

**Security Operation Group (SOG)**  
**Minutes of the SOG meeting held on Thursday, 19 June 2008 at CIPFA,**  
**London**

**Attendees:**

Cathy Payne	DWP HBSD (Chair)
Jill Hawtin	Bradford
Tracey Banfield	Bradford
Simon Lane	Brent
Jackie Dye	Camden
Karen McNeil	East Ayrshire
Tim Fisher	Haringey
Andy Hyatt	Kensington and Chelsea
Kathy Bateman	Lambeth
Steven Carey	Leeds
John Rosenbloom	Manchester
Diane Baker	Peterborough
Jean Cheeseman	South Bucks
Terry Ritchings	Wandsworth
Ian Gibbins	JCP Partnerships
Liz Cooper	Audit commission
Jane Perfect	DWP LAPD
Brian Evans	DWP FIS
Mary Collins	FESD
John Viggers	DWP HBSD
Graham Dove	DWP HBSD
Bridget Smartt	DWP HBSD (Minutes)

**3.1 Apologies**

Elaine Turner (Carlisle), Karen McNeil (East Ayrshire), and Michelle Charles (DWP Debt Management).

**3.0 Welcome and Domestics**

3.1 Cathy Payne welcomed all to the meeting.

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

4.1 Comments were made as follows:

- Action point Feb 4: Cathy Payne confirmed that a circular will be sent to the LAs next week which will verify that the data from each local authority will be published on HOBOD on 1 July 2008, showing the last 2 quarters of 07/08. John Viggers later clarified that the figures will be sourced from the monthly HBMS Extracts until HBMS data is incorporated into the Single HB Extract. John added that he would confirm when sanctions and prosecutions information would be available.
- Action points Feb 6 and Feb 7: updates will be given later as agenda items.

- HB Review: Graham Dove confirmed that the letter to the benefit managers will be sent later this week. Over 200 cases are currently outstanding (and most are at least 3 months overdue).
- Credit Reference Agencies: an update will be given later as an agenda item.
- Learning and Development: an update will be given later as an agenda item.
- Voice Risk Analysis: an update will be given later as an agenda item.
- Social Security Fraud Act Authorised Officers (SSFA AOs) appeals: The SOG members asked that the point be made in the minutes that it was DWP and not SOG/LA members who determined which LAs should have more than one SSFA Authorised Officer. They did however agree on the criteria to be used.
- The Regulation of Investigatory Powers Act (RIPA) & SSFA powers: Graham Dove advised that as yet no response has been received from the Home Office on the LAs request to change the wording. He will keep the group up to date on developments.
- Compliance workshop: a session on compliance will be held after this meeting.
- AOB: NFI – the LA representatives raised the issue of what evaluation will take place about the previous exercise. Graham Dove said he recently met with Darren Shillington of the Audit Commission and a paper will be produced which evaluates the results and will also address the operation of future NFI and overall strategy and attitudes so that various areas are understood. The LA representatives added that they feel it would also be helpful to put these points both to the original group and to the Fraud and Error Strategy Delivery Board.

**Action point June 1: Graham Dove was asked to send the evaluation to the original group that brokered the agreement and the F and E Strategy Delivery Board for comments.**

## **5.0 Decision making and appeals.**

- 5.1 Brian Evans gave a short presentation to the group on the impact of the new decision making process and what it will mean for local authorities. There had been growing concerns early last year about the delays at the operational stage of decision making, resulting in a loss of sanction potential. The Benefit and Fraud Directorate Spring Conference identified this as a priority and suggested ways of remedying it. A small project team was subsequently set up and a pilot was run in Merthyr for 3 months. The pilot only included FIS cases but related to both decision making and overpayment calculation activities.
- 5.2 There were numerous benefits arising out of the pilot, including staff were not experiencing competing priorities, they could build an expertise and rapport with local staff and FIS staff, there was greater

consistency in decision making across the board, the turn-around time on decisions greatly improved (to a maximum of 10 days), and there were fewer handoffs and less movement of paperwork which helped to minimise risk of lost documentation.

- 5.3 It is envisaged that national roll-out will be by the end of March 2009. The work will be centralised at two sites – Merthyr and Stirling, and cases will be based on a geographical split. Plans are in place to ensure that the sites are adequately staffed and that training needs are met. Learning and development will be a challenge especially given the demands of ESA.
- 5.4 No firm dates have been agreed for rollout of Merthyr, South East, East of England, South West and London, North West, York and Humberside, North East and East Midlands. The local authorities in the respective geographical areas will be invited to attend L & D sessions in the run up to migration.
- 5.5 Impact will be minimal, although Local Authorities will be expected to use the national DWP Ref 2 form for decision making referrals. LAs will be linked to the roll-out and will need to make referrals to either Merthyr or Stirling as their respective FIS Areas go-live. Referrals will be 'focused', and only papers that the decision maker needs to see will be necessary. Local Authorities should only refer cases where an Interview Under Caution (IUC) had been conducted, or when a sanction is planned if the customer fails to attend for IUC, to either Centre as appropriate.
- 5.6 The session was then followed by Q and As from the LA representatives, especially concerning the content and use of the REF2 form and its relationship with the existing FPA forms.

**Action point June 2: There is some confusion as to whether the FPA4 is similar to the Ref 2, so DWP FIS will check.**

**Action point June 3: HBSD will liaise with FIS to arrange for information on roll-out dates, background to the project, the processes and contact points to be published.**

- 5.7 The LA representatives also asked for the suggestions and notes from the training session to be drafted into a guide for the LAs. They also suggested that it could also be beneficial for DWP FIS to give a presentation to local authority groups and /or the joint boards in the areas that are affected.

## **6.0 The Pensions Service (TPS)**

- 6.1 A note from the TPS was copied to SOG members prior to the meeting. The LA representatives had questioned the absence of a TPS representative at the meeting. John Viggers said that he had agreed to

lead on this issue as it was felt that the present concerns are fraud and error related and HBSD understands the process. A representative from TPS will attend a future meeting to address wider points raised. HBSD have spoken to both Jim Boyd and Peter Meehan concerning the issues affecting Scottish LAs.

- 6.2 The LA representatives said they are not challenging the legality of the process. They had concerns about the low level of prosecutions for Pension Credit cases. They were also concerned that in Scotland they may not be able to take cases to court unless there is a signature attached. Another issue is whether local authorities will be indemnified against subsidy loss.
- 6.3 John Viggers replied that TPS are satisfied that the customer's ID will be verified as part of the tele-claims process. Cathy Payne added that DWP have had legal advice from the Office of the Solicitor to the Scottish Advocate General and are considering further.
- 6.4 The LA representatives said they would like a further discussion at SOG to cover:
  - evidence of the verification processes;
  - evidence of how TPS staff have been trained to deliver;
  - how fraud prosecution works through liaison with the TPS and local authorities and how it is intended to work;
  - subsidy implications;
  - where are the pressure points in fraud and error in the process and how should LAs respond;
  - would TPS attend joint boards in future?

**Action point June 4: HBSD said that they will ask TPS to address these issues at the next SOG meeting.**

## **7.0 Projects Update**

- 7.1 **Voice Risk Analysis (VRA)** – Local authorities have sent their expressions of interest in participating in the next stage. The Fraud and Error Policy Team (FEPT) and Capita will agree a standard application form and evaluate the applications by the end of July. Capita and FEPT also aim to host 5 or 6 events where local authorities will be better informed about the stage 2 pilot.
- 7.2 **Credit Reference Agency (CRA)** – Trial data from one local authority was sent to the CRA and FEPT will attend a meeting to examine the data next week. This will be followed by a workshop for the 15 other local authorities in September/October.

- 7.3 **The Communications and Evaluations Toolkits** – it's been suggested that an alternative name for the Communications toolkit could be 'The Changes of Circumstances' toolkit. A workshop will be held on 24 June in London, led by Risk Solutions, to discuss the latest version of the document and to obtain local authority feedback. Terry Richings will represent SOG at the event.

The Evaluation toolkit will be produced at the same time and will give the local authorities additional support on how they can evaluate change of circumstances processes.

The LA representatives asked whether, in the light of the DWP research report 'Reporting Changes in circumstances; Tackling error in the benefit system', the toolkits will be made available to TPS and JCP? It would also be useful to know what TPS and JCP are doing on this issue.

John Viggers confirmed that the toolkits will be available to TPS and JCP. This is a corporate issue. Fiona Campbell is currently looking at a snap-shot of how local authorities deal with this issue on their websites and a paper will be provided for discussion at the next Strategy Delivery Board.

**Action point June 5: DWP to present a paper on corporate and HB specific communications initiatives to the next SOG.**

## 8.0 Cautions

- 8.1 A copy of the article to be published in the next GIB on Monday 26 June was sent to SOG prior to the meeting and also included a copy of the new FPA6 form. The LAs thought that overall the form could have been made simpler; it did not include mention of landlords; the term 'act under' needs clarification; the form should not be password protected so that it can be amended; what happens if not all the fields in the form are completed (at present the WIB forms are returned if incomplete); and finally, some LAs are having difficulty accessing the Fraud Procedures manual on NAFN.

FEPT have already mentioned concerns to the team who drew up the form but unfortunately could not influence the design further. However, they will take up the additional points raised. FEPT are also looking at other ways of hosting the Fraud Procedures and Instructions (FPI) and will update SOG at a future meeting.

## 9.0 AOB

**ESA Training** - The LAs asked whether ESA training currently provided for fraud staff will be available for LA staff?

**FRAIMS update** - Graham Dove advised that a 5 day workshop is planned in July to seek feedback on what is/not working and whether FRAIMS could be extended to LAs and in what format. The LAs objected to the 5 day duration but will be able to send representatives for at least some of the time.

**Action point June 6: LAs are asked to send the names of nominees to Graham Dove.**

**Delays with HMRC data** – Graham Dove said that JCP is experiencing delays within Operational Intelligence Units (OIUs) in getting information from HMRC. As a matter of urgency this matter is being raised at a higher level.

**Social Security Administration Act** – Graham Dove mentioned the new wording that should apply for Section 110A certificates and that he would inform LAs of this (see enclosed).



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**Backdated Equal Pay claims** – As the matter had been raised by FIS colleagues, Graham Dove asked the LAs to tell him how big an issue the backdating of pay awards following equal pay awards is. The LAs said that it is complicated and that this differs between local authorities.

**The Chair** – Cathy Payne said that a decision will be made on Monday 26 June on where FEPT will be located and that she will no longer be the Chair for the Group. She wished the group well.

## **10.0 Compliance Workshop**

- 10.1 This was followed by a compliance workshop led by Graham Dove. Graham introduced the Customer Compliance model that was introduced within JCP last year. Tracey Banfield then explained how her local authority deals with low level fraud referrals (where a sanction or prosecution is unlikely).
- 10.2 In the ensuing discussion there was wide variance about how the local authorities present dealt with low level fraud referrals. Some gave them all to non-fraud staff to deal with and others did not look at them again. It was generally agreed that the group would like to explore this issue further. In particular they would like to see any evaluation that had been done on how the Customer Compliance model was working. They also agreed to contact other local authorities to see what they did with their low level fraud referrals.

It was agreed that further discussion would take place at the SOG meeting on 18 September 2008.