social housing fraud)

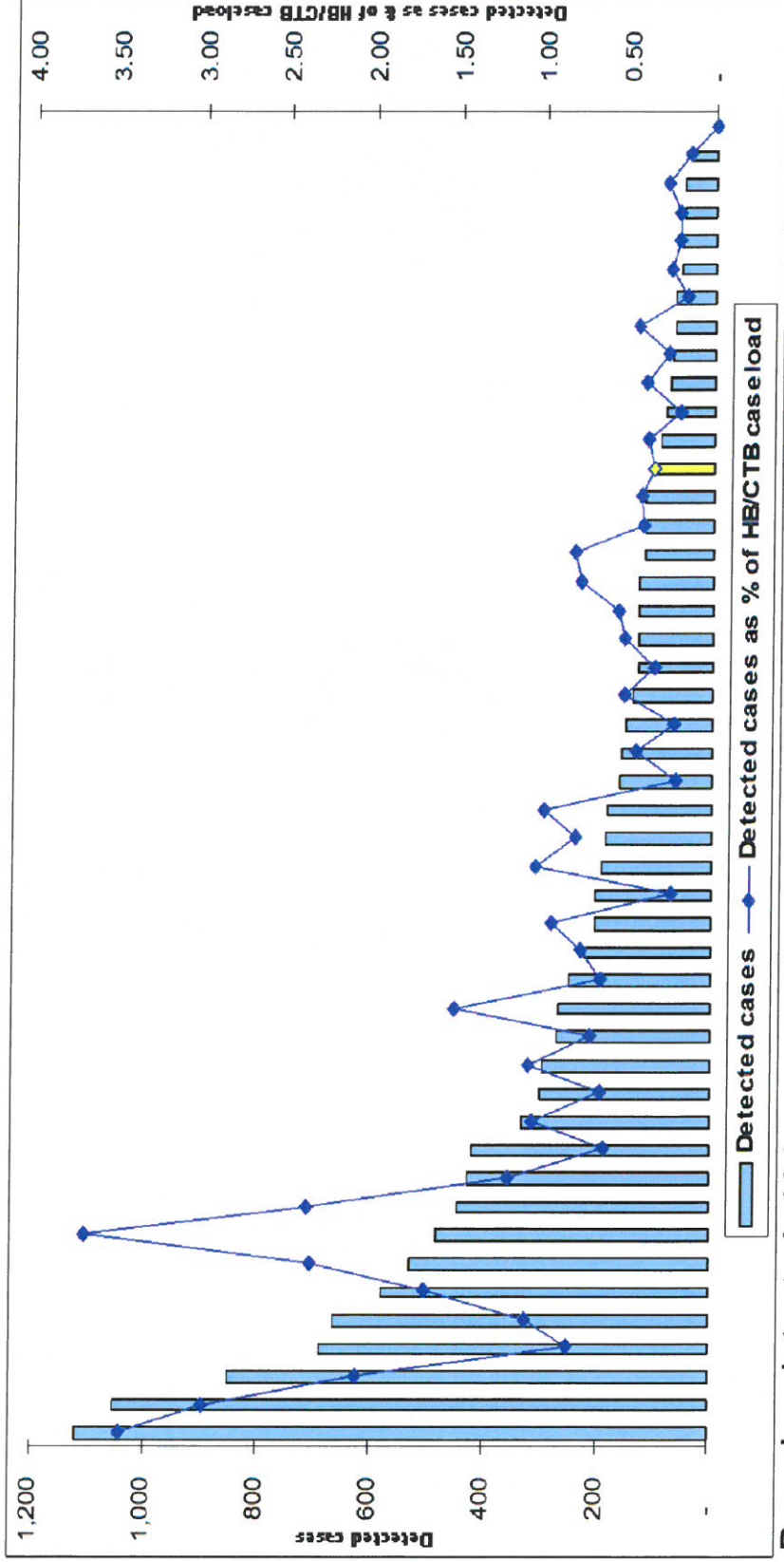


Barnsley detected: 106 cases, valued at £293,712

Source: Audit Commission

The local picture

Northern metropolitan districts and unitary authorities 2012/13
 Housing benefit (HB) and Council tax benefit (CTB) fraud
 Detected cases and detected cases as a percentage of HB/CTB caseload.



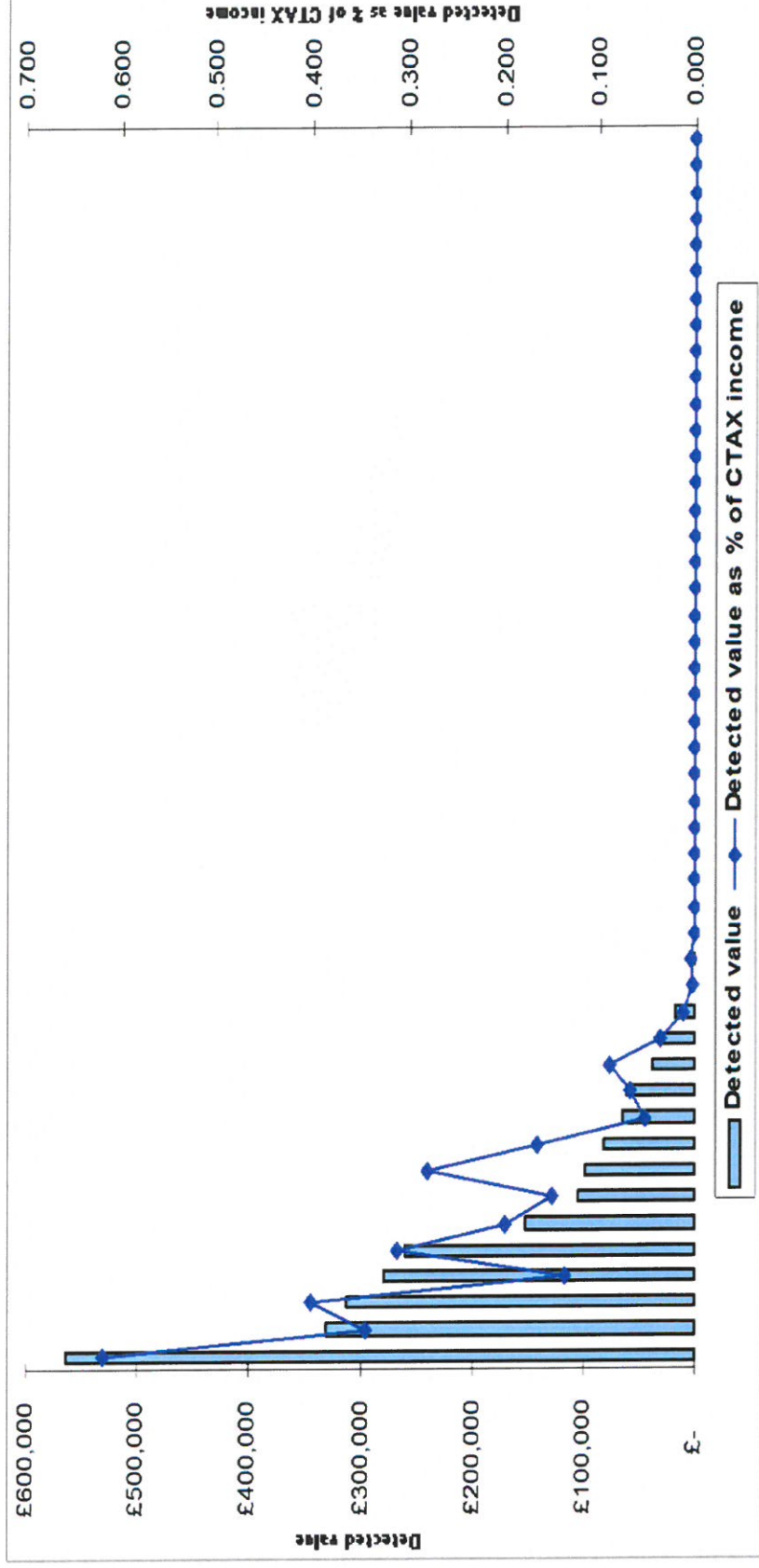
Barnsley detected: 101 cases, valued at £243,090

Northern average: 266 cases, valued at £532,110

Source: Audit Commission

The local picture

Northern metropolitan districts and unitary authorities 2012/13
Council tax (CTAX) discount fraud
Detected value and detected value as a percentage of council tax income



Barnsley detected: not recorded

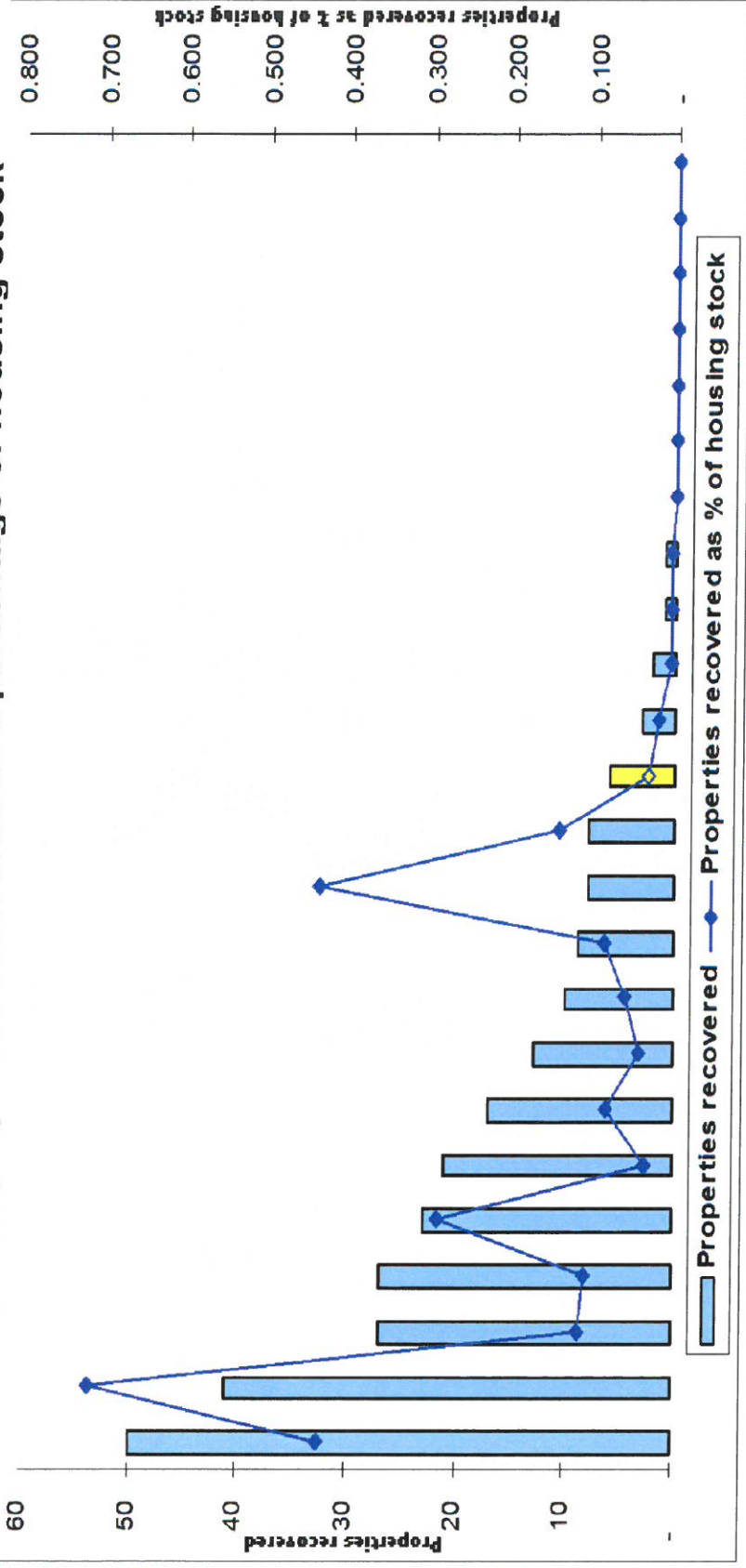
Northern average: 154 cases, valued at £50,941

Source: Audit Commission

The local picture

Northern metropolitan districts and unitary authorities with housing stock
Social housing fraud

Properties recovered and properties recovered as a percentage of housing stock



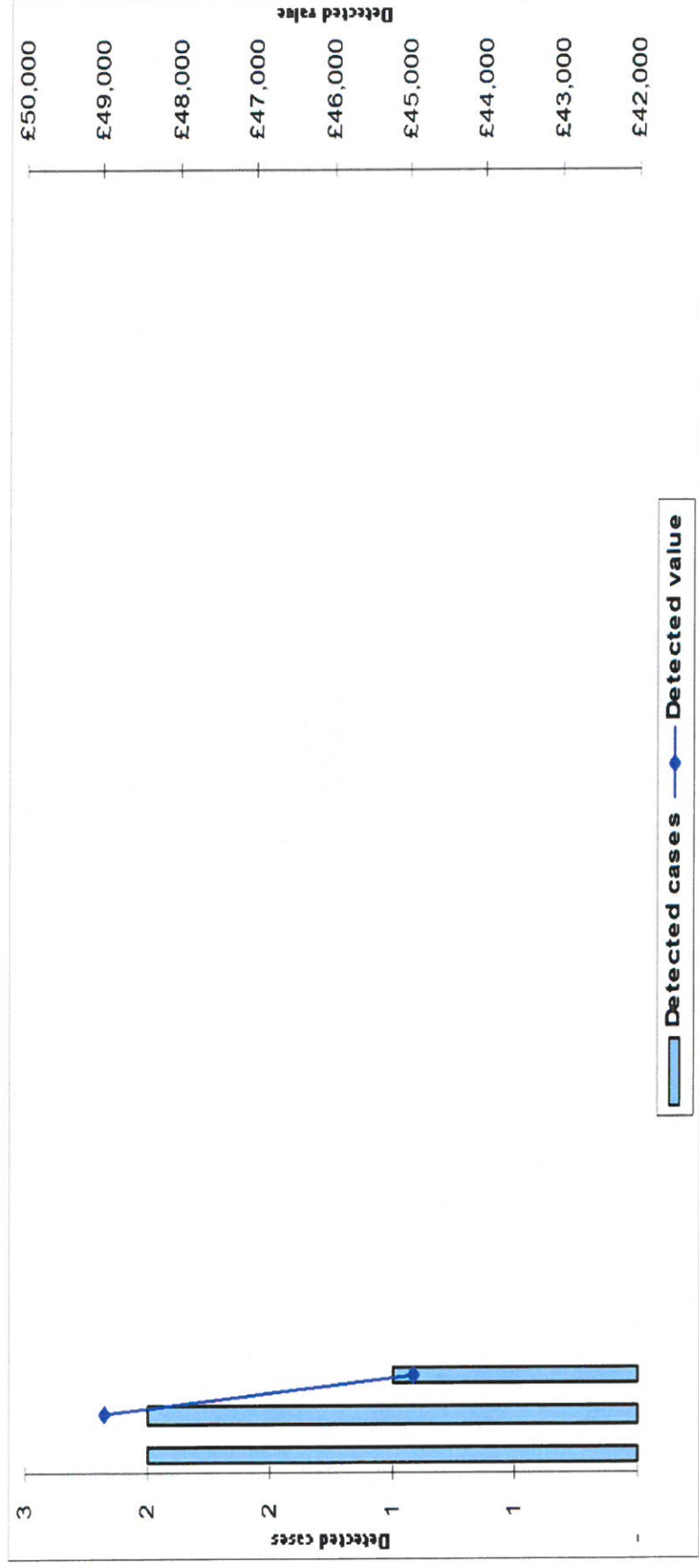
Barnsley recovered: 6 properties

Northern average: 11 properties

Source: Audit Commission

The local picture

Northern metropolitan districts and unitary authorities with housing stock 2012/13
Right to buy fraud
Detected cases and detected value



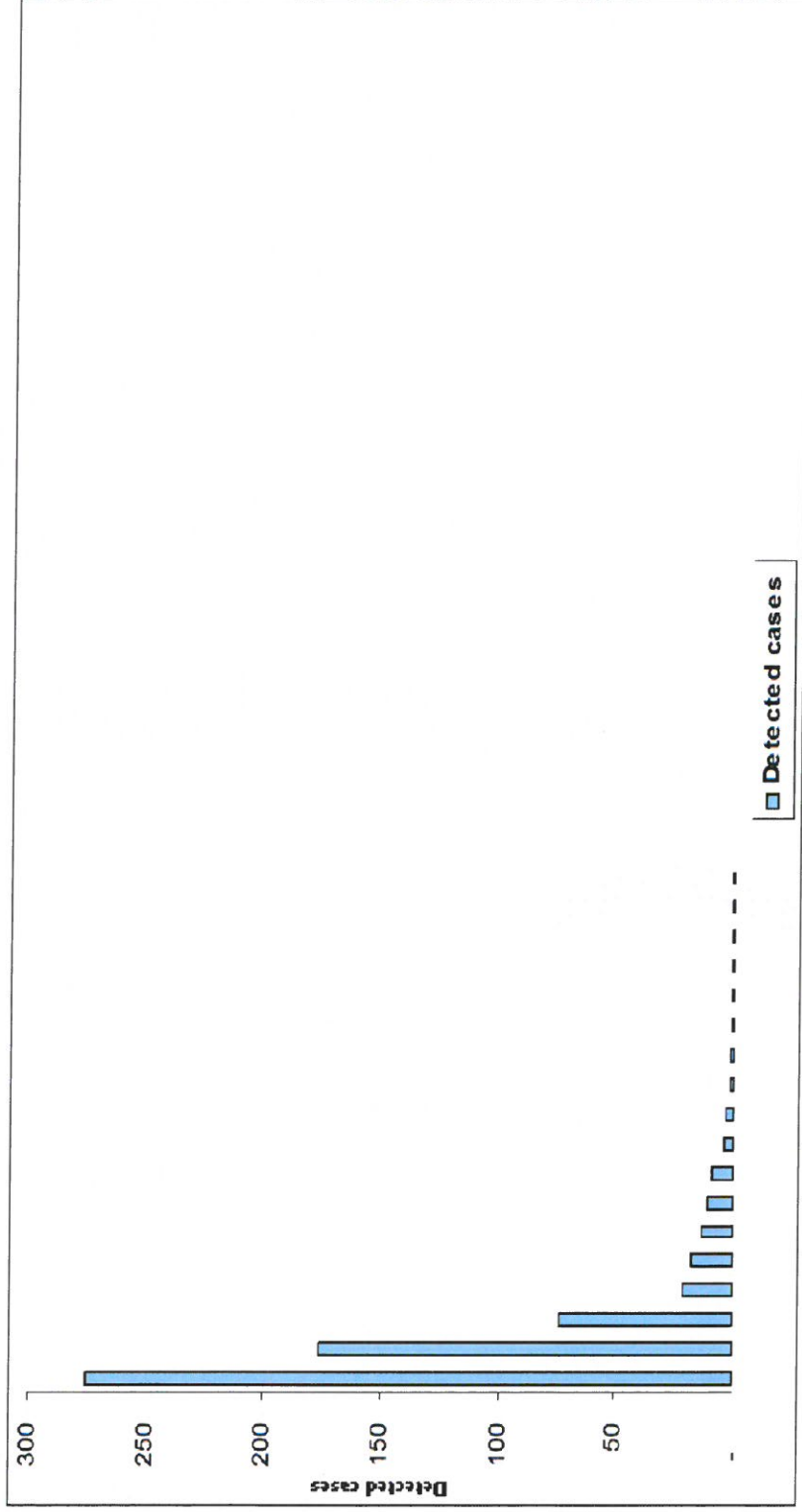
Barnsley detected: no cases

Northern metropolitan districts and unitary authorities combined only detected a total of 5 cases, with a total value of £93,885

Source: Audit Commission

The local picture

Northern metropolitan districts and unitary authorities 2012/13 Disabled parking (Blue Badge) fraud Detected cases



Barnsley detected: no Blue Badge frauds

Northern average: 13 cases

Source: Audit Commission

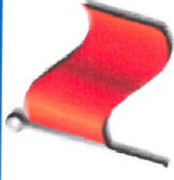
The local picture

Barnsley Metropolitan Borough Council Other frauds

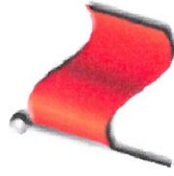
- Procurement: no cases
(Ave per Northern Met & UA: 1 case, valued at £3,660)
- Insurance: no cases
(Total Northern Met & UA: 1 case reported, with no value given)
- Social care: no cases
(Total Northern Met & UA: 19 cases reported, valued at £120,396)
- Economic & Third sector: no cases
(Total Northern Met & UA: 5 cases, valued at £127,200)
- Internal fraud: 3 cases, valued at £28,852
(Ave per Northern Met & UA: 7 cases, valued at £16,635)

**Correctly recording fraud levels is a central element in assessing fraud risk
It is best practice to record the financial value of each detected case**

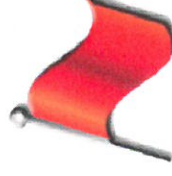
Fraud drivers



Opportunity



Pressure



Rationalisation

Questions?



KPMG resources

Public Sector counter fraud team

Forensic

Counter fraud governance reviews
Whistle-blowing
Bribery Act
Internal fraud awareness presentations
Data driven intelligence
Responsive advisory services to assist in prevention/detection

If you would like further information on counter fraud please feel free to contact your engagement team:

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