

Table 2: The NFI – A checklist for members

Question	Answers/action required
The NFI in our council	
What is the role/post of the senior responsible officer accountable for the NFI in our council?	The Director of Finance is the accountable officer for the NFI
Do we have a lead elected member for counter-fraud activity, including the NFI?	The Audit Committee have a responsibility for overseeing counter-fraud activity although the Finance & Property Advisory Board oversee Benefit Fraud.
What role does our audit committee play?	The Audit Committee regularly reviews all counter-fraud policies and receives reports on the work being undertaken to minimise fraud.
How are other elected members or non-executive members kept informed of the NFI?	All Members have full access to copies of the Audit Committee reports that include updates on the NFI progress.
What governance arrangements do we have in place to ensure the organisation achieves the best possible outcomes from the NFI?	The NFI referrals are initially sifted by the Chief Internal Auditor. There are a large number of referrals that can be resolved as non-fraud at this stage. Where there is a potential benefit fraud involved the case is referred to the Benefits Investigation Section to be treated like any other referral. SPD queries are currently being reviewed.
Who decides and monitors this approach?	The Chief Internal Auditor in liaison with the Director of Finance agrees how referrals should be handled.
How is the NFI reflected in the governance training and development provided for officers and board/elected members?	The NFI is not subject to any specialist training. Members are aware of the exercise through reporting but the NFI is only one of a number of sources of anti-fraud measures, some of which are far more effective.
Maximising results	
What resources do we invest in the NFI?	Every case referred to the Council is examined for potential fraud and will be pursued as far as is economically viable where it is considered that corrective action is required.
What were our outcomes from the most recent NFI?	The current NFI exercise has resulted in approximately £13,000 being overpaid in Housing and Council Tax Benefit. Most of these are the result of undeclared pension increases.
Are we ensuring we maximise the benefits of the NFI – for example, following up data matches promptly, recovering funds and prosecuting where possible?	Where a case results in overpaid benefit the public interest test will be applied. If appropriate the Council will prosecute and if successful will issue a press release. As yet, the Council has only corrected SPD overpayments but the most recent forms used for requesting SPD have been strengthened to make prosecution an option.
What assurances have we drawn about the effectiveness of internal controls and the risks faced by the organisation?	Overall, the main area of fraud still appears to be a failure of clients to promptly notify a change of circumstances. Anecdotal evidence suggests that a majority of applications for benefits or SPD are correct at the time of application.

What changes have we made as a result?	There have been a number of improvements with information coming from the Department for Work and Pensions that result in anomalies being referred earlier. Staff have been made aware of how to check documents provided as evidence to support applications for benefits. Communications between the Revenues and Benefits section have been improved with system controls in place to prevent accounts that have a mismatch requiring resolution before claims are calculated.
Do those responsible for the NFI in the council feel they get appropriate support from other managers in the council when investigating matches?	Officers are fully supportive and provide resources to assist when able to do so.
Broadening our council's engagement with the NFI	
Are we taking advantage of the opportunity to suggest and participate in NFI pilot data matching?	Not as yet, we already have sufficient numbers of referrals from other sources that are more productive than NFI that resources are channelled into.
Have we considered how we could use the new flexible batch and real-time matching services?	Not yet
Data Security	
What is our strategy/policy for data security?	We have a comprehensive set of IT usage policies that include data security
Is there any specific reference to the NFI data security in the strategy	It does not refer specifically to the NFI exercise but is aimed at CoCo compliance. However, our fraud website refers to the NFI Code of Data Matching and has a link to it.
The NFI fit with wider counter-fraud policies	
How does the NFI influence the focus of our counter-fraud work?	It is one of many tools that we use to prevent and detect fraud and error. Traditionally, it has been of limited value with only one prosecution arising from previous exercises.
Does our counter-fraud policy include reference to the council's participation in the NFI?	No, however, the Council website does refer directly to it.
Do we publicise the outcomes from the NFI?	We report outcomes to the Audit Committee and any successful prosecutions will refer to it being a source of discovery if that is the case.
How does the NFI influence how and what we communicate to the public about our approach to counter-fraud?	It doesn't, the NFI is just one data matching exercise that the Council participates in and is not the most effective.
Are the outcomes from the NFI used to inform our wider decision making – for example, internal audit risk assessments, data quality improvement work or anti-fraud and corruption policy?	All areas of fraud are included in the risk assessment process for determining areas of work. NFI is not treated separately to any other area of referral.