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West Midlands man arrested on suspicion of £495,000 furlough fraud

A West Midlands man has been arrested as part of an HM Revenue and Customs (HMRC) investigation into a suspected £495,000 Coronavirus Job Retention Scheme (CJRS) fraud.

HMRC officers executed a search warrant yesterday (8 July 2020) in the Solihull area and arrested the 57-year-old. This is the first arrest in connection to alleged fraud relating to CJRS.

Computers and other digital devices were seized, and funds held in a bank

account relating to his business have been frozen.

Richard Las, Acting Director, Fraud Investigation Service, HMRC, said:

“The Coronavirus Job Retention Scheme is part of the collective national effort to protect jobs. The vast majority of employers will have used the CJRS responsibly, but we will not hesitate to act on reports of abuse of the scheme.

“This is taxpayer’s money and any claim that proves to be fraudulent limits our ability to support people and deprives public services of essential funding.

“As usual, we have built steps in to prevent mistakes and fraud happening in the first place, but anyone who is concerned that their employer might be abusing the scheme should report it to HMRC online, at <https://www.gov.uk/government/organisations/hm-revenue-customs/contact/report-fraud-to-hmrc>.”

More than £27.4 billion has been claimed through the Job Retention Scheme supporting 1.1m employers and 9.4m furloughed jobs.

The CJRS scheme has four lines of defence:

- Employees have to have been on a payroll on or before 19 March – preventing the use of fake employees
- Claims are only accepted from employers known – and authenticated – by HMRC
- All claims are assessed by a specialist team within a 72-hour window
- Proportionate and reasonable interventions with customers after money has been paid.

The 57-year-old man was also arrested in relation to a suspected multi-million pound tax fraud and alleged money laundering offences.

A further eight men from across the West Midlands have also been arrested as part of this linked investigation, which involved the deployment of more than 100 HMRC officers to 11 locations. Further computers and other digital

devices were seized, plus business and personal records.

Notes to Editors

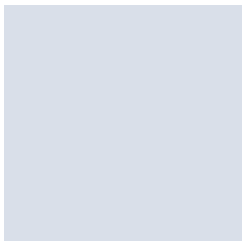
1. A 57-year-old man from Solihull was arrested on suspicion of cheating the public revenue, fraud by false representation, VAT evasion and money laundering.
2. Follow HMRC Press Office on Twitter [@HMRCpressoffice](https://twitter.com/HMRCpressoffice)
3. Anyone who is concerned their employer might be abusing the CJRS can report it to HMRC [online](#).

Issued by HM Revenue & Customs Press Office

HM Revenue & Customs (HMRC) is the UK's tax authority.

HMRC is responsible for making sure that the money is available to fund the UK's public services and for helping families and individuals with targeted financial support.

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