

Bolsover District Council

Audit Committee

23rd January 2018

National Fraud Initiative 2016/17 - Summary of progress to date
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Report of the Internal Audit Consortium Manager

This report is public

Purpose of the Report

- To present, for members' information, a summary of the results of the 2016/17 National Fraud Initiative (NFI) for Bolsover District Council to date.

1 Report Details

- 1.1 Since the closure of the Audit Commission, responsibility for NFI has moved to the Cabinet Office and is set to continue. Local Authorities are required to supply various data sets which they process and match with other local authorities and participating organisations to highlight potential cases for further investigation. It should be noted that the existence of a match does not necessarily indicate that any form of fraud has taken place and each match needs to be investigated further where considered necessary.
- 1.2 The NFI website states that all users should have undergone appropriate pre-employment screening checks to ensure that the threat to the system or the information is mitigated as far as possible and as such recommends that the HMG Baseline Personnel Security Standard (BPSS) is adhered to.
- 1.3 This covers an identity check; nationality and immigration status check; employment history check and a criminal record check (unspent convictions only).
- 1.4 Designated users of the NFI web application have been established at BDC across the relevant services and these staff have all had the relevant security checks undertaken.
- 1.5 For the 2016/17 matching exercise, data was uploaded in October 2016 and the reports were released to local authorities, via a secure website, to commence their

reviews in February 2017.

- 1.6 Once the matches have been investigated the results are recorded on the secure website together with the amount of any errors or frauds identified.
- 1.7 To assist the examination of reported matches, reports are classified as High or Medium quality, address details and a fourth little used category of 'for information'.
- 1.8 The main reports generated related to housing benefit claimants, payroll, creditor and housing tenant data. Council Tax (single person discount) matches are subject to a separate annual data matching exercise, with these results being reviewed by the Revenues & Benefits Team.
- 1.9 **SUMMARY OF THE RESULTS OF THE 2016/17 NFI FOR BDC (as at January 2018)**

Data Match Category:- (94 reports received)	Number of matches	Number of marches investigated
High Priority	1,662	856
Medium Priority	25	17
Address Details	147	30
For Information	1	1
Total	1,835	904

- 1.10 The total number of data matches is 1,835 and to date, 904 matches have been reviewed. No cases of fraud have been identified but 6 errors totalling £9,022.71 have been identified. So, although there are still a number of matches that have not been investigated, based on the results to date the risk of missing a large amount of fraud is minimal.

2 Conclusions and Reasons for Recommendation

- 2.1 To inform Members of the results to date of the 2016/17 NFI exercise.

3 Consultation and Equality Impact

3.1 None

4 Alternative Options and Reasons for Rejection

4.1 Not Applicable

5 Implications

5.1 Finance and Risk Implications

5.1.1 There is a risk of fraud or error within the matches that have not been investigated, however, as no fraud has been identified to date and the number of errors is minimal the risk is minimised.

5.2 Legal Implications including Data Protection

5.2.1 None

5.3 Human Resources Implications

5.3.1 None

6 Recommendation

6.1 That the report be noted.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC: Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

8 Document Information

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
N/A	
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