

National Fraud Initiative in Scotland- 2014/15

Instructions for participants



Prepared for participants
August 2014

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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National Fraud Initiative

Introduction

1. The National Fraud Initiative (NFI) is a data matching exercise which matches electronic data within and between participating bodies to prevent and detect fraud. Audit Scotland's report on [NFI 2012/13](#) explains the exercise in more detail, including the governance arrangements. The [Code of Data Matching Practice](#) sets out further guidance on data governance which all bodies involved in data matching must have regard to.
2. Audit Scotland carries out data matching under part 26 of the Public Finance and Accountability (Scotland) Act 2000 which provides that Audit Scotland may carry out data matching exercises, or arrange for them to be carried out on its behalf. The Audit Commission's NFI team carries out the matching work on our behalf.

The Audit Commission/Cabinet Office

3. The Audit Commission processes the data for NFI in Scotland on behalf of Audit Scotland, and provides its secure website and NFI application for bodies and auditors to use in Scotland.
4. The Audit Commission prepares instructions for participants which are available on its website: <http://www.audit-commission.gov.uk/fraud/nfi/public-sector/pages/default.aspx>
5. Scottish participants should refer to the instructions on the Audit Commission website. Where arrangements in Scotland differ, or where the Audit Commission's instructions do not adequately address Scottish arrangements, further guidance is provided in this document. In all other cases, the guidance on the Audit Commission website applies to Scottish participants.
6. The Audit Commission website includes a section on fees for NFI participants. Scottish bodies do not have to pay separate fees for the NFI; the costs are met through the annual audit fee agreed with your appointed auditor.
7. From April 2015 the Cabinet Office will take over the responsibility for running the NFI. Audit Scotland expects no impact arising from the change in sponsoring body as the entire NFI team and the NFI web application are transferring to the Cabinet Office.

This guidance

8. This guidance document will be updated as required. When changes are made, key contacts will be informed.

Timetable

9. The key dates for NFI 2014/15 are set out in the table below:

Date	Event
Tuesday 30 September 2014	Participants will submit fair processing compliance returns
Between 29 September and 6 October 2014	Participants will extract the data from the systems in accordance with the data specifications
From Monday 6 October 2014	Participants will upload the live data to the NFI web application
November 2014 onwards	The Audit Commission NFI team will send automatically generated reminders to participants who have not submitted expected datasets
From 29 January 2015	The Audit Commission NFI team will make the 2014/15 exercise matches available
31 March 2016	Audit Scotland will use the outcomes as at this date for the national report
June 2016	Audit Scotland will publish the 2014/15 NFI report

The following link takes you to the detailed timetable [2014/15 NFI timetable detail](#)

Data requirements

Dataset	Councils	SPT/TC	Central Gov *	NHS
payroll	Mandatory	Mandatory	Mandatory	Mandatory
pensions	Mandatory		SPPA Mandatory	
housing	Mandatory			
blue-badges-resident parking (transport-passes-and-permits)	Mandatory			
private-supported-care-home-patients	Mandatory			
licences	Mandatory			
trade-creditors-payment-history-data	Mandatory	Mandatory	Mandatory	Mandatory
trade-creditors-standing-data	Mandatory	Mandatory	Mandatory	Mandatory
insurance-claimants	Risk based			
Student Loans			SAAS Mandatory	
council tax	Mandatory Dec 2015			
electoral-register	Mandatory Dec 2015			
personal-budget-direct-payments	Mandatory			

- * Central Government now includes the new Police and Fire bodies.
- housing and council tax benefit data is provided by the DWP

10. The Audit Commission site sets out the data requirements by sector. The terms used in England do not in all cases apply in Scotland, for example the [NHS Data requirements page](#) lists Strategic Health Authorities, Primary Care Trusts, NHS Trusts, Foundation Trusts and Special Health Authorities. All Scottish participants should refer to the table above which summarises the data request issued to Directors of Finance in July 2014 and supersedes the lists on the Audit Commission website.

Security policy

11. A new security policy has been introduced for the 2014/15 NFI exercise. This requires additional checks to be undertaken on all users of the NFI web application tool to ensure compliance with government standards.
12. The following information is presented to users when they first log into the NFI system and must be abided by:

The information contained within the NFI system is covered by the Data Protection Act, the Code of Data Matching Practice and HMG Policy. Only authorised users are permitted to access the system and users must ensure that they use the system appropriately and in accordance with the guidance supplied to them. Any information accessed, downloaded or printed from the system must be handled in line with the Data Protection Act and the Cabinet Office Security Policy Framework (SPF). Users and authorities must ensure that any information exported from the system is handled in line with HMG requirements for handling Personal and Protectively Marked information. If you have any questions about this, you should contact your Key Contact or Director of Finance (as applicable).

13. Key contacts were emailed a copy of the Security briefing on the 21 July 2014. The process works in the same way, and to the same timetable, as the Fair Processing declaration and from 21 July 2014 the NFI 2014/15 web application will have a 'Security Policy Declaration' option on the Home Page.

Scottish interpretations

14. The following areas of the Audit Commission's guidance require additional guidance:
 - Privacy notice
 - Council tax
 - Payroll
 - Blue Badges
 - Insurance

Privacy Notices

15. The Audit Commission uses the term "Fair Processing Notices" to refer to informing individuals that their data is being shared. The Information Commissioner's Office now promotes the use of the term 'privacy notice' to describe the provision of this information, and this is the terminology that we use.

16. Audit Scotland's has a full text privacy notice and the Code of Data Matching Practice includes guidance on level 1 and level 2 privacy notices. These can be both found on our website at the following page - [audit-Scotland nfi](#)

Council tax

17. The rest of the UK is going to an annual mandatory data upload for the council tax single person discount to the electoral register. It is currently every two years in Scotland and councils are **not** being mandated to upload this data for 2014/15 exercise.
18. Audit Scotland will review council performance in the current 2013/14 NFI council tax exercise and in particular the extent and effectiveness of their participation or other use of these data sets to effectively manage awards of single person discounts.
19. Councils are strongly encouraged to utilise the options available under the new NFI Flexible Matching Service to participate in this data match on a voluntary basis in 2014/15.

Payroll

20. The following additional fields to this data specification have been confirmed as; 'telephone number' (home and mobile), 'passport number' and 'email address'. The Audit Commission recommends updating the level 1 privacy notice (there referred to as a "fair processing notice") for payroll, and the fair processing compliance returns refer to updating the privacy notice.
21. The content of privacy notices is for you to determine. In Audit Scotland's view, this additional data is payroll data, so the specimen payroll level 1 privacy notice in the Code of Data Matching Practice remains adequate.

Blue Badges

22. The administration of Blue Badges in Scotland is still migrating to a central system, the Blue Badge Improvement Service (BBIS). The migration is not yet complete, so the data for blue badges is likely to be on two different systems.
23. The BBIS allows downloads by local authorities of their data. Authorities will need to obtain a download from BBIS and their own local system and combine the two files prior to uploading them.
24. Audit Scotland is not asking for concessionary travel data, as per the last exercise.

Insurance

25. Providers of insurance services are submitting the insurance data in place of councils, so councils do not need to upload this data.