

**Security Operation Group (SOG)**  
**Minutes of the SOG meeting held on Thursday, 26 February 2009 at**  
**CIPFA, London**

**Attendees:**

Ilona Blue	DWP LAPD (Chair)
Jill Hawtin	Bradford
Simon Lane	Brent
Jackie Dye	Camden
Elaine Turner	Carlisle
Tim Fisher	Haringey & London Councils
Andy Hyatt	Kensington and Chelsea
Frank Newton	LGA
John Rosenbloom	Manchester
Jean Cheeseman	South Bucks
Terry Ritchings	Wandsworth
Liz Cooper	Audit Commission
Chris Bullen	DWP JCP Partnerships
Colin Ormes	DWP IFD
John Viggers	DWP LAPD
Mark Craimer	DWP HRAD
Graham Dove	DWP LAPD
James Ablewhite	DWP LAPD
Jane Perfect	DWP LAPD
Wendy Fisher	DWP LAPD
Bridget Smartt	DWP LAPD (Minutes)

**1.0 Apologies**

- 1.1 Apologies were received from Diane Baker (Peterborough), Karen McNeil (East Ayrshire), Tracey Banfield (Bradford), Kathy Bateman (Lambeth), Steven Carey (Leeds). Michelle Charles (DWP Debt Management), Andy Bell (DWP FESD), John Fitzpatrick (DWP LAPD), and Phil Massey (DWP LAPD).

**2.0 Welcome and Domestic**

- 2.1 Ilona Blue welcomed all to the meeting.

**3.0 Minutes of the last Meeting/Matters arising/Action Points**

- 3.1 The minutes from the October meeting were agreed.
- 3.2 Comments on the Action Points were made as follows:

- Oct 1 and Oct 4: Cleared. Feedback was made at the SOG Workshop in January and further work is on-going with HBMS.
- Oct 2: Cleared. As stated at the October meeting, this figure is based on overpayment returns from the LAs. No further information is available.
- Oct 3: Cleared.
- Oct 5: Cleared. Ilona Blue said she will be happy to put forward the invitation to Debbie but the LAAs must send specific suggestions as to what they wish to discuss. Items for discussions may become more apparent after the following discussions on the outcome from the workshop. The LAs said they will take this forward.
- Oct 6, Oct 7, Oct 8: Cleared.
- Oct 9: Agenda item.
- Oct 10: cleared. Guidance to be published.
- Oct 11: LAs are having difficulty getting hold of documents and are using screen dumps to obtain the information for prosecutions. The advice would be to contact the FIS teams to obtain screen dumps. JCP will feed LA comments back to FIS so that data dumps can be provided and for FIS to advise LAs that it should be supplied when requested.

**Action point Feb 1: Chris Bullen to liaise with FIS to ensure that the screen dumps are available for the LAs when requested.**

## **4.0 Requests for Information about Third Parties**

- 4.1 Graham Dove had copied a draft F circular prior to the meeting for comments, which included details recently received from HMRC in relation to the information that DWP's Operational Intelligence Units (OIU) can now obtain for LAs with regard to third parties.
- 4.2 Frank Newton said there are implications for fraud teams and performance in JCP and TPS as well as for LAs. The wording suggests that DWP are not happy and he would like to know what assistance the LA Associations can offer to resolve the issue. Graham Dove said that the instructions are the same as those sent by the OIUs to FIS staff. He would welcome any assistance from the Associations to resolve the issue as soon as possible, possibly through the HMRC/Fraud Steering Group.

**Action Point Feb 2: Frank Newton will draft a letter to DWP on behalf of the Associations for DWP submission to HMRC.**

## **5.0 SOG Workshop**

- 5.1 A covering note and the outcomes from the workshop were distributed prior to the meeting. John Viggers thanked those who attended the

workshop and for their feedback. Feedback from the workshop will pick up on the issues raised, and will be linked to projects and initiatives currently being managed by the Fraud and Error Policy Team.

5.2 The cover note. The LA representatives comments were as follows:

- Bullet 1: the LA representatives asked what evidence did DWP have concerning 'fewer targets' and does DWP mean subsidies? There was concern that the feedback might be interpreted as a need for more targets.
- 'Living together cases' – living together cases are not a particular problem within LAs, only a DWP priority, which will get worse because of the problems with HMRC. LA s will look elsewhere for the data.
- Bullet 6: managing workloads on risk based verification – they felt that the Audit Commission adds to the burden.

### **5.3 Strategy and Trends**

5.3.1 CRA data matching – Around 10% of medium / high risk referrals have generated activity. Pilot LAs are happy with progress. The first tranche of data will soon be evaluated, with the second tranche by the end of March.

5.3.2 Early Indicator report – a recent use of raw data. Indications are that there have been improvements in fraud and official error but there may be concerns around customer error. New methods of sampling IS/HB cases will provide opportunity to identify client groups at risk across benefits. There has also been recent liaison with analysts to consider data by person rather than by benefit.

### **5.4 Verification**

5.4.1 John Viggers confirmed that there is currently a recruitment drive to appoint two analysts to work specifically on fraud and error issues. He added that there are a number of projects at present which are key to pushing verification forward:

5.4.2 DWP is talking to HMRC about research on living together cases.

5.4.3 Verification – John Viggers updated the Group on the Post Office Scheme called 'Validate' which aims to enable people to report their change of circumstance at post offices. The Post Office has asked for DWP input on the pilot funded by the Welsh Assembly. However, involvement will only be around providing advice on the type of data required to monitor the pilot. The scheme will not duplicate risk based verification.

5.4.4 Frank Newton commented that some LAs are still conducting full VF standards because of potential adverse criticism by the Audit

Commission. Ilona Blue added that it has been picked up that VF is practiced by some LAs, while others use their discretion. Smaller districts find it more difficult to justify business cases for variation to the Audit Commission. This is a challenge for DWP if it moves away from blanket verification.

- 5.4.5 The economic downturn lends the opportunity for change. DWP will explore this further and ask the LAAs for advice on case studies as to which LAs have not operated as per VF guidance and are still maintaining secure gateway.
- 5.4.6 Frank Newton agreed to provide information on those LAs who have opted not to implement full VF, but may exclude the individual names of the LAs concerned as a first instance. How the information is presented to the Audit Commission is dependent on the expertise of the auditors within the districts as many are able to provide sound reasoning as to why they are deviating from guidance.
- 5.4.7 One suggestion would be for the urgent issue of a circular to LAs with definitive instructions, or use current data from pilots such as VRA to clarify what is required and what data can be used. Ilona Blue suggested that it should be presented as a risk based approach to verification, and includes how and when variation should take place, and its possible effect.

## **5.5 Prescription v freedom**

- 5.5.1 NI180 interventions – activity is determined by LAs so there is no burden to ease. Fraud and error remains a high priority so suspension of NI180 will not take place. DWP policy is to encourage cost effective ways of delivery.
- 5.5.2 Benchmarking – SHBE data submitted cannot be interpreted by LAs until the information is placed on HOBOD. Further concern is that this data does not give underlying details of the factors that influence NI180 performance.
- 5.5.3 There is merit in using Benchmarking Group to facilitate how this information (changes per 1000 caseload) can be used. For example, LAs with similar caseloads and problems, thereby assisting them to increase their performance. If successful, this information could be shared more widely, encouraging good practice.
- 5.5.5 The next suggested step will be to form a benchmarking group which will include SOG representation to take any recommendations forward.

**Action point Feb 3: Mark Cramer to consider ways the data could be presented, and circulate to SOG.**

## **5.6 What the LAs want from DWP**

- 5.6.1 LAPD have engaged with Corporate IT to consider ways systems could be used to facilitate communications, change of address and verification at the point of claim.
- 5.6.2 ETD Project – update on this project is given by DWP to LAs via the Information Flows Board.
- 5.6.3 Legislation – HBSD and LAPD are working on changing legislation to make it easier to administer and reduce/avoid overpayments and will cover areas such as residency, fixed periods, non-dependent deductions.
- 5.6.4 LA top priority – still pursuing the need that JCP staff are properly trained in HB awareness via the Error Reduction Delivery Board.
- 5.6.5 Discussions are ongoing on LA access to FRAIMS.
- 5.6.6 Person Centric Referrals – an update will be given by Colin Ormes later in the meeting.
- 5.6.7 One City One Team – the LA representatives said that this initiative is not widely accepted by LAs but perception is that there *is* widespread acceptance from DWP. This has created some unrest in LAs as they have received no official notice from DWP. John Viggers responded this is not the case, but there are positives from the Leeds/FIS initiative that can be used where necessary. Evaluation of the scheme can be discussed at SOG at a later date

## **6.0 Customer Centric Referrals**

- 6.1 Colin Ormes of DWP IFD attended the meeting to give an update on the prototype's development. The main points were:
  - The agreed pilot areas are Yorkshire and Humberside;
  - FIS will evaluate all applications developed as part of centric;
  - They have built a new prototype facility and data used will be that already in use for data matching;
  - Will dovetail with business units to ensure this is fit for purpose with DWP and LA business;
  - The findings will inform the long term development process.
- 6.2 The latest position – the prototype will be launched in Oct 08. It will offer:
  - One data-match across all rules and all benefits to ensure better quality referrals with an agreed prioritisation based on a scoring methodology using SAS (specialist software used by DWP analysts)

where viewers will use the entire data of customers available at that time. For example, HMRC P45/46 information, bank accounts, investment accounts and pension records;

- The LA representatives asked how different addresses will be treated as change of address is one of the biggest areas of fraud and error. A business rule could be developed to see how this could be identified, but hasn't been at this point;
- Landlords – in terms of network analysis – this has not been progressed. It is the early stage of the prototype and we are proving the worth of prototype. Later if the evaluation identifies enhanced business benefits and the project proceeds to a full end solution the potential flexibility of the development could open up other facets of work such as cross government work and network activity;
- 60 out of over 150 plus rules have been coded and tested on SAS;
- Legal approval and transmissions agreed with DWP not yet for LAs;
- No connection for LAs on view-back facility at this stage;
- There may be a need in the longer term to see if a redesign is required. For example RMS/GRMS of the referral systems.
- Evaluation is needed to see whether the information on the view-back and decision support facilities adds business benefits to LAs. The usage of decision support at the moment will be managed by HBMS and LAPD/HRAD;
- One City One Team' is in Leeds therefore connectivity is in place. Will need to approach Sharon Jones for authorisation to use view-back instead of CIS. HMRC data is also a business critical issue;
- Need to discuss with HMRC LA access to their data sets and agree access levels for LA's during pilot phase;
- Need to agree with HBMS how engagement will continue;
- Need to consider longer term access to Customer Centric via government connect or otherwise for LA's.

**Action point 4: FEPT was asked to arrange the venue for the demonstration, within 2 weeks of this meeting.**

## **7.0 Meeting with the Performance Measurement Team**

7.1 A note of the meeting was circulated prior to the meeting. John Viggers asked the LA representatives whether they agreed with the information and will they be able to act on the recommendations/suggestions if resources were made available?

7.2 The following comments were received from the LA representatives on suggested areas for targeting:

- Minimum wage increases are expected in April and October – if the current rate of pay offered at recruitment is below the minimum wage then there is no need to target those groups. It may depend

on the community e.g migrant areas where workers are being paid less per hour;

- Self employed cases – HMRC have accepted claims regardless of verification;
- Student cases should have good practice guidance too – some LAs may have experts dealing with this issue which should be supported by HBMS data. The evidence would be considered then passed to the LAs, telling them to consider those areas if they have not already done so.

## **8.0 Targeting Error Campaign**

- 8.1 John Viggers gave a presentation on the error campaign called “Tell us too” to be piloted in the London Borough of Waltham Forest (LBWF). The campaign will be launched on 9th March and will last for about 6 weeks. LBWF will monitor responses through bar coded correspondence, emails and phone calls.
- 8.2 The LA representatives suggested that posters be placed in JCP offices and that staff are informed about the campaign to avoid conflicting messages being passed to the customers. The final letter to households should also be sent to SOG members for information.
- 8.3 The LAs should also be notified about the campaign so that it can be linked to local campaigns. DWP should also consider whether the strap line can be used by LAs on their letterheads.

**Action point Feb 5: SOG members requested that the final version of the letter be sent to SOG for information.**

*Appendix 1 - “Tell us too” – Mailshot*

*Appendix 2 – “Tell us too” – Mailshot form*

Please note that the graphics/strap line are part of the campaign material – see letter from DWP Communications.

**Action point 6: DWP to consider whether the campaign strap line can be used by LAs on their letterheads.**

Helen Steadman has since advised that this is not possible at present and has provided a letter currently being sent to LAs who have laid similar requests.

*Appendix 3 – Error campaign letter*

## **9.0 Service Level Agreement for Solicitors Prosecution Services to LAs**

- 9.1 Comments were asked for by Graham Dove on the revised SLA circulated prior to the meeting. Feedback was requested by 11 March.
- 9.2 Prosecution Division (PD) will host a series of open days for local authorities. Those LAs without an SLA agreement with Prosecution Services are also invited to attend.
- 9.3 Concern was expressed about the lack of timescales in the SLA.

**Action point 7: John Rosenbloom will co-ordinate responses from the LA representatives and send details to Graham Dove.**

## **10.0 AOB**

### **10.1 Review of LA/Debt Management Partnership**

DWP Debt Management is conducting a review of the existing DM/LA Partnership Agreement. The review will gather comments from a range of stakeholders who operate within the DM/LA Partnership Agreement draft was circulated prior to the meeting for comments by SOG members. Graham Dove reiterated that responses are due by 2 March. Diane Baker has agreed to carry this forward. There were no further comments on the circular at the meeting.

### **10.2 Graham Dove**

Ilona Blue said a special thank you to Graham Dove for his work over the last four and a half years. Graham is leaving DWP in March and returning to Bath and North East Somerset Council to lead a team on Customer Insight.

### **10.3 Do not Redirect**

Graham Dove confirmed that following the review last year, the 'Do not redirect' scheme with the Post Office will continue for the foreseeable future.

**Action point 8: FEPT to find out who will attend the April 9<sup>th</sup> SOG meeting as take up may be low due to the Easter holidays.**

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