

Appendix 2: Identified Fraud vs Expenditure Analysis – Investigation Activity 2014/15

1. The table below details the cost of investigation activity undertaken by the Anti-Fraud & Investigation Team for the 2014/15 reporting year, along with the value of identified fraud covering three different fraud types – housing tenancy, housing benefit and corporate fraud. Our calculations show that the value of identified fraud exceeds the total spend on investigation activity by £143,272.59. Not all identified fraud is recovered, this is for reasons such as being unable to trace or locate an individual, or where the value is very low, and recovery is not commercially viable. The majority of fraud identified is recovered, although usually over a period of time, and generally covering a number of financial years.
2. In addition to the spend on investigation activity, the anti-fraud expenditure on awareness activities, pro-active exercises and fraud management amounts to £38,430.

Description	Investigation Expenditure (£)
NAFN Costs	2,626.17
Financial Investigation	2,518.33
Transcription/ Translation	728.14
Computer Forensics	2,700.00
Counsel Fees	7,145.00
CoL Police Recharges	8,203.44
Investigator Costs	68,570.00
Internal Legal Costs	49,163.33
Total	£141,654.41
	Identified Fraud (£)
Housing Tenancy Fraud ¹	180,000.00
Housing Benefit Fraud ²	92,072.00
Corporate Fraud ³	12,855.00
Total	£284,927.00
Anti-Fraud expenditure – awareness activities, pro-active exercises and fraud management costs = £38,430.	
¹ Housing Tenancy Fraud – successful possession gained value of £18,000 per property sourced from Audit Commission value of national average temporary accommodation costs to Local Authorities for one family.	
² Housing Benefit Fraud – Fraudulent overpayments generally recovered over a prolonged period (in some occasions from on-going benefit entitlement), as such the value of identified fraud above has not yet been recovered in its entirety. A financial restraint order under the Proceeds of Crime Act has been obtained in relation to a housing benefit fraud prosecution case amounting to £34,225.12.	
³ Corporate Fraud – Value of identified fraud only recovered where possible and commercially viable; values above include theft, conduct, grant and employee fraud matters reported to and/ or investigated by the Anti-Fraud & Investigation team.	