

Watford Borough Council  
Benefit Fraud Inspectorate  
Report  
“Inspection of Security”  
2006  
Action Plan

**Purpose:**

The purpose of this action plan is to consider each of the recommendations contained in the Benefit Fraud Inspectorate Report 2006 and to set out Watford Borough Council's response, ensuring that all recommendations are implemented within acceptable timescales and with the full participation of all parties involved.

Recommendation		Management Response	Implementation	
No.	Description	Comments / Action	By whom	Date
<b>1</b>	Plans its interventions work effectively to ensure that targets for interventions and visiting are met and that cases for interventions are always selected on the basis of an effective risk assessment.	<p>Visiting Officers are now situated in the Benefits Section and interventions are now the responsibility of the Benefits Managers. Therefore it will be easier to identify ad hoc intervention visits by assessors and ensure that postal visits are maximised.</p> <p>We will utilise the information from HBMS which is sorted between the Fraud team (high risk cases) and Benefits who select cases for visits.</p>	Benefits Managers	April 2007
<b>2</b>	<p>Improves the range and quality of data it gathers and reports to Members, senior officers and the Department of Work and Pensions concerning security</p> <p>Data Matches</p> <p>Fraud Referrals</p> <p>Interventions</p> <p>Visits</p>	<p>Data capture has been hampered by the lack of an effective case management system. WBC has now ordered a new system following demonstrations from suppliers. It is hoped that this system will be operational from 1<sup>st</sup> April 2007.</p> <p>Visits and interventions will be reported monthly to the Head of Revenues and Benefits and monitored by managers. The Head of Service will feed the results into reports that are produced for Members. In addition such information will also be reported into the Councils quarterly Review process. To do this we will make better use of the Civica system.</p>	<p>Fraud Manager/Audit Manager</p> <p>Benefits Managers &amp; Head of Service</p>	<p>April 2007</p> <p>April 2007</p>

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<b>3</b>	<p>Maximises and improves the quality of fraud referrals from key sources by:</p> <p>Developing an ongoing programme of fraud awareness training for all staff</p> <p>Providing regular written feedback on referrals from staff</p> <p>Publicising the referral form and guidance for its completion</p>	<p>We have reviewed the layout and usage of our referral forms. Guidance is being developed to assist people in the correct completion of the form.</p>	Fraud Manager	Completed
		<p>An email template has been designed which will enable electronic referral to the Fraud team from Benefits staff. An email response will then advise the sender what action is being taken or whether further information is required. This approach will be extended to all staff via the Intranet.</p>		Completed
		<p>Referral training will be included within staff awareness sessions</p>		March 2007
		<p>Feed back is also now delivered by means of the recently initiated Fraud Liaison meetings with Benefits Managers.</p>		First session Completed
		<p>Provision of feedback to Housing staff is under consideration.</p>		March 2007
		<p>It is also the intention to produce a regular news letter</p>		February 2007
		<p>Updated awareness training will also be delivered, supplemented by monthly topical presentations (mainly within the team brief setting).</p>		First presentation completed
<p>The Meritec 'Focus on Fraud' documentation will be utilised across the authority to include Benefits and Revenues staff. This will inform training requirements and will link to guidance on completion of the referral form.</p>	March 2007			
		<p>Watford Borough Council Response and Action Plan following BFI Inspection. February 2007</p>		4

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<b>4</b>	Introduces a method for managing fraud cases to provide support for the management and control of counter fraud work by	Effective management of the investigation files will be achieved by the purchase of a case management system as detailed at Recommendation No 2	Fraud Manager	April 2007
	Reviewing its risk scoring methodology	The risk assessment process has been reviewed and a more comprehensive scoring sheet has been introduced. (This is a facility of the new case management system).	Fraud Manager	Completed
	Introducing processes for allocation of cases	The allocation of work has already been reviewed and is now based on an alphabetical split taking into account the HB / CTB caseload.	Fraud Manager	Completed
	Monitoring case holding of investigators and the progress of investigations.	Case loads have already been reduced by 50%. Better management will be achieved by the use of the case management system and regular analysis and outstanding case review reports will identify problem areas.	Fraud Manager	First stage completed  Ongoing

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<b>5</b>	<p>Introduces a comprehensive system of counter fraud management checking that covers</p> <ul style="list-style-type: none"> <li>The quality of investigations</li> <li>Compliance with legislation</li> <li>Compliance with the Council's counter fraud policy</li> </ul>	<p>A management check document has been produced and programmed; fully documented, case review meetings are now taking place. These cover quality and compliance issues by, for example, an assessment of IUC interviews and review of closure actions.</p>	Fraud Manager	Completed
<b>6</b>	<p>Develops its Counter Fraud Business Plan to support its sanctions policy and counter fraud strategy that will</p> <ul style="list-style-type: none"> <li>Set measurable targets</li> <li>Monitor outcomes</li> <li>Provide assurance to Members and senior officers</li> </ul>	<p>The 2007/08 Fraud Business plan has been written. Realistic targets have been set e.g. sanctions at team level.</p> <p>Progress against the Business Plan will be monitored on a quarterly basis.</p> <p>Quarterly reports will be produced for senior management detailing progress and performance. Members will receive regular updates</p>	Fraud Manager	<p>February 2007</p> <p>June 2007</p>

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<b>7</b>	Collates and analyses the results of all its management and accuracy checks	The new case management system will facilitate the collation and analysis of the stats for all the reasons / purposes mentioned. Output will feed into the staff appraisal process.	Fraud Manager	April 2007
	Inform training needs			
	Inform verification standards			
	Improve performance	Whilst we currently identify common errors and trends when checking Stats 128 (and subsidy) we will make this process more formal and build it into the staff appraisal process.	Benefits Managers	Start April 2007
<b>8</b>	Ensures that recommendations from Internal Audit are implemented within the agreed timescales	See all recommendations as detailed below	Fraud Manager / Audit Manager	March 2007
<b>Audit Recommendations</b>				
<b>8.1</b>	Investigating Officers involved in the investigation of any case should ensure that their notes are both initialled and dated on all occasions.	This has already been completed and is checked during the Test Check and Case Review meetings that take place.	Fraud Manager	Completed

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<b>8.2</b>	Fraud referrals should always be logged onto the fraud management system before they are passed to an Investigation Officer. This will ensure that all referrals are appropriately recorded and investigated.	Fraud referrals are logged before being passed on. They will eventually be logged into the case management system.	Fraud Manager	Completed
<b>8.3</b>	The existing risk assessment process should be refined to include a prioritisation of cases into medium and high risk categories. Priority should then be given to investigating those cases determined to be high risk.	See Recommendation 4	Fraud Manager	Completed
<b>8.4</b>	Current guidance on fraud referrals should be provided to all staff in Revenues & Benefits and also made available to all other staff through the intranet.	See Recommendation 3	Fraud Manager	Partially complete. See Rec.3
<b>8.5</b>	Consideration should be given to formally recording the time taken to sift referrals once they are received. The resulting information would provide management information on the efficiency of case management and could be fed back to Benefits staff to demonstrate that their referrals are being dealt with promptly.	The implementation of a comprehensive case management system will enable this to be monitored.	Fraud Manager	April 2007



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<b>8.6</b>	Consideration should be given to monitoring the time taken to commence investigations once referrals have been sifted. The resulting information could be used to help streamline the processes if significant delays that could affect investigations are identified.	As above.	Fraud Manager	April 2007
<b>8.7</b>	A practicable timescale should be determined for the regular reviews of case progress with each Investigator / Visiting Officer. Every effort should then be made to ensure that the agreed meeting dates are adhered to – i.e. wherever practical, visits and meetings should be arranged to fit round the review times. This will ensure a consistent, disciplined approach to the formal review of case progress throughout the year.	<p>The Fraud Manager no longer has responsibility for the visiting staff.</p> <p>Progress monitoring for investigators has started and will continue on a monthly basis. This will become a target for the Investigations Manager, the Senior Fraud Officer and the Fraud Investigators.</p> <p>See also Recommendation 4</p> <p>Benefit managers regularly meet visiting officers to review their workload and monitor work progress.</p>	<p>Fraud Manager / Senior Investigator</p> <p>Benefit Managers</p>	Completed
<b>8.8</b>	A quarterly summary report should be provided by the Investigations Manager to the Head of Revenues & Benefits and to the Benefits Managers to outline any lessons learnt whilst undertaking investigations for improving practices within the benefits system. This will ensure that all positive actions that could be taken to prevent fraud occurring are taken.	<p>The production of this report is dependent on the introduction of the case management system. It is also proposed to publish a quarterly news letter aimed at the benefit staff, section heads and councillors providing feed back, training and information.</p> <p>See also Recommendations 3 and 7</p>	Fraud Manager	June 2007

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<b>8.9</b>	Future revisions of the job descriptions for Fraud Investigators, the Senior Fraud Officer and the Fraud Manager should include specific reference to the responsibility for using investigative powers in accordance with the law as well as contributing to the delivery of the Council's Anti-Fraud and Corruption Strategy and the Fraud Business Plan.	See Recommendation 12	Fraud Manager / Audit Manager/ HR	Completed
<b>8.10</b>	Once approved by the Audit Committee, the revised Anti-Fraud and Corruption strategy and Whistle-blowing policy should be placed on the intranet and the Council's website. An email should also be sent to all staff advising them to read the new documents.	The revised Anti-Fraud and Corruption Strategy (incorporating the Whistle-blowing Policy) was approved by the Audit Committee on 9 <sup>th</sup> January 2007.  This is placed on both the Intranet and the Internet	Fraud Manager	Completed
<b>9</b>	Carries out a risk assessment of its IT security arrangements to ensure that access to its IT systems is restricted and controlled.	Access to the new case management system will be closely controlled within the Fraud team.  A comprehensive risk assessment of IT security within Revs and Bens has been carried out. Access to systems and what can be altered and by who is strictly restricted and controlled.	Fraud Manager / Audit Manager  Training & Performance managers & Benefits Managers	March 2007  Completed

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<b>10</b>	Develops a code of conduct providing clear guidance on the expected behaviours for its fraud investigators	This has been developed and is subject to consultation before being issued.	Fraud Manager	Completed
<b>11</b>	Introduces procedures for all aspects for investigation work	A review and documentation of all procedures is currently being undertaken by the temporary Fraud Manager. A comprehensive set of procedure notes will be introduced in conjunction with the case management system.	Fraud Manager	April 2007
<b>12</b>	Updates job descriptions to provide clarification of roles, responsibilities and training requirements for the specific roles	This been completed following the agreed redeployment of the team between Income, Benefits and Audit.	Fraud Manager/ Audit Manager/ Head of Revenues and Benefits	Completed

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<b>13</b>	Improves security by revising and strengthening its post opening procedures.	We have reviewed the way post is opened. There are still 2 Officers opening post (as before). However at all times a Senior Officer is now present during the post opening process.	Benefits Managers	Completed
<b>14</b>	Ensures its self-assessment against Performance Standards and its performance returns to the Department are accurate.	We will request from Civica a review of the module that generates information for the performance standards. However with immediate effect information generated will be double checked before being submitted.	Training & Performance Manager	Commence February 2007
<b>15</b>	Ensures that plans are all regularly updated so that targets are synchronised and consistent	All policies will be reviewed annually unless Primary Legislative changes are introduced or guidance from the Department of Work and Pensions is issued that create the need for plans/policies to be revised.	Fraud Manager/ Audit Manager	April 2007