

Security Operation Group (SOG)
Minutes of the SOG meeting held on Thursday, 25th February 2010
CIPFA, London

Attendees:

David Barr	FESD (Chair)
John Viggers	FESD
Rebecca Murphy	FESD
Micheal O'Reilly	Lambeth
James Ablewhite	FESD
Jane Perfect	LAPD
Nick Herbert	FEM
Jean Cheesman	South Bucks
Elaine Turner	Carlisle
Andrew Hyatt	Kensington & Chelsea
John Rosenbloom	Manchester
Diane Baker	Peterborough
Tracey Banfield	Bradford
Terence Richings	Wandsworth
Steven Carey	Leeds
Wendy Fisher	FESD (Minutes)
Liz Clark	Audit Commission
John Southworth	IFD
Les McCartney	OPD
Pete Shaw	OPD
Wayne Griffiths	FESD
Yasmin Madigan	DWP Change Programme
Glen Skinner	HBSD

Apologies:

Michelle Charles	Debt Management
Chris Bullen	JCP Partnerships
Claire Beddow	PD
Sue Godfrey	IFD
Jackie Dye	Camden
Tony Oakland-Smith	Comms

1. Welcome and Introductions

David Barr welcomed all to the meeting.

2. Minutes of the last Meeting/Action Points/Matters arising

The minutes from the December meeting were agreed.

Action points

Sept 6 – LAs made the point that for subsidy and overpayment purposes there needed to be a sanction or prosecution for overpayments to be classified as fraud. They felt that this was inconsistent with the approach taken for HBR purposes, where the definition of fraud is much broader.

LAs feared that if HBR figures remained the same or increased, the perception may be that LAs were conducting less fraud activity and that this could be interpreted negatively.

LAs felt that there should be some consistency between the definitions, particularly if there were moves towards an MVFE measurement, and felt that this inconsistency should be considered when looking at performance results.

DWP noted LAs concerns.

Action point 1 - David Barr agreed to look into further and respond to LAs before the next meeting.

Dec 1 – Ongoing - Lynda Evans (FIS) has been asked to supply a covering note detailing LA requirements for additional FRAIMS pilot sites. Secretariat will forward this note once received.

Jan 3 – Cleared - David Barr has raised concerns with head of FIS. Diane Baker has since provided Dave White with an example of a joint working case where it appears that interpretation of guidance is not conducive to joint working. Recommendation is that LAs, LA solicitors and FIS discuss at a local level.

Jan 7 - Cleared - LAPD have been in touch with the AC and confirmed that no work is ongoing with regards to KLOE's

Matters arising

Members were brought up to date with the progress of the action plan to reduce fraud and error. It was felt that there was already a lot of activity scheduled for 2010, however a comprehensive document capturing the work did not exist. The activity has now developed into three parts consisting of a:

- Step reduction action plan containing new activity for 2010, which will also consider what more could be done for the forthcoming year.
- A comprehensive work programme of current activity,
- A refreshed Fraud and Error strategy for the next three years.

The first version of the work programme will be circulated to the F&E community for comment, and to review in light of current priorities and resources.

A core team, represented by all businesses, will be created to carry out a refresh of the F&E Strategy, producing a first draft by the end of April. The

strategy will also form the basis of discussion for the various F&E forums. SOG members were invited to identify an LA secondee to be part of this team.

LAs commented that it would be useful if the F&E strategy also reflected on lessons learnt from the previous strategy, and the role of the Audit Commission. It was noted that the AC and NAO will also be stakeholder of the strategy.

Action point 2 - SOG to identify LA secondee to work on development of DWP F&E strategy.

Members were advised that DWP were at the initial stages of considering the role of SOG and its agenda, particularly the aspects that were similar to the DWP Fraud and Error Stakeholders Engagement Group. FESD plan to put a paper to LAA SG to seek their approval to take this work forward. LAs commented that the role of SOG had become more strategic as the nature of F&E had changed, and that this had had an impact on its role. Members welcomed this work.

3. PINS

In December members & OPD discussed L&D proposals and priorities for 2010/11 based on LAs responses to circular F3/2009 issued in October 2009. L&D presented updated figures and asked if there was a need to review the priority given to the courses at the December meeting. List of LA requirements attached at appendix 1.

All events documented were agreed as priority events (with the exception of RIPA Authorisation learning which was considered the responsibility of individual LAs and the Fraud/ID Fraud awareness events) the list of events was confirmed by SOG as appropriate and necessary. L&D confirmed that the number of days currently allocated (2207) was more than could be resourced as part of the 2010/11 training.

Action point 3 – L&D to discuss capability issues with FESD.

4. CIS prompts

Presentation provided about CIS prompts to LA project. The prompt will notify LAs when there has been an award or change to a DWP benefit or Tax Credit claim.

The following points were made:

- LA will be notified of type of change but will have to interrogate system to obtain details
- Customers are still required to report changes to DWP and LA.

It was noted that notification would be within 24 hours of decision on CIS- not notification of the change to DWP/HMRC.

Action point 4 – Glen Skinner to advise date to be used as date of change on receipt of prompt.

As access to CIS triggers test checks, LAs asked for estimated number of prompts to be expected.

Action point 5 – Glen Skinner to advise of estimated number of prompts.

Action Point 6 - Confirmation required as to whether LAs will still receive a prompt where the change does not have an impact on the amount of benefit awarded. E.g. a change of address

5. DWP RBV – Review of evidence requirement

A presentation was provided on the Department's review of evidence/verification requirements aimed at identifying process improvements without the need to make changes to IT systems.

The following comments were made:

- It will highlight the difference in DWP and LA verification process in terms of stringency – particularly around verification of capital where additional information could be gathered. It is expected that LAs will accept details obtained by JCP when taking HB claims.
- Question raised as to the impact on prosecutions where there was no documentary evidence.

6. Fraud & Error measurement and Risk Based Verification

Members of SOG had been asked to consider the principles of a risk based approach to verification. A presentation was provided giving a summary of discussions which considered strategic questions, LA/DWP issues and responses, and what elements could be included in a local F&E strategy.

It was agreed that the way forward would be that LAs be encouraged to determine their own individual approach to F&E as long as they could provide assurances that their strategy is:

- Intelligence led
- Agreed by Member's cabinet committee
- Agreed by internal audit
- Auditable at case and system level, and is
- Subject to dipstick checks

Members' views were sought as to LA readiness and potential timing for implementation.

Smaller authorities felt that it would be difficult to develop an evidence based local strategy that replaced current practices by April 2010. Although sharing of good practice via more experienced LAs and DWP via the Performance Development Team may go some way to accelerating this process.

London authorities would welcome a move in this direction as soon as possible, particularly as their drivers were around financial incentives. Consequently, they were looking at fraud across all services and communities.

There will be a need for a support framework for moves towards a risk-based approach.

It was considered too late to revise the current audit regime by April 2010 but there are opportunities to affect a change by 1/4/11. This should not however stop LAs developing a risk-based approach in the mean time.

It was agreed that to enable the transition to RBV there needed to be a review of the subsidy scheme and the audit regime.

The next stages will be to engage with the Audit bodies, and present the DWP/LAA Steering group with comments, issues and potential timeframes.

7. Fraud & Error Work Programme

HB IT Strategy

Members were presented with outcomes from a workshop that considered what DWP could do to support LAs through IT. The workshop looked at the business priorities and solutions that would be necessary in an IT Strategy for HB, covering areas such as fraud and error, customer service, and administrative efficiencies.

Projects & Initiative update

Members asked for the status on the rollout of CRA. It was noted that training is planned for April/May with the first data matches taking place in June.

8. One Strike

Members were informed that One Strike had been debated at the House of Commons on 24th February, and FESD was waiting for the date for debate at the House of Lords. The Statutory Instrument of payment was laid on 3rd February. Discussions are taking place between Steve Carey and Fiona Dunn about the development of the One Strike process, Fiona is waiting for LA volunteers to ensure they are part of the design process.

LAs commented that there were a number of concerns surrounding the implementation of One Strike, such as issues around departmental error, costs to councils should sanctions result in arrears of rent, and the potential impact on the number of cautions due to administrative consequences.

LAs commented that in order to implement One Strike software system changes will be required and suggested that this should be funded by DWP.

It was noted that the LGA felt that the implementation of One Strike was a new burden and the matter will be raised within the main DWP/LAA Steering.

It was highlighted that One Strike would only apply to fraud committed after 1/4/10 and that the aim of the initiative was that One Strike acted as a deterrent through sanctions, repayment of overpayments and loss of benefit.

9. AOB

LAs commented that a Freedom of Information request about Living Together had raised a number of concerns.

Action point 7 – Diane Baker to submit a copy of the FOI in question for FESD to view.

LAs commented that a number of concerns had been submitted to the SOG for discussion under AOB or inclusion on agenda around the way individual JCP and FIS services operate. Whilst these matters will be considered by LA SOG members to ensure that the issues were across the board, it did highlight that there is a need for better, closer liaison arrangements at a local level. LAs suggested that this could be included as part of the F&E strategy. LAs comments were noted.

The next meeting is scheduled for the 8th April. Since it is taking place during the Easter period it was suggested that it be cancelled.

Action point 8 – Secretariat to cancel meeting planned for 8th April.

Date of next meeting will be on 20th May 2010 at Caxton House