

Appendix 1

NATIONAL FRAUD INITIATIVE 2020 - SUMMARY OF MATCHES BY GROUP TYPE (as at 7 October 2021)

The Cabinet Office provides suggested approaches to dealing with the match types and for certain match types provides risk ratings, which relate to the likelihood that the match reflects fraud or error. The Council has in many instances sought to expand the sample sizes beyond the recommended filter value where it is considered desirable. The method of selecting matches to investigate falls into 3 categories:

- A Full check – where risk of erroneous payment is high or previous problems identified.
- B By Tranche – Volume of matches necessitates filtering by value of individual match. Where problems encountered a lower filter level is then used.
- C By category of match – some types of matches have unique elements which make them a specialist search.

The sampling method used may vary during the course of match processing, depending on the outcomes identified and observations made during review of matches. Where possible, higher risk matches, selected by value and/or quality of the match are investigated first.

Further detailed information relating to the types of data matches along with progress to date on investigating potential matches arising from the 2020 NFI exercise is given below:

Report Name (NFI reference)	Total Matches	Internal Audit Review category	Our sample for review	Matches Closed (no issue)	Matches Closed: Fraud/Error Identified	Matches with Enquiries Ongoing	Fraud/Error value recovered to date	Fraud/Error value, recovery ongoing	Comments
Pensions and Pension Gratuity to Benefits Agency Deceased Persons (52)	822	A	822	698	0	124	0	0	<p>The Pension Payroll to Deceased Persons match identifies instances where an occupational pensioner has died, but the pension is still being paid as a result of the Pensions Section not being informed of their death. Data is matched between pension records maintained by the Council and those held by the Department for Work and Pensions (DWP) of deaths.</p> <p>822 matches related to deaths notified to the Council following the submission of NFI data (up from 356 in the previous exercise). Of these 698 have so far been reviewed. Typically, the Council has been made aware of these deaths in the period from NFI data upload to the publication of results.</p>
Deferred Pensions to benefits agency deceased persons (53)	136	A	136	19	0	117	0	0	<p>This match identifies where members of the Local Government Pension Scheme have left employment prior to reaching pensionable age, have passed away but payment of any widow or dependant entitlement has not commenced due to the Authority not being notified by the family.</p> <p>19 matches reviewed to date related to deaths notified to the Pensions Section following the submission of NFI data and before the NFI results were released. The 117 outstanding matches all relate to deferred pensioners so there has been no financial loss.</p>
Pensions to payroll within The Council (54)	231	A	231	0	0	231	0	0	The pension's payroll to payroll data match identifies pensioners who may have gone back into employment within the Council, which could result in an abatement of their pension.
Pensions to other bodies Payroll (55)	327	A	327	0	0	327	0	0	The pension's payroll to payroll data match identifies pensioners who may have gone back into employment within external organisations, which could result in an abatement of their pension. These investigations have to take account of the changes to the pension regulations affecting abatement agreed by the Pensions Committee in September 2006. These matches also include employees who take flexible retirement and therefore can receive a salary and pension benefits.

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Payroll to payroll within SCC (65)	23	A	23	23	0	0	0	0	The payroll to payroll matches identify: i) Individuals who maybe contravening their conditions of service by taking a second paid post; and / or ii) Staff who are failing to work their contracted hours because they are employed elsewhere. All of the matches have been reviewed with no adverse findings found.
Payroll to Payroll, between bodies (66)	37	B	37	30	0	7	0	0	All matches identified where the standard hours of the individual roles total more than 30 per week, and standard hours for SCC are greater than zero will be reviewed. To date, 30 matches have been reviewed and cleared with no adverse findings being identified.
Payroll to Payroll – Phone Numbers Within Body (67.1)	4	A	4	3	0	1	0	0	This is a report where payroll to payroll matches (as described above) are based on individuals sharing a phone number. Of the four identified, three have been resolved. We are awaiting information regarding the remaining match.
Payroll to Payroll – Email Address Within Body (67.2)	5	B	5	5	0	0	0	0	This is a report where payroll to payroll matches are based on individuals sharing the same email address. All matches have been reviewed with no adverse findings.
Payroll to Payroll – Phone Number Between Bodies (68.1)	8	B	8	8	0	0	0	0	This is a report where payroll to payroll matches are based on individuals sharing a phone number. All matches have been reviewed with no adverse findings found.
Payroll to Payroll – Email Address Between Bodies (68.2)	3	B	3	2	0	1	0	0	This is a report where payroll to payroll matches are based on individuals sharing an email address Two matches have been closed without adverse findings. Enquiries are ongoing with regard to one match.
Payroll to pensions between bodies (78)	3	C	0	0	0	0	0	0	The pension's payroll to payroll data match identifies pensioners who may have gone back into employment, with another local government body, which could result in an abatement of their pension. These matches also include employees who take flexible retirement and therefore can receive

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									a salary and pension benefits. The individuals listed is employed by the Council but in receipt of a Pension from another body, it is therefore expected that the Pensions provider takes the lead resolving the match. We will respond to any enquiries received from the matching authority.
Payroll to creditors same bank account, within bodies (80)	1	A	1	1	0	0	0	0	The payroll to creditors matches highlight those employees whose home address or bank account is shared with a business used by the Council.
Payroll to creditors address quality, within bodies (81)	1	B	1	1	0	0	0	0	Both matches have been reviewed and no adverse findings found.
Blue badge parking permit to blue badge parking permit between bodies (170)	39	A	39	9	1	29	0	0	This report identifies individuals potentially holding two blue badges with different Authorities. 10 matches have been reviewed to date, with one blue badge having been identified as inadvertently being issued to a person based outside the County. The badge has been cancelled, and the holder requested to return it. Whilst there is no financial value to recover, the Cabinet office estimate each cancelled blue badge to have a value of £575.
Blue badge parking permit to blue badge parking permit between bodies (170.1)	2	n/a	n/a	n/a	n/a	n/a	0	0	Responsibility for processing matches lies with the Council who issued the earliest badge. This report identifies the same issues as those identified by report 170, above, and is provided for information, and the organisation on the other side of the match is expected to lead enquiries. It is noted that both matches relate to badges issued to the same persons in different areas, but timeframes of applications are consistent with a replacement badge being requested on or shortly prior to the expiration of the previous badge, potentially after the badge holder moved home to a different area.

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Blue badge parking permit to benefits agency deceased persons within bodies (172.1)	3,313	C	3,313	0	0	3,313	0	0	This report identifies blue badge holders recorded as deceased by the DWP. When the matches are processed, they will be cancelled on our systems. This allows traffic wardens to seize such passes if their use is detected. Applications for renewal of cancelled passes will be declined. Matches will be processed to prioritise high quality matches where badges are imminently due to renewal.
Concessionary travel passes to benefits agency deceased persons within bodies (172.2)	2,522	A	2,522	5	0	2,517	0	0	This report identifies holders of concessionary travel passes who are recorded as deceased by the Department for Work and Pensions. Processed of these matches has commenced, and will focus on travel passes that are high quality matches and imminently due to for renewal.
Blue badge parking permit to blue badge parking permit within bodies – Phone Number (172.7)	178	tbc	tbc	0	0	0	0	0	The reports use applicant email address and phone number to identify possible duplicate applications for Blue badges. An initial high level review of these reports indicates that many of these matches may result from applications from charitable organisations on behalf of clients, so review of other blue badge reports will be prioritised.
Blue badge parking permit to blue badge parking permit between bodies – Phone Number (172.8)	284	tbc	tbc	0	0	0	0	0	
Blue badge parking permit to blue badge parking permit between bodies – Email Address (172.9)	359	tbc	tbc	0	0	0	0	0	

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Duplicate creditor by creditor name (701)	353	C	0	0	0	0	-	-	It is known that the Council has a number of duplicate creditor files due to the structure of My Finance. As a result, these matches are not reviewed. Reliance is placed on the duplicate payments check performed by the Payments Team and Internal Audit's Continuous Controls Monitoring work programme in year.
Duplicate creditors by address detail (702)	357	C	0	0	0	-	-		
Duplicate creditors by bank account number (703)	208	C	0	0	0	-	-		
Duplicate records by, invoice amount and creditor reference (708)	2,995	C	2,995	141	0	2,854	-	-	<p>This report identifies potential duplicate invoices from suppliers. Detailed review of matches has not commenced to date. A high-level screening of any matches with identical invoice numbers has been performed and one match has been highlighted for priority review, with an apparent overpayment of £2,539 (to be confirmed).</p> <p>Detailed review of the lesser priority matches has commenced.</p> <p>On an ongoing basis, matches meeting these criteria should be identified by our CCM programme, although not all transactions may be selected in our risk-based sample.</p>
VAT overpaid (709)	265	C	265	252	0	13	-	-	This report compares invoice amounts and VAT values recorded in My Finance. The majority of the matches have been subject to review, and valid reasons for VAT not being equal to 20% of the invoice value have been identified. A common example was for school lunch providers, where pupil contributions are deducted from the invoice value.

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Duplicate records by creditor name, supplier invoice number and invoice amount but different creditor reference (710)	18	C	18	15	3	0	989.23	1,298.07	This report identified potential duplicate payments. Three duplicate payments have been identified to date, a credit note has been received for one, and credit notes have been requested for the remaining two.
Duplicate records by supplier invoice number and invoice amount but different creditor reference and name (711)	223	C	223	23	0	200	0	0	This report identified potential duplicate payments, although the quality of matches is lower than in report 710, and it expected that there will be a significant volume of false positives as many of these payments will relate to regular payments for the same amount made to different organisations (e.g. schools). These matches will be reviewed prior to the end of March 2022.
Duplicate records by postcode invoice date and invoice amount but different creditor reference and supplier invoice number (712)	13	C	13	12	0	1	0	0	This report identifies potential duplicate payments. Review of the matches has identified one potential duplicate. Internal Audit are awaiting responses to enquiries with the relevant budget holder.

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Duplicate records by postcode, invoice amount but different creditor reference and supplier invoice number and invoice date (713)	72	C	72	22	0	50	0	0	This report identifies potential duplicate payments. To date we have reviewed the higher and medium matches as identified by the Cabinet Office, and in each case have cleared the matches with no fraud or error found.
Procurement - payroll to companies' house (Director) within bodies (750)	34	A	34	8	0	26	0	0	These reports identify employees or individuals they live with who are Directors of Suppliers used by the Council, or who share an address with a Director of a Supplier used by the Council. Review of these matches has commenced, and to date eight matches have been cleared with no adverse findings.
Procurement - Payroll to companies' house (Director), address quality, within bodies (752)	83	A	83	0	0	83	0	0	
Totals	12,919		11,175	1,277	4	9,894	989.23	1,298.07	