

Committee:	Executive	Agenda Item No.:	8.
Date:	6 th September 2010	Status	Open
Category	2. Decision within the functions of Executive		
Subject:	National Fraud Initiative (NFI) 2010/11		
Report by:	Director of Resources		
Other Officers Involved	Senior Auditor		
Director	Director of Resources		
Relevant Portfolio Holder	Councillor A. Hodkin, Portfolio Holder for Resources and Efficiency Champion.		

RELEVANT CORPORATE AIMS

STRATEGIC ORGANISATIONAL DEVELOPMENT – Continually improving our organisation. This addresses weaknesses previously identified by External Audit and ensures our arrangements for investigating potential fraud / error are robust.

TARGETS

No specific targets.

VALUE FOR MONEY

The External Audit fee includes an element for the Audit Commission to undertake this work, we therefore need to participate in a full and timely manner to maximise the potential gains from this investment in the process.

1. The Audit Commission has now issued its guidance and timetable for the 2010/11 NFI.
2. Historically the Council's corporate response to this work has not been timely and resulted in criticism in various External Audit reports.
3. The Audit Committee in June 2010 considered the Audit Commission national report and the Council's assessment against their recommended practice. This indicates responses are improved when the work has the clear backing of senior management and Members. To address this, Senior Management Team were updated on this matter on 12th August 2010.

4. The Audit Commission have specified that data extracts are sought from the following systems:

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| <ul style="list-style-type: none"> • Creditors History • Concessionary Travel Pass • Creditors Standing • Housing Rents (Current Tenants) • Insurance Claimants • Market Traders • Personal Alcohol Licence • Payroll • Right to Buy • Taxi Drivers |
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5. Employees administering these systems are fully aware of the work they need to do, the way in which it needs to be done and the timetable. The work includes:
- Ensuring Fair Processing Notices are reviewed to ensure they are in place and reflect current requirements.
 - Confirming data specifications for the extracts from each system comply with the Audit Commission's guidance for 2010/11.

Timetable (excluding Council Tax)

6. Council Tax is excluded as this work will be scheduled for late 2011.

Timetable	Required actions
By 30 th September 2010	Fair Processing Notices need to be confirmed to be in place. Arrangements for data extractions to have been tested and comply with the data specifications.
Monday, 4 October 2010	<p style="text-align: center;"><u>THIS IS A KEY DATE FOR THE NFI WORK</u></p> <p>The data extractions need to be done on this date.</p> <p>Once extracted the live data should also be uploaded to the NFI web application using the 'Data file upload' function.</p> <p>Cover arrangements need to be in place for sickness etc.</p>
Tuesday, 25 January 2011	The 2010/11 matches will be available to be processed.

7. This work has also been brought to the attention of the Heads of Service so that they can make arrangements to:
 - follow it up on a regular basis in regular meetings with individuals;
 - include on the agenda for team meetings;
 - ensure arrangements are in place to ensure all the activities planned for 4th October occur on that date;
 - include the data matching aspect in mid year appraisal reviews.
8. Training by the Audit Commission is arranged for 18th August at no cost to the Council as it is hosted by another Council in Derbyshire. This is focusing on employees who are new to the NFI process. The internet system also has an online training facility on new aspects of this work for existing users.
9. Future meetings of the Audit Committee will be advised of these plans and of progress made.

IMPLICATIONS

- Financial: There are no direct costs from this work that are not built into the Council's budget.
- Legal: Compliance with the Audit Commission guidance will protect the Council.
- Human Resources: Employee training is integral to the process.

RECOMMENDATION

That the Executive note the plan for the National Fraud Initiative 2010/11.

REASON FOR DECISION TO BE GIVEN IN ACCORDANCE WITH THE CONSTITUTION

To document and create awareness of arrangements that seeks to improve the Council's arrangements, supporting the Strategic Organisational development objective to continually improve our organisation.

ATTACHMENTS: **N**
FILE REFERENCE:
SOURCE DOCUMENT: