

# WEST DUNBARTONSHIRE COUNCIL

## Report by the Interim Executive Director of Corporate Services

**Audit and Performance Review Committee: 15 February 2012**

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### **Subject: National Fraud Initiative 2010/11**

#### **1. Purpose**

- 1.1** To advise Members of the progress being made in investigating matched datasets provided to the Council as a result of the National Fraud Initiative 2010/11.

#### **2. Background**

- 2.1** The National Fraud Initiative ("NFI") in Scotland is Audit Scotland's data matching exercise that takes place every two years in line with the Audit Commission's NFI timetable. The NFI is designed to help participating bodies identify possible cases of fraud and detect and correct any consequential overpayments from the public purse.
- 2.2** Since the previous report to members on 12<sup>th</sup> October 2011, as an additional exercise not included in the original matches, extracts from the Council Tax System and the Electoral Register have been submitted to the NFI Administrators for matching with other public bodies. West Dunbartonshire Council's "Strategy for Matching of Council Tax Data to Electoral Register" is attached at Appendix A to this report.

#### **3. Main Issues**

- 3.1** Filtering facilities within the database allow the number of cases to be reduced according to a pre-determined set of criteria. This is known as the "recommended filter". The "Summary of All Reports @ 31<sup>st</sup> December 2011", Appendix B, shows that a total of 2712 matched items was provided to WDC for investigation, with 796 (29.35%) of these items being classified as "recommended filter matches".
- 3.2** The WDC approach to investigating these datasets has been to:-
- Initially investigate all individual cases listed through using the "recommended filter" feature.
  - Review other cases, in order to determine if there is anything else of note, particularly where the amounts reported are relatively high.
- 3.3** The investigation of matched datasets by WDC is shared between Internal Audit and the Benefit Investigation Team.

**3.4** Progress to date on the examination of individual cases is summarised below:

Cases cleared with no further action	634
Cases where fraud discovered	1
Cases where overpayment discovered	4
Investigation in progress	54
<b>Total</b>	<b>693</b>

**3.5** Included in the total at 3.4 are 563 cases (71%) of the 796 recommended filter matches.

**3.6** The value of the case involving fraud is £1,923.15 and relates to Benefit Fraud.

**3.7** The amount of £17,171.06 is being recovered for overpayments discovered. £16,795.07 relates to 2 cases involving benefit overpayments and £375.99 involves 2 cases of overpayments to private residential care homes.

**3.8** It should be noted that the full resolution of the individual cases selected for examination is often dependent on information being provided by other bodies, e.g. other local authorities, health boards, pension bodies and the DWP. Some of the information requested has yet to be received by WDC staff.

**3.9** There is no data available from the NFI administrators as yet from the additional matching exercise submitted for Council Tax Data and the Electoral Register. It is anticipated that matched datasets will be provided to participating bodies for investigation, of this additional exercise, in February 2012.

#### **4. Personnel Issues**

**4.1** There are no personnel issues.

#### **5. Financial Implications**

**5.1** There are no financial implications.

#### **6. Risk Analysis**

**6.1** If matched dataset cases are not investigated sufficiently, particularly the “recommended filter” cases (see Section 3 above), there is a risk that instances of error and fraud may not be detected.

#### **7. Equalities, Health & Human Rights Impact Assessment**

**7.1** There are no issues.

## **8. Strategic Assessment**

**8.1** This report relates to fit for purpose services by improving service delivery models for continuous improvement

## **9. Conclusions and Recommendations**

**9.1** Satisfactory progress has been made in investigating the matched datasets.

**9.2** The Committee is asked to note the contents of this report.

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**David Amos**  
**Interim Executive Director of Corporate Services**  
**Date: 30 January 2012**

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**Appendices:** Appendix A: National Fraud Initiative – Additional Exercise in 2009/10: Strategy for Matching of Council Tax Data to Electoral Register

Appendix B: Summary of All Reports as at 31<sup>st</sup> December 2012

**Background Papers:** Report to Audit & Performance Review Committee on 12<sup>th</sup> October 2011.

**Wards Affected:** All Wards