

# **Appendix 1**

## **Internal Audit & Investigations**

### **Quarterly Update Report Q2**

## 1.0 OVERVIEW

### 1.1 Purpose & Scope of Report

- 1.1.1 The purpose of this report is to provide an update on the progress made against the delivery of the Internal Audit Plan. This report provides details of audits completed in quarter 2 of the 2022/2023 financial year.

### 1.2 Assurance Framework

- 1.2.1 Each Internal Audit report provides a clear audit assurance opinion. The opinion provides an objective assessment of the current and expected level of control over the subject audited. It is a statement of the audit view based on the work undertaken in relation to the terms of reference agreed at the start of the audit; it is not a statement of fact. The audit assurance opinion framework is as follows:

Opinion	Explanation
No Assurance	“Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.”
Limited	“Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.”
Reasonable	“There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.”
Substantial	“A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.”

- 1.2.2 The assurance opinion is based upon the initial risk factor allocated to the subject under review and the number and type of recommendations we make. It is management’s responsibility to ensure that effective controls operate within their service areas. Follow up work is undertaken on audits providing **limited** or **‘no’** assurance to ensure that agreed recommendations have been implemented in a timely manner.

## 2.0 HIGH LEVEL SUMMARY OF AUDIT FINDINGS

		Recs			Assurance
2.1	Waste Operations	0	2	0	Substantial
2.1.1	This audit reviewed the arrangements for waste collection after a period of reorganisation over the summer of 2021. This included a review of the use of personnel resources, including overtime, shift patterns, rounds and use of agency staff. Vehicle management, including monitoring of rounds, vehicle usage and accident rates was also appraised.				
2.1.2	The general impression given as a result of the audit is that Waste Management is a well-run service that was operating efficiently. Statistically the rate of complaints is below 1% and that around 0.4% of all bins are missed of an estimated 7.2 million bins emptied each year.				
2.1.3	The audit found there was clear evidence of sickness and absence procedures in place and being utilised.				
2.1.4	At the time of audit (April/May 2022), the usage of agency staff had been declining and the full-time roster was just above the establishment level. However, during the summer of 20222, the service has seen an increase in sickness, inc long term cases which has led to agency use and overtime increasing to get rounds completed each week.				
2.1.5	The fleet is tracked and recorded via Fleet Management and route completion is monitored through operatives completing information on pads and this is stored on the White Space database which shows the round details and completions.				
2.1.6	There was room for improvement in data collection and management to reinforce performance monitoring and it was suggested that there was a greater interface between the data collected in respect of rounds; crewing and vehicle usage to present a more complete accessible dataset for performance measurement.				
2.1.7	There was no reporting of vehicle accident data to the operational management at the current time and these issues were dealt with purely by the fleet management rather than being incorporated into overall performance monitoring.				

		Recs			Assurance
2.2	Rent Accounting	0	6	4	Reasonable

- 2.2.1 The purpose of the audit was to confirm that all Reading Borough Council (RBC) and Home for Reading (HfR) properties were identified and accurately recorded in the rent accounting system, the gross rent and other charges had been correctly calculated in respect of each dwelling and correctly credited to tenants rent accounts and that all tenancy charges were correctly approved and recorded.
- 2.2.2 RBC rent increases for 2022/23 had been appropriately approved, notified to tenants in a timely manner and implemented from April 2022. For HfR properties, annual rent increases were applied on the anniversary of the tenancy at the lower of CPI+0.5% and 4%. Whilst these had been implemented in a timely manner, notifications of the increase to tenants had not been located in all instances. In addition, there were several instances where lower increases had been applied without authorisation and an appropriate audit trail, and inconsistency in the calculations.
- 2.2.3 Whilst we found a clear record of rent increase calculations for RBC properties for 2022/23, calculations for HfR increases were not documented other than on the letter of notification to the tenants. HfR tenancies due a rent increase were identified manually and were therefore subject to possible error and omission.
- 2.2.4 There was a separate rent account for each RBC and HfR letting with a unique reference number, with rent accounts showing payments received, allowances given, refunds and arrears history. Rent payments were set up in a timely manner with monies allocated to Ohms<sup>1</sup> rent accounts. Payments received in Civica<sup>2</sup> were automatically transferred to Ohms overnight. Daily cash reconciliations between Civica and Ohms were conducted, including review of the Ohms suspense account.
- 2.2.5 Debt collection and recovery policies were found to be in place, with debt monitoring and income collection regularly reported at management and committee level. It was noted, however, that debt recovery performance on former RBC and HfR tenants could be improved.

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<sup>1</sup> Northgate OHMS Housing Rents System

<sup>2</sup> The council's cash receipting system

- 2.2.6 Debt monitoring and income collection were included as part of the quarterly financial reporting to Policy Committee. The 2020/21 year-end collection rate of 97.61% (which exceeded the target 97.4%) and positive variance on bad debt provision was reported as part of 2020/21 outturn report to July 2021 Policy Committee. Rent collection/arrears figures were regularly discussed at AD performance management meetings and the overall collection rate reported to Finance each month. For 2021/22, this had ranged between 97.53-97.91% and it was noted that more than half of the HRA debt was in excess of two years old. The Housing Income Team Leader also received weekly reports of actions taken by Officers in relation to monitoring of debt.
- 2.2.7 Whilst quarterly reconciliations were conducted between Ohms and Oracle Fusion<sup>3</sup> by Accountancy, reconciliations between the RBC and HfR property databases and Ohms had not been completed for 2021/2022.
- 2.2.8 Policies and procedures were generally in place, although they would benefit from review and updating, as appropriate.
- 2.2.9 Officers were required to declare any interests prior to being granted access to the rents system (Ohms). However, users' access could not be blocked to specific accounts nor could access by an individual to a specific account be proved.

		Recs			Assurance
2.3	Transparency Code (Follow up)	-	-	-	Reasonable

- 2.3.1 The purpose of the audit was to benchmark the council's compliance with the Local Government Transparency Code 2015 and to highlight those areas where attention is required. It was not the purpose of the audit to confirm the accuracy of the supporting data provided.
- 2.3.2 The last audit undertaken in 2020 flagged areas of concern that needed appropriate consideration and action. The original audit report identified that due to a lack of oversight, the council had ceased to comply with the statutory requirements of the Transparency Code and created 66 freedom of information requests which could have otherwise been averted by the transparent publication of this information. Although the Code requires the summarisation of 14 areas of information, at the time of the audit only 2 of these areas were fully compliant, 5 were partially compliant and 7 areas failed to comply.

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<sup>3</sup> Oracle Fusion - council's financial management system

- 2.3.3 This audit follow-up review noted that whilst progress has been made since the last audit with regard to the 14 areas of information required by the Code, one of the original management actions remained outstanding. For information, as of 12 July 2022, 10 of these areas were now fully compliant, 3 were partially compliant and 1<sup>4</sup> area failed to comply at the time of the audit but has since been rectified.
- 2.3.4 The Transparency Code procedures are still in a draft format and include information required to comply with the code, information that must be published quarterly to comply, and the service areas that own the data. There is evidence within the draft procedures that they include and address the majority of the audit concerns, however the requirement for a protocol for publishing historical information from previous years is missing. We would also like it to be much more specific and turned into a standard operating procedure explaining “this is what to do” and “this is how to do it”.
- 2.3.5 There is no evidence of a review of the data being done quarterly by the Information Governance (IG) team and a report to the IG Board or CMT, rather there is only anecdotal evidence that this is occurring.
- 2.3.6 A total of 2 recommendations were made in respect of the original review, of which one was considered high priority. Neither of the two original recommendations have been fully implemented, and both require further management action, at the time of audit testing in June 2022.

	Recs			Assurance
2.4	Freedom for Information (Follow up)			Reasonable

- 2.4.1 The Freedom of Information Act (FOI) 2000 provides public access to information held by public authorities. It does this by requiring public authorities to publish certain information about their activities and enabling members of the public to request information from them.

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<sup>4</sup> Local authorities must publish the following information annually, about their counter fraud work: number of occasions they use powers under the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014, or similar powers, total number (absolute and full time equivalent) of employees undertaking investigations and prosecutions of fraud, total number (absolute and full time equivalent) of professionally accredited counter fraud specialists, total amount spent by the authority on the investigation and prosecution of fraud, and total number of fraud cases investigated.

- 2.4.2 The internal audit undertaken in 2019, flagged a significant number of areas of concern that needed appropriate consideration and action to ensure that the council adequately responded to and addressed various potential and significant risks in this area. The audit concluded that Reading Borough Council (RBC) complied with the basic principles of the Freedom of Information Act (FOIA), although processes followed did not necessarily facilitate timely responses.
- 2.4.3 In April 2020 we reported some good progress had been made in implementing audit recommendations and indeed, the quick wins, those not requiring budget and significant resource input, had been implemented and were found to be working well.
- 2.4.4 This recent audit follow-up review noted that whilst further progress has been made since the last audit, there remain some gaps in control which mean that certain risks for the council remain.
- 2.4.5 The management of the council and Brighter Futures for Children (BFfC's) FOI's were centralised in April 2020 and are now managed by the Customer Relations Team (CRT). This team sits under the Service Manager for the Customer Relations & Information Governance. The Information Governance Team is responsible for carrying out internal reviews of FOI's, responding to enquiries from the ICO about FOI's and giving advice to council officers on how to deal with complex FOI's. The Customer Relations & Information Governance Manager reports to the AD for Legal and Democratic Services.
- 2.4.6 In March 2021 the team implemented a system (Granicus FOI Module) which automated the FOI management and response service. Operationally within the CRT and the wider council, this module is known as 'Firm Step' or 'Dash'. The Module allows the customer to log their FOI via the RBC website, this page has guidance information for the customer around the FOI Act. The system generates an acknowledgement email to the customer and reminder emails to the officer until they complete the task allocated to them.
- 2.4.7 FOI performance reporting has improved following the implementation of the Granicus FOI Module, with annual and quarterly reports submitted to CMT and A&G. We've advised that consideration should now be given to expanding this performance data to include the rates of disclosure of requested information, the numbers of exemptions applied when withholding information and the outcome of internal reviews and external appeals. In addition to the quarterly and annual reports, weekly updates on new and outstanding FOI's are emailed to Directorate Management Teams.

- 2.4.8 Guidance has now been publicised for staff to follow and training has been made available and therefore officers are more aware of their responsibilities in the process. There is a need, however, for this guidance to be updated and incorporate the operational processes in the FOI module and include the original audit requirements in terms of the service standards and performance targets based on statutory requirements.
- 2.4.9 Notwithstanding these measures, performance across the council remains disappointingly low<sup>5</sup>, despite some pockets of improved performance which have been reported to previous A&G Committee meetings. The council aspires to meet the 90% response rate expected by the Information Commissioner and this has been included as a Corporate Plan KPI.
- 2.4.10 Out of a total of 13 recommendations made following the original audit, 9 have now been fully implemented, and 4 had been partially implemented and require further management action.

		Recs				Assurance
2.5	Deferred Payments	1	8	0		Limited

- 2.5.1 A Deferred Payment Agreement (DPA) is an arrangement with the local authority that enables people to use the value of their homes to help pay for care home costs. If eligible, the local authority will help to pay a client's care home bills on their behalf. The client can delay repaying the local authority until they choose to sell their home, or until after their death.
- 2.5.2 DPAs don't work in the same way as a conventional loan. Instead of loaning a fixed sum of money, the council pays the care costs on the person's behalf and allows the agreed care costs to accrue (with interest) under a legal Deferred Payment Agreement (secured against the property). This loan must be repaid in full (plus interest and administration costs) when their property is sold or from their estate.
- 2.5.3 Since April 2015, DPAs have been available from all local authorities across England. Annual statistics published by the NHS, records the average number and value of outstanding deferred payments per local authority in England as at the 31 March 2021 was 42.6 and £1,570m respectively. In context, RBC reported it had 5 DPA'S at a total value of £470k as at the 31 March 2021 compared to a Berkshire average of 17.5 DPA's at an average value of £1.31m.

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<sup>5</sup> 66.9% and 67.3% met the 20-day timeline in the last two quarters of 2021-22



- 2.5.4 Whilst the volume of reported DPA's is relatively small, this could be due to the number of applications progressed as a solicitor's undertaking<sup>6</sup>. No information is collected by the NHS specifically for care organised under an interim funding arrangement or where a property has been secured using a solicitor's undertaking.
- 2.5.5 We concluded that communication and coordination between services in Adult Social Care and Legal Services needs to be improved to ensure deferred payment applications are processed on a timely basis. We found that most deferred payment applications had been either progressed as a solicitor's undertaking or remained as an unsecured interim funding arrangement. Hence there is a risk of carrying higher levels of unsecured debt than potentially necessary because deferred payment applications are not being processed on a timely basis.
- 2.5.6 The process would benefit from an overarching DPA register to help reconcile the completeness of records, legal agreements, and supplementary documents, as currently there is too much reliance upon 'officers' knowledge. The audit found it difficult to reconcile the precise number of DPA's, with MOSAIC recording 22 DPA's in April 2022, albeit only 13 records recorded any DPA information. The remaining 9 were recorded as an interim funding arrangement.
- 2.5.7 There is a lack of supporting estate agent valuations on file to substantiate the valuation of properties used as the basis for security for the care loan. Also there does not appear to be any procedures to ensure annual re-valuations are carried out so that the latest market values are considered, increasing the risk that the equities which form the basis for calculating the level of debt, declared on the annual statement for the customer, are incorrect.
- 2.5.8 We are satisfied that there are arrangements in place to monitor the recovery status of these debts on a regular basis by the Social Care Debt Monitoring Group, albeit we understand further emphasis to include interim funding arrangements and solicitor undertaking cases may be required to enable a fuller analysis of the DPA position.
- 2.5.9 The Deferred Payments Internal Audit Report is attached in appendix 2.

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<sup>6</sup> Legal Services have commented "The Care Act lists a solicitor undertaking as security that a local authority would accept for DPA cases. A solicitor's undertaking is a binding promise and for this reason solicitors only ever give undertakings if they know they can be fulfilled as failure to do so can result in the solicitor being struck off. With regards to sale of a property a solicitor usually will give an undertaking at the stage they know the property is about to sell - sometimes you do get this in advance in DPA cases but very rarely is this the case."

## 2.6 Grant Certifications

### Covid-19 NHS Test and Trace Support Payment Scheme Grant

- 2.6.1 The common purpose of these grants was to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred in relation to the delivery of the Test and Trace Support Payment scheme. The scheme aimed to support people on low incomes who have been told to self-isolate and who are unable to work from home and will lose income as a result. RBC received £905,828 made up of seven separate grant determinations.
- 2.6.2 From a 5% block sample test of payments made, we are satisfied there were satisfactory procedures in place for recording and substantiating the legitimacy of payments against applications and isolation documentation, and that these were correctly paid and accounted for during 2020/21.

### Covid-19 Test and Trace LA service support grant

- 2.6.3 The purpose of the grant was to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred in relation to the mitigation against and management of local outbreaks of COVID-19. RBC received £901,002 and having carried out appropriate investigations and checks, it was our opinion, that the conditions attached to grant determination have been complied with.

### Covid-19 LA Contain Outbreak Management Fund grant

- 2.6.4 The Contain Outbreak Management Fund (COMF) provided funding to local authorities in England to help reduce the spread of coronavirus and support local public health. RBC received £1,167,323 and having carried out appropriate investigations and checks, it was our opinion that the conditions attached to grant determination had been complied with.

### Rough Sleeping Initiative Grant Determination 2021/2022 (tranche 1 & 2)

- 2.6.5 RBC received £1,038,523 grant funding to provide local support for those who are homeless. Having carried out appropriate investigations and checks, it was our opinion that the conditions attached to the Rough Sleeping Initiative 2021-22 grant payments paid last financial year (April 2021 - March 2022) have been complied with.

### Protect and Vaccinate Grant

- 2.6.6 RBC received £208,298 grant funding to help support all local authorities across England to find appropriate accommodation and, most importantly, to use this as a way of boosting vaccination rates across this vulnerable population. The Chief Executive and Chief Internal Auditor of each of the recipient authorities were required to sign and return to the Homelessness and Rough Sleeping Directorate of the Department for Levelling Up, Housing and Communities a final spend declaration, including a breakdown of a) accommodation and associated costs b) spend on increasing vaccine up-take.
- 2.6.7 We can confirm that all grant funding was spent in accordance with the terms and conditions of the grant funding.

### Crime and Harm Reduction Grant

- 2.6.8 RBC received £327,000 of revenue-only funding from Public Health England (PHE). This was a one-year funding scheme to support improvements in interventions to reduce drug-related offending and deaths.
- 2.6.9 In line with the conditions of the grant a Statement of Grant Usage (SOGU), the Head of Paid Service and Chief Auditor were required to confirm the grant had been spent in accordance with the terms and conditions of the grant determination. £7,994 was unspent and will therefore be repaid.
- 2.6.10 Following appropriate checks and investigations we were able to confirm that the conditions attached to the grant determination had been complied with and information supplied in the survey was accurate.

Key: ■ No Assurance ■ Limited Assurance ■ Reasonable Assurance ■ Substantial Assurance

### Audit reviews carried over from 2021/2022

Audit Title	Timing				Start Date	Draft Report	Final Report	Res			Assurance
	Q1	Q2	Q3	Q4				P1	P2	P3	
Client Contributions (Adult care)	●				Feb-22	May-22	Jun-22	1	5	6	
Freedom of Information (Follow-up Review)	●				Jun-22	Jul-22	Aug-22	-	-	-	
Transparency Code Compliance (follow-up)	●				Jun-22	Jul-22	Aug-22	-	-	-	

### Audit reviews for 2022/2023

Audit Title	Timing				Start Date	Draft Report	Final Report	Res			Assurance
	Q1	Q2	Q3	Q4				P1	P2	P3	
Green Homes BEIS Grant*	●										
Waste Operations	●				Apr-22	Jun-22	Jun-22	0	2	0	
Rent Accounting	●				Apr-22	Jun-22	Aug-22	0	6	4	
Deferred Payments	●				Apr-22	Jun-22	Aug-22	1	8	0	
NHS Test and Trace Grant Determination	●				Jun-22	Jul-22	Jul-22	-	-	-	N/A
Contain Outbreak Management Fund Grant**	●				Jun-22	Jul-22	Jul-22	-	-	-	N/A
Practical Support Payment (PSP) grant**	●				Jun-22	Jul-22	Jul-22	-	-	-	N/A
Rough Sleepers Initiative Grant**	●				Jun-22	Jun-22	Jun-22	-	-	-	N/A
Salary Sacrifice schemes	●				Jul-22	Sep-22					

\* Sign off delayed until October 2022

\*\* The requirement for these grants to be signed off by the Chief Auditor was not known until mid-June this year

Key: ■ No Assurance ■ Limited Assurance ■ Reasonable Assurance ■ Substantial Assurance

Audit Title	Timing				Start Date	Draft Report	Final Report	Res			Assurance
	Q1	Q2	Q3	Q4				P1	P2	P3	
Deputyship and Appointeeship	●				Jul-22	Sep-22					
Crime & Reduction Grant***		●			Aug-22	Aug-22	Aug-22	-	-	-	N/A
Local Transport Plan Capital Settlement (Grant Certification)		●			Sep-22						
Waste PFI contract		●			Jun-22	Sep-22					
Cyber Security		●			Aug-22						
Inflationary Uplifts (follow-up)****		●									
Audit Committee Review		●									
Budget Setting/Monitoring		●									
Housing Repairs (responsive & planned maintenance)			●								
Housing PFI			●								
Records Management & Document Retention Policy (follow-up)			●								
General Ledger - New Finance System			●								
Accounts Payable			●								
BACS Security and controls over Faster Payments			●								
Furlough Administration			●								
Direct Payments			●								

\*\*\* unplanned

\*\*\*\* delayed until Q3

Key: ■ No Assurance ■ Limited Assurance ■ Reasonable Assurance ■ Substantial Assurance

Audit Title	Timing				Start Date	Draft Report	Final Report	Res			Assurance
	Q1	Q2	Q3	Q4				P1	P2	P3	
Adult Care Provider Payments (follow-up)			●								
Commercial Assets & Investments				●							
Intercompany accounting (Follow-Up Review)				●							
Contract Management				●							
Terminations (leavers and movers) processes				●							
Adults Contract Management (follow-up review)				●							
Client Contributions Adult Care (Follow Up)				●							
Adult Social Care Debt				●							

### 3.1 Council Tax Support Investigations

- 3.1.1 The Corporate Investigations Team (CIT) has referred several cases for financial reviews from 36 Council Tax Support investigations completed, where a discount was removed from the current account.

### 3.2 Housing Tenancy Investigations

- 3.2.1 Since 1st April 2022, officers have commenced investigation into several referrals of tenancy fraud, with 26 cases ongoing and 3 properties having been returned to stock to date. All these cases were tenancy-related investigations. The team has also assisted in the return to stock of 2 Registered Social housing landlords' properties.
- 3.2.2 The notional saving achieved on the properties returned to RBC stock is £279,000 adopting the notional savings multiplier used by the Cabinet Office in its National Fraud Initiative report.
- 3.2.3 CIT has also looked at 13 Right to buy applications 2 applications have been withdrawn in the period securing for RBC a rental income of £13,400 for this year and preventing £174,400 in grants been paid under the scheme
- 3.2.4 CIT also undertakes assurance verification by looking at new homeless applications. For the period, the team has reviewed 81 cases. There are 16 cases awaiting Council Tax to review the SPD, and to date, a total of £1,213.00 has been recorded as direct SPD savings.

### 3.3 Social Care Fraud

- 3.3.1 There is one ongoing direct payment investigation (Adults) currently in progress, which is linked to potential money laundering offences and in a separate case are working with RBC legal services to recover £16,000 in misused monies linked to an ongoing investigation into direct payment fraud.
- 3.3.2 Officers have been working with Adult Social Care (ASC) in reviewing five cases to ensure monies are being spent in accordance with the care plans. The sample of 5 clients selected by ASC was classed as high-risk, as RBC had no access to the client's bank account and was reliant on them providing evidence of care being paid.
- 3.3.3 The purpose of our review was to establish that all clients have used the direct payments from RBC as intended, that all clients had received the care that ASC had confirmed was required and that all services had received payment for that care.

- 3.3.4 Whilst it is important to note that no fraudulent activity was found, it was identified that 4 of the 5 clients' bank accounts were shown to have significant surplus balances.
- 3.3.5 Our findings, with supporting evidence were referred to the Finance Assessments and Benefits (FAB) Team ASC for them to monitor direct payments on a more regular basis (recommended 3-6 months), and to refer all 5 cases to ASC to review each client's care package. As of 24 August 2022, we were informed that £51k had been recouped, out of a total of £97.5k. The investigations team have extended this work and are now reviewing a further 25 direct payment accounts.

### **3.4 Disabled Persons Parking (Blue) Badges**

- 3.4.1 Blue Badges are parking permits issued by the council to assist disabled persons with parking across the area. A Blue Badge can give the badge holder exemption from some parking restrictions and access to designated parking spaces.
- 3.4.2 Over a 3-day period in May, Investigation Officers worked alongside the Blue Badge team and Parking Enforcement Officers to monitor and report on possible Blue Badge misuse across the Town Centre.
- 3.4.3 Over the 3-day period, officers undertook approximately 18 hours of monitoring, checking, and verifying a total of 307 vehicles. The investigations identified the following:
- Two badges were found to be in use, where the Badge holders were not present.
  - Five badges designated to a child, were found to be in use, when the child should have been in school.
  - One badge reported as stolen was found to be in use.
  - Four badges in use had expired, of which three were seized by officers and removed from Circulation.
  - One badge belonging to a deceased person was found to be in use.
- 3.4.4 All the above cases are subject to further investigation and possible legal action where applicable. All these cases were reported to NSL, and Fixed Penalty Charge (FPN) was issued. A further two vehicles were found to be parked in disabled bays, without displaying any Blue Badge. These vehicles were reported to Parking Enforcement Officers and an FPN was issued in both cases.
- 3.4.5 Including the vehicles which failed to display any badges, we reported fifteen issues linked to Blue Badge misuse over the period of inspection. This equates to approximately 5% of all vehicles inspected on the day.



- 3.4.6 In addition to the above, since April 2022, we have received a total of 8 misuse referrals, all of which were investigated. 1 case was successfully prosecuted in April 2022, and 5 cases have been sent a formal warning letter and the remaining cases under ongoing investigation.

### **3.5 Covid Business Grant Investigations**

- 3.5.1 The investigations team have recently achieved a successful prosecution, in respect of a fraudulent Covid Business Grant Claim, with the defendant admitted to fraud by false representation and made to pay compensation of £10,000 to RBC. The defendant was also handed a community order to undertake 100 hours of unpaid work.