



CABINET

5TH MARCH 2015

AGENDA ITEM (10)

SANCTION POLICY

Accountable Member	Councillor Lynden Stowe Leader of the Council
Accountable Officer	Jon Dearing Joint Head of Revenues and Housing Support 01285 623304 jon.dearing@cotswold.gov.uk

Purpose of Report	To propose a new Sanction Policy
Recommendation	That the draft Sanction Policy be adopted.
Reason for Recommendation	Sanctions and prosecutions for Benefit Fraud are no longer the responsibility of the Council as this now sits within the Department for Work and Pensions, under the Single Fraud Investigation Service. This Sanction Policy therefore replaces the previous Prosecution Policy and incorporates the sanctions still available to the Council.

Ward(s) Affected	Not applicable
Key Decision	No
Recommendation to Council	None

Financial Implications	<p>Although it is difficult to quantify an exact loss or benefit, the level of all types of fraud and error committed against local government continues to rise. Recent Government publications suggest that 5% of all revenue paid out is subject to fraud and error. For this Council's shared Revenue and Housing Support Service, this is in excess of £694,280.00.</p> <p>It should also be considered that the additional income some sanctions generate would assist in the administration of such functions and act as a deterrent against future acts of fraud and omission by its customers.</p>
Legal and Human Rights Implications	None
Environmental and Sustainability Implications	None

Human Resource Implications	None. This Policy will be delivered using existing resources
Key Risks	The key risk is that to the reputation of the Council and the protection of public funds should it decide not to approve the Policy
Equalities Analysis	Not applicable

Related Decisions	None
Background Documents	None
Appendices	Appendix 'A' - Acts and Legislation Appendix 'B' - Summary of Potential Income Generation

Performance Management Follow Up	The Revenues and Housing Support Service will closely monitor the number and financial level of sanctions
---	---

Options for Joint Working	The responsibility for ensuring the Policy is adhered to sits within the Revenues and Housing Support Service, which is already a shared service, and with consultation with Legal Services. Key officers from both sites will have responsibility in ensuring sanctions are applied correctly and in accordance with the appropriate legislative guidance
----------------------------------	--

Background Information

1. Historically, the shared Revenues and Housing Support Services Investigation Team has, with great success, concentrated its counter-fraud work around the prevention and detection of Housing Benefit and Council Tax Benefit/Support-related fraud.
2. The Department for Work and Pensions (DWP) has announced that it is creating a national investigation team, the Single Fraud Investigation Service (SFIS), which will investigate all cases of welfare benefit fraud. This will, in effect, take on the fraud investigation work in respect of Housing Benefit fraud which has, up until now, been carried out locally by the Council, in liaison with DWP Investigators. With effect from 1st February 2015, the Housing Benefit investigation function has been transferred to the DWP under its SFIS.
3. The Council has retained powers to investigate Council Tax Support fraud under its local scheme. It will also have a duty to ensure that its customers are compliant when applying for the varying discounts/exemptions in respect of Council Tax and Business Rates, as well as any other financial or personal gain the service administers, such as housing and grants.
4. The aim of the proposed Sanction Policy is to prevent fraud and error in the first instance by making it clear to customers that they have a responsibility to provide accurate and timely information, and that failure to adhere to that responsibility may result in certain sanctions being applied against them. The sanctions applicable are broadly based on the financial losses incurred as a result of fraud or error. All sanctions will be administered in line with the appropriate legislation.
5. The Joint Revenues and Housing Support Service will continue to work with customers and support agencies to ensure that customers are able to meet their responsibilities, and that sanctions are used only when it is appropriate to do so.

(END)