

West Lothian Council's Counter Fraud Team cancel 186 blue badges

Hundreds of people were claiming a council tax discount in West Lothian despite not being entitled to it, investigations found.

There were 450 cases of people receiving it in the local authority area even though they were ineligible.

West Lothian Council's Counter Fraud Team identified a total of more than £345,000 of fraud and error in the last year.

The money was traced in wrongly paid council tax discounts, housing benefits and pensions.

Staff on the team also cancelled 186 Blue Badges no longer needed as part of the national scheme designed to tackle fraud and waste in public services.

Nationally more than £21million of fraud was discovered.

A recent report to the council's Audit Committee detailed the important work of the team in areas such as whistleblowing, investigations, raising awareness of fraud and offering advice to council officers.

The council's chief finance officer said: "Our fraud team carries out a vital service."

This year the team administered the National Fraud Initiative (NFI) biennial data matching exercise to identify fraud,

overpayment or error.

This data matching exercise identified 649 issues in areas including the Council Tax Single Person Discount/Reduction Scheme, supplier payments, housing benefits and pensions. The estimated value was just over £345,000.

The exercise also identified 186 Blue Badge permits as no longer required, with steps taken to cancel the permits by the end of June.

The team also accepted 96 new referrals during 2023 to 2024, including 81 for anti-fraud, 14 whistleblowing and one for anti-money laundering.

A nationwide survey found some councils had dead people on their housing waiting lists.

A council spokesperson said: "We have been successfully using National Fraud Initiative (NFI) data matching on a regular basis for a number of years now. This ensures that the data we hold is as robust and current as possible in key areas.

"The most recent exercise in 2022 to 2023 did not bring up any issues with deceased individuals on the housing waiting list, but did identify 186 cases where the holders of Blue Badges were now deceased.

"It also identified 450 cases where Council Tax Discount was being claimed by those who were ineligible, which saved the council over £173,000."

Head of Finance and Property Services Patrick Welsh said: "Our Counter Fraud team carries out a vital service by preventing money that should be spent on essential services being lost.

"The rise in anti-fraud referrals shows the team's work to raise awareness of their services has been effective, with more people aware of fraud issues and having the confidence to come forward.

“This is backed up by all the positive feedback the team receives for the professional, responsive and friendly service they provide.”

Nationally the data matching exercise detected £21.5 million worth of fraud and payment errors across the Scottish public sector.

Audit Scotland said today (Thursday) that savings are identified by checking eligibility for council tax discounts against the electoral register. The initiative runs every two years.

In 2022 to 2023, fraud and error data matches worth an estimated £21.5m were identified in Scotland, compared to £14.9m in 2020 to 2021. The largest potential savings were identified across council tax, pensions and housing benefits.

However, fewer public bodies were found to have fully satisfactory arrangements for participating in the NFI. And some bodies could improve how they follow up on data matches.

John Cornett, Executive Director of Audit Services, said: “The detection and prevention of fraud using the National Fraud Initiative remains vitally important to financial management across the public sector.

“To make the most of the NFI, public bodies need to ensure they have appropriate levels of resources in place to effectively follow up on matches.”

By Stuart Sommerville, Local Democracy Reporter