

Editorial from David Barr

You may recall earlier this year, that responsibility for HB/CTB fraud and error policy within DWP, transferred from our Local Authority Performance Division to my Fraud and Error Strategy Division (FESD). It's a real pleasure, therefore, to write my first HB Direct editorial in my new capacity.

I am particularly pleased that this role will provide the opportunity for me both to renew old acquaintances in LAs (from my time as Paul Howarth's deputy) and to meet new colleagues. I am very much looking forward to meeting colleagues on the ground in LAs and listening to your views about how we can further improve our combined efforts to reduce fraud and error.

In the meantime, I want to take the opportunity of this 'Fraud and Error Special' to let you know about some further organisational changes we are making within FESD to ensure that HB/CTB is integral to all our policies for tackling fraud and error across the benefits system.

Incidentally, much of what we do together to tackle fraud and error in HB/CTB is the same as we do for other benefits. I have decided, therefore, to ensure integration of policy by undertaking integration of teams.

So from October 5th the HB team will cease to be a separate team and will merge with the existing FESD teams:

- Reducing fraud and error through Staff & Systems
- Reducing fraud and error through Customers & Information, and
- Liaison and Presentation

I am confident that this approach will enable us to build on our success. There will be HB expertise within each of these teams and I expect over time that HB issues will become second nature to all staff within my Division.

I am also determined that local authorities will not experience any deterioration in the support we provide. For example, the FEPT mail box will still operate and I have asked John Viggers to continue to be a contact point for local authority issues. This will be in addition to his new role as team leader for Staff and Systems.

Finally I would like to thank everyone for the great progress you have all made in combating fraud and error in HB/CTB. There is still more to do and the articles in this fraud and error special tell you about some of the exciting things that we trust will drive further improvement. I hope you enjoy reading it.

David Barr – Head of Fraud and Error Strategy Division

 Email: David.Barr@dwp.gsi.gov.uk



A new approach to Verification?

Things rarely stand still in the world of benefits. New technologies, new data sources and IT that allow us to apply the data at the point of claim all point to better approaches to verification. So, we have been working with your Local Authority Associations to provide a new framework for verification that takes advantage of these new opportunities and provides better value for money.

The HB regulations (Reg 86) permit rather than require LAs to ask for such verification as is needed to put benefit into payment, subject to what it is reasonable to request. Whilst we want to respect this, it is also the case that both the Department and LAs are accountable for F&E in HB/CTB so we need to assure ourselves that sufficient controls remain in place.

One way of doing this is through the subsidy regime within which the audit bodies play a key role. We have explained the VRA and Sungard pilots to them, including the audit trails they can expect. We are also ensuring that the pilot LAs monitor a sample of cases to provide assurance that the correct decisions have been made.

There is a lot more work to be done and we will be continuing to consult with your Associations and will keep you informed of progress.

 [Email: caxtonhouse.fraud-error-policy@dwp.gsi.gov.uk](mailto:caxtonhouse.fraud-error-policy@dwp.gsi.gov.uk)

Real time verification

SunGard Public Sector's Intercept VERIFY solution has been trialled with Glasgow City Council and the London Borough of Lambeth in consultation with the DWP, to explore the use of data analysis and risk modelling in the administration of new claims.

Claims are risk scored in real-time directly from the back-office system based on the information provided on the application form. The risk score represents the likelihood of the claim containing errors that verification checks would identify at the outset of the claim.

Local Authorities can now choose to process low risk claims without requesting supporting evidence and can carry out more stringent verification for high risk cases. This dramatically reduces the average number of days to process new claims whilst ongoing validation of risk thresholds ensures that the gateway to benefit remains secure.

Glasgow City Council explained *'The SunGard risk score is a complementary tool that can assist in the decision making process'*.

David Ashmore from the London Borough of Lambeth stated *'Taking this innovative approach to verification has seen improvements in processing times and customer satisfaction whilst continuing to securely protect the public purse'*

The pilot is now undergoing final evaluation and full results will be available shortly. To find out more please contact

 [Email: james.rawlins@sungardps.com](mailto:james.rawlins@sungardps.com)



Voice Risk Analysis (VRA) – the story so far

The second phase of the VRA pilots will be completed by Christmas. Feedback from the 24 LA sites has been very positive. However, formal evaluation is not due till spring. In the meantime, we are maintaining our support for the continued use of VRA in the participating authorities. Here are a couple of highlights.

At Coventry City Council a caller was questioned about 'other property'. When pushed the caller reluctantly confessed to having two apartments in Tenerife and to having just put down a £60,000 cash deposit on nine further apartments. Something he had forgotten to mention in any of his application forms! Funnily enough, the claim was deemed unsuccessful and no benefit paid.

Whilst on hold another customer was heard to say: *'Quick, quick it's the Housing. They are checking my claim. They know something's wrong, what shall I say?'* The claim was referred for a follow-up call. When put on hold again the customer said to his 'landlord': *'I didn't tell them that we're together, I just told them we're friends...'*. This case has now been passed to the Investigations Unit.

But, of course, VRA isn't just about fraud prevention and detection. Some of the biggest benefits have been realised through efficiency savings. At Wealden the relative of an elderly customer sent in a bouquet of flowers to say 'thank you' for the great service and speed of processing received.

James Ablewhite, Project Manager VRA

 Email: caxtonhouse.fraud-error-policy@dwp.gsi.gov.uk

Credit Reference Agency Data - Bury reports two years on

Back in 2007 we joined a pilot to establish the benefits of matching HB records against Experian customer data.

HBMS sent our data to Experian removing any additional work for ourselves; we then receive the encrypted results direct.

As with any pilot you have to show the concept works so we checked a range of risks and confirmed that the low risk cases were as dull as you would expect. The medium and high risk cases proved to be far more interesting – with two of the rules clearly ahead; the undeclared cohabiter with a financial association to the claimant having the greatest success.

The solution up to this point is very much standard data matching, it's greatest asset is the access to Experian's Investigator on Line system which allows investigation staff (using DP 29(3)) to see the detailed and up to date information which created the referral. The depth and detail of this information is such that ourselves and several of the pilots had successful sanctions with much shorter investigation times than normal.

Two years on (we lost a year because of the data transfer embargo - it's hard to data match with no data) and DWP are analysing the final MI, the pilots sites offered to save them some time by telling them it was good but as all LAs will know the DWP loves to analyse MI.

Want to know more? Email me:

 Email: I.Davenport@bury.gov.uk



Its back home for FEPT

You will see from David Barr's foreword that the HB Fraud and Error Policy Team has returned to the fold after a nomadic existence in HB Security Division, HB Strategy Division and in LAPD. We hope, like us, that you will see this as a positive change; better embedding HB fraud and error work into wider DWP policy. We thought a bit of a look back over the journey might be interesting.

In the beginning was the anti-fraud incentive scheme, the verification framework, Benefit Fraud Inspectorate, annual measurement of F&E and the SR02 PSA target. Then the abolition of benefit periods, the introduction of monthly matching and risk-based reviews, activity-based targets, performance standards, the challenge of tax credits and Pension Credit and then F&E funding merged into the core admin grant. Then, more recently; DWP's 'Tackling Error' strategy, the HB 'F&E Action Plan' with its error awareness e-learning and right benefit toolkit, the 'reductions target' and now the Right Benefit Indicator.

A bit of a mixed package, but through your hard work and commitment you reduced F&E by a very impressive 10% to an all time low of 4.5% of HB expenditure. So, we would like to give a big 'thank you' to all of you especially those who have helped us through conferences, working groups, participating in pilots and even by working with us on secondment.

Happily it's not 'goodbye' and together with our FESD colleagues we look forward to even more success in the future.

Best wishes

John, James, Jaya, Jackie, Wendy and Sonia (oh and at various points: Bridget, Graham, Kenny, Adrian, Mike, Fiona and any one else we've forgotten!)



For further information please contact

 [Email: caxtonhouse.fraud-error-policy@dwp.gsi.gov.uk](mailto:caxtonhouse.fraud-error-policy@dwp.gsi.gov.uk)



If It's New - Tell Us Too

Influencing customer behaviour is often a challenge, but a pilot campaign launched by DWP in conjunction with the London Borough of Waltham Forest earlier this year proved that targeted communications get results.

Branded, 'If It's New, Tell Us Too', the campaign had its own unique identity and translated the rules on reporting changes into something interesting and meaningful for housing benefit customers.

Local activity included advertising on billboards, phone boxes and in local press as well as direct mail sent to 16,000 local residents. Community organisations and businesses joined in by handing out information and displaying posters.

The results were impressive - two thirds of customers who saw the advertising claimed they would be more likely to report changes. Around the same number agreed that the advertising made them realise that notifying changes was more important than they originally thought.

You can read more about the campaign in the October edition of More Direct <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hb-direct-newsletters/>

If you would like more information, please contact the DWP Customer Error Communications team on 0113 23 24788 or

 Email: Joanna.hennessy@dwp.gsi.gov.uk



Launch of DWP's New Targeting Benefit Thieves Campaign

Early November sees the launch of the new Targeting Benefit Thieves campaign. Over the summer we've been working on a refreshed 'look and feel' to focus more on the risks and consequences of being caught if you steal benefits.

We're introducing new TV and radio ads containing a stern warning to fraudsters that *'it's not if we catch you, it's when'*. Outdoor advertising on billboards and phone kiosks will echo our broadcast messages, using statistics to add harsh reality to the message.

The advertising goes live on 2 November and is targeted at 40 local authority areas (see <https://secureonline.dwp.gov.uk/campaigns/la/>). TV ads will go live across the nation on the same date.

We know that when our investigators work together, we can catch more benefit thieves. So, we'd like to use the same joint approach for our communications to deter potential fraudsters. To help with any future publicity you're now planning in your own towns and cities, we're introducing a new online toolkit.

The toolkit launches on the same day as the campaign on the existing local authority web page at <https://secureonline.dwp.gov.uk/campaigns/la/>. It's based on feedback from local authorities – and gives you a range of tools to target benefit thieves in your own area.

The toolkit includes: campaign presentations, customisable poster templates, stats and facts about benefit fraud, copies of our new ads and more.

For more details about the new campaign please contact Joanna Hennessy.

 Email: Joanna.Hennessy@dwp.gsi.gov.uk



For further information about the Targeting Benefit Thieves campaign please see

 [follow this link](https://secureonline.dwp.gov.uk/campaigns/la/)



Validate - a new service from the Post Office®

How does it work?

The service uses targeted mailshots to encourage customers to report changes in circumstances via local Post Office® branches. Branches carry out document verification as well as copying documents and sending them direct to housing benefit teams for reassessment.

What has happened so far?

Trials have been carried out in some local authorities with a great deal of success. The feedback from customers has been overwhelmingly positive, citing the convenience and increased access as key reasons for their satisfaction with this service.

Alan Porter, Head of Benefits, London Borough of Camden said *'Our pilot was very successful, with over half of our customers choosing to take documents to their local post office'*.

Jane Thomas, Operations Manager, Cardiff Council responded positively saying *'67% of customers opted to use Post Office rather than visit the Council's offices and satisfaction rates with the service have been very high. Changes to benefit amounting to £55,000 have been identified so far and this is expected to increase further before the end of the pilot.'*

For further information about this service please contact Paul Garnham on 07889 946011.

 Email: paul.garnham@postoffice.co.uk

Joint working going down a treat in Birmingham

Our work in the largest Local Authority in the land lends itself to effective partnership engagement and there's no better example than the work undertaken by Birmingham City Council's Benefit Counter Fraud Team.

Our well established Benefit Counter Fraud Team has enjoyed good working relationships for many years with DWP Fraud Investigation colleagues. Last year our combined efforts to route out fraud and error produced some excellent results. A recent benchmarking exercise between eleven LAs showed that Birmingham were responsible for 41% of the joint investigations undertaken by the whole group. In general at least 25% of the overpayments we uncover and sanctions we achieve are as a result of joint working. We meet regularly both as joint management and joint investigation teams. Together we ensure that the full weight of the investigation is brought, the customer is treated fairly and resources kept to a minimum.

The driver for the two teams is our local Fraud Partnership Agreement. It is a key component of an effective operational tool kit known as the 'Alert' process. Officers alert each other to the allegation, and work together to establish the evidence and impose sanctions.

Contact Laeeq Beg, Operations Manager, Birmingham City Council

 Email: Laeq.beg@birmingham.gov.uk

