

HBMS Newsletter

Housing Benefit Matching Service

DWP Department for Work and Pensions

Welcome!

Welcome to the July edition of the HBMS Newsletter. This issue follows the first full year of monthly matching, so it seems appropriate to take stock of some of the achievements of a very challenging year!

As expected, 2004 / 2005 saw a significant increase in the number of referrals issued to LAs for investigation. Year end statistics show HBMS issued 224,800 referrals, an increase of almost 300%. Despite this, the quality of referrals was maintained with 37% identifying a financial saving.

Alongside the highly successful implementation of monthly matching, a variety of new products have been initiated to support the data matching service HBMS provides. Risk based review lists have been issued to all LAs from April 2004 and the

process has recently been reviewed and improved. New data matching rules have been delivered and more are on the way! Data scans are now being used to identify a variety of risks as well as responding to specific LA requirements. The facility to issue fully electronic referrals is being actively pursued as we move one step closer to being able to deliver a user friendly but paper-less service!

For those of you reading this at the IRRV Blackpool Fraud Symposium, please remember to visit the HBMS stand to collect an information pack for your LA. This newsletter will hopefully provide a very accessible summary of some of the key initiatives underway in the world of data matching as HBMS continues to develop its role in supporting LAs deliver accurate payments of HB/CTB.



A customer failed to inform LB of Croydon that their Income Support award had ceased and continued to receive non-standard HB/CTB for a two-year period. A HBIS105 referral, issued in January 2005 prompted the investigation, which resulted in the identification of a £15,500 overpayment.

Focus on Rule Development

HBMS Rule Development Team (RDT) is responsible for designing new data matching rules as well as improving existing referrals. It is fair to say that this has been a hive of activity over recent months with the combination of new technology, an experienced and focussed team and ongoing communication with LAs, leading to a wider and improved suite of data matching rules.

New Risks Addressed

HBMS has long prioritised the issue of referrals to identify undeclared Tax Credit awards to HB/CTB. Unfortunately, a series of technical 'hurdles' has delayed our ability to provide LAs with referrals that would meet our quality standards. As we go to press, HBMS rules identifying undeclared Tax Credits awards have been designed and successfully tested. Further arrangements are being made to issue these matches in the coming months. Referrals identifying deceased customers are now being issued to all LAs. Rules CT and HBDC004 match HB/CTB data with DCI to identify verified dates of death held by DWP for LA customers.

A new rule to identify customers who are having their post redirected abroad is currently being piloted. The RP004 rule uses Royal Mail Redirect data to identify HB/CTB customers who have requested mail redirection to literally anywhere in the world. RDT are more than happy to accompany fraud teams to any sunny climes to assist with investigations!

A new rule identifying undeclared income from Bereavement Benefits is also in the final stages of development – LAs should expect referrals later this year.

Prisoner data is being used to identify HB/CTB customers who have been in prison for a set period of time. Referrals are currently being piloted.

Following the success of the IR savings rules (identifying undeclared savings) HBMS is developing a new discrepancy rule to identify cases of under-declaration. Initial results look very interesting, so watch this space!

New rules, identifying duplicate CTB claims have recently been made available to all LAs.

A national run of the HBHB911 rule (duplicate HB claims across LA boundaries) was undertaken in May. The 911 rule is normally limited to neighbouring LAs but the national run literally threw 408 LAs into the data matching 'pot' and produced over 450 referrals for further investigation.

Improvements to Existing Rules

A key factor in the success of HBMS is the focus on continually improving the existing suite of data matching rules. A number of improvements have been made to numerous 'tried and tested' rules to further improve the quality of referrals.

JS105 – a major redesign of this very effective rule has resulted in a further increase in 'hit' rates across LAs.

HBHB001 – this rule now matches on NINO and DoB (rather than name details) to create better quality referrals.

IC201 – failure to declare Carers Allowance. This rule now includes details of the disabled person to assist LA investigations.

IB012 – incorrect rate of Incapacity Benefit. Following feedback from LAs and in consultation with analysts from Information Directorate, this rule has been amended with a £8 minimum discrepancy value to increase positive return rates.

Pilot LAs Wanted

HBMS rely on the co-operation of LAs who volunteer to accept new 'development' referrals. This plays a key role in the testing of new rules prior to their inclusion in the national data matching schedule. Development referrals do not fall within VF or the Performance Standards criteria but a thorough and timely investigation is required to allow these rules to be fully tested and made available to all LAs as soon as possible. RDT maintain a list of those LAs who are willing to accept these development referrals and will always consult LAs before issuing any new rules. RDT would like to express their ongoing thanks to those LAs who already assist in this process. If you would like to join them, please do not hesitate to discuss further with any member of the RDT or Scans Teams.

Electronic Referrals – Time for Change...

Recent years have seen a significant increase in the number of LAs accepting HBMS referrals electronically. Given the dramatic increase in referrals since monthly matching commenced, this is being actively encouraged!

Current statistics show that around 286 LAs accept HBMS referrals on disc whilst only 64 still take 'red files'. With this in mind, HBMS will no longer package referrals into red files from September 2005.

A considerable number of LAs are also returning their HBMS results electronically, via a HBMS results spreadsheet. Due to the absence of personal details on results, the spreadsheet can be emailed direct to: HBMS@Jobcentreplus.gsi.gov.uk.

HBMS 'Lite' Project – "The Word Solution"

A pilot is currently ongoing amongst a number of LAs, testing a new, electronic referrals facility. Referrals are issued on a disc in a compressed file that generates individual referrals in a user-friendly "Word" format very similar to the paper layout LAs will be familiar with. A decompression tool is included to automatically open the file. A PSV file is also included for LAs who wish to load the referrals directly into their own interventions modules. Finally, the inclusion of an electronic result sheet means we are close to being able to provide a fully electronic referrals output to LAs.

Initial responses are extremely encouraging and further testing should support the introduction of this new facility. We are optimistic that it can be rolled out across the majority of LAs over the next three to six months, removing the need to issue paper copies. For more information, please contact Rachel Keeling.

A customer who failed to inform East Riding of Yorkshire Council that he was no longer in receipt of JSA and had in fact commenced work, received a 150 hours community punishment order and was ordered to pay costs as well as a £1,200 overpayment. A HBMS referral on the HBJS105 rule identified the fraud. Andy Hardy, Investigation Manager at East Riding confirmed the effectiveness of the data matching process, "This sends out a clear message that anyone making fraudulent benefit claims run a serious risk of being prosecuted. Data matching technology is becoming a major tool to Investigators".

Data Quality and VF

From April 2005, the quality of HBMS extracts became part of the Verification Framework (VF). Numerous HBMS Newsletters, presentations and ongoing communications have raised awareness of the necessity of accurate and complete data extracts to allow HBMS to provide an effective data matching service.

The new VF standard requires all high status incidents that impact upon the production of data matching referrals or risk-based reviews to be resolved within three months of the date raised. Currently, HBMS records show that there are around 178 incidents that fall into this category and may therefore be contravening the VF standard.

Whilst the number of high status incidents continues to steadily decline, incidents relating to areas such as Income Support, JSA and Pension Credit not only reduce the number and quality of data matching referrals but also have a significant impact on the accuracy of the risk-based review lists. Current figures indicate that around 70 incidents exist in these areas. Most incidents can be cleared through IT



intervention at the LA. Where a wider, software issue is identified, HBMS will ensure that the appropriate supplier is informed.

HBMS issue reports to every LA following each data load, providing a comprehensive analysis of data quality. Please ensure that these reports are being delivered to the correct person and if any issues are raised that require further action, do not hesitate to contact the Data Integrity Team for further assistance.

Field Length Change – April 05

Following requests from various LAs, HBMS implemented a field length extension to capture the full HB/CTB reference ID on data extracts. A thorough consultation process with individual LAs and software suppliers was necessary to establish the implications and time scales for the change. Following this, the

necessary wheels were set in motion to implement the change on the agreed go-live date.

A technical circular (A3/2005) was issued to communicate the changes to all LAs and clarify where action

was required. The result of all this activity is the facility for LAs to now supply a HB reference number up to 20 characters long. This allows HBMS to issue the full reference ID with HBMS output.

HBMS would like to thank all LAs and software suppliers for their co-operation in the successful implementation of this change.

Disc Referrals - Doncaster's Experience.

Doncaster has been accepting referrals on disc from HBMS since April 2004.

Lyndsey Tuke took time to comment on the process and whether they had ever looked back after the move away from paper referrals.

"The referrals are loaded on the day of receipt, into the Visits and Interventions system that we designed in-house. The system allows me to see how many referrals have been sent and what match types have been received. This is a much quicker process and by using the filtering functions on the system, I can easily prioritise referrals."

"The new system has proved invaluable in ensuring that I meet the

5 day sift target. System notes are an added bonus in that I can tell at a glance what is happening on each referral at any given time".

"Receiving our referrals on disc has also made the process more secure as access to certain system areas is only granted to individuals who need to use the data. Also, I no longer need to root through piles of red files to answer a query - all the information is at the touch of a button and cannot be lost or misplaced."

"Completing the referrals results is also a very simple process. I just have to highlight the relevant record and type into the relevant boxes".

With clear administrative, security and efficiency improvements obtained through accepting referrals on disc, Lyndsey has no intention of returning to the days of "piles of files on my desk"!

Data Scans - Pilots Take Off!

A dedicated HBMS Data Scans Team is now providing an expanding service to LAs to improve data quality and identify fraud and error. A number of new initiatives and pilots are underway, exploring new areas of data matching and tightening the net on fraud.

Earnings Pilot

HBMS have worked closely with the Fraud & Error Policy team within the Housing Business Strategy (HBS), Housing Research & Analysis Division and a number of LAs to develop a scan identifying cases where income from earnings held on HB/CTB may be out of date. A thorough consultation process has resulted in the delivery of scans to 10 LAs at the end of April. The results issued have undergone detailed scrutiny to identify cases where income from earnings has not been reviewed for at least 12 months on standard HB/CTB cases. The LAs involved are providing monthly returns to HBMS and the pilot is expected to finish at the end of August 2005. The results will then be closely analysed prior to a decision on whether to offer the scan nationally.

Q: When is a Dependant NOT a Dependant...?

A: When they're 21, perhaps??!!

A discrepancy scan has been devised by HBMS to identify cases where a HB/CTB claim contains a 'dependant' who is aged between 19 and 21. Eleven LAs are currently involved in the pilot and have received a list of cases from their caseload where an 'over-age' dependant is still recorded. The scans were issued in April and results are already looking promising with overpayments being identified and ongoing investigations underway.

Failure to Declare Earnings

February's Newsletter introduced a new data-matching tool - Fraud Investigation and Detection On-line (FIDO). The use of FIDO is now well established with its capability to meet LAs' individual requests for data matching between HB/CTB and a wide range of other data sources. Whilst HBMS has access to the Inland Revenue's (IR) P45/P46 data, this is not yet available for normal national 'rules'. HBMS has therefore explored the possibility of using FIDO to identify HB/CTB customers with no earnings recorded who appear to have started work according to IR. A pilot exercise commenced in April involving eight LAs and the issue of over 1,000 matches for further investigation. Results will be collated over

the coming months and the scan may well be made available to all LAs.

"Super" Scan Idea!

One LA recently approached HBMS with the possibility of data-matching their HB/CTB caseload against the local payroll data they had received from a leading supermarket chain. HBMS immediately commenced work and established a technical solution and policy gateway before undertaking this specific scan request to identify undeclared earnings. The LA informs us that the scan has proved effective and a number of cases are now being investigated.

NINO / DoB Accuracy Scans

HBMS continue to offer NINO Verification scans, identifying cases where HB/CTB personal details differ from those held by DWP. The latest national scan shows a continued increase in NINO accuracy with only five LAs failing to meet the 98% VF standard. HBMS issued 542 NINO scans during 2004/2005 and expects to continue this service over the coming year.

Improvements have also been made by supplying details from DCI with the scan output, thereby assisting LAs establish correct details for input.

Risk Based Reviews - Improvements

The risk-based reviews process, established in April 2004 to coincide with monthly data matching has proved successful in identifying cases most likely to contain fraud and error. Recent statistics indicate incorrectness in almost 15% of cases reviewed. This is a much better detection rate than what was achieved under the previous benefit renewal regime.

Following feedback from LAs, the risk score methodology and presentation of the risk-based reviews list was improved from April 2005 and all LAs are now receiving an improved product. The list contains 'Priority and Rank' and 'Possible Causes of Error' columns to clearly identify which cases are most likely to contain an error and what that error is likely to be (eg LTAHW, non-residency, income, etc). These changes are expected to further assist LAs in targeting their intervention activities.

The risk-based reviews CDs issued each month by HBMS contain both the old and new file layouts, to ensure LAs are able to continue to download the lists into systems that are not yet adapted to the new format.

For further details, please contact Andrea Blakemore.

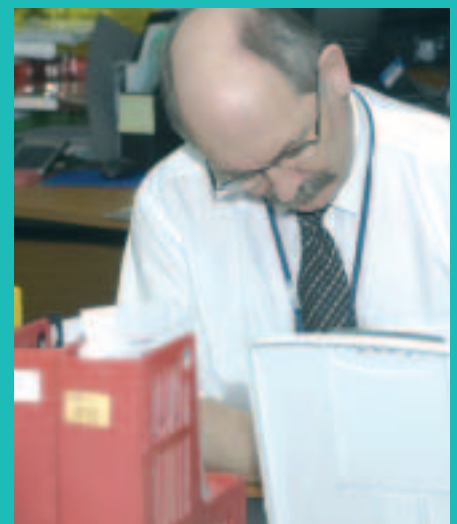
DCI500 LA - Update

Following consultation with DWP's DCI Frontline Services Team (DCI FLS), a pilot was set up to allow LAs to notify DWP where they discover details held on the Departmental Central Index (DCI) are incorrect.

From February 2005, LAs who requested a NINO Verification scan from HBMS were sent an electronic version of the DCI 500 LA form with the scan. This form enables LAs to notify DWP of the correct personal details. Further details can be found in General Bulletin G2/2005.

To date, over 2,000 DCI 500 LA forms have been received by DCI FLS. Whilst this is an important opportunity to improve DWP data quality, DCI will only be changed where verified and up to date documentation is attached to the DCI 500 LA. For example, in the case of verified dates of birth changes, a copy of the birth certificate must be sent. Therefore, each form must include the relevant evidence. Further consultation is planned between HBMS, the Fraud and Error Policy Team and DCI FLS to review this process and identify improvements.

A HBIS105 referral issued to Calderdale led to the identification of a living together fraud, which had been ongoing for five years. Initial enquiries following receipt of the referral identified a joint bank account for a 'single' HB claimant. This aroused suspicion and led to a fraud investigation, which established that the claimant was living with her working husband. The case has since been referred for prosecution and a £44,000 overpayment brought to an end. Information supplied by Calderdale Metropolitan Borough Council, has prompted HBMS Data Scans Team to investigate the feasibility of a new scan identifying 'single' customers with joint bank accounts.



HBMS Workshops - September 2005

Following the success of the HBMS 'Open Days' in September 2004, two further one day events are currently being organised, to take place in Lytham St Annes on 28th and 29th September 2005. The initial purpose of last year's event, to provide a forum for LAs who wished to visit HBMS and find out more about the service, still stands. In addition, this year's events will also provide more of a workshop forum, allowing LAs to discuss specific issues and share best practice ideas and experiences.

LAs are invited to contact Joanne Brookfield to find out more and book a place at one of the September workshops (joanne.brookfield@jobcentreplus.gsi.gov.uk).

One unhappy CTB customer failed to inform both the LA and his wife of the existence of an Industrial Injuries Disablement Benefit award and the Post Office account it was being paid into! A HBMS referral identified the discrepancy, which triggered the investigative action. Interviewed under caution, the customer admitted receipt of IIDB since 1998 and also the existence of a previously undeclared PO savings account. It quickly became apparent during the interview that the claimant's wife knew nothing of either! Despite a £4,600 overpayment being accrued, the LA took into consideration the claimant's age, remorse, willingness to repay the debt and the obvious punishment he was in for from his wife and offered a Formal Caution as an alternative to prosecution!



Next Issue...

The next issue of the HBMS Newsletter is due in February 2006, to coincide with the IRRV Benefits Conference in Harrogate. As usual, the HBMS exhibition stand will provide individual information packs for all LAs attending the conference. HBMS staff will also be available to speak to LAs on any specific issues.

HBMS would like to thank all the LAs who regularly contribute articles to each newsletter. Please continue to contact Emma Warburton at HBMS to discuss a results story or best practice area that may be relevant to a future issue.

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