

# Public Audit and Post-Legislative Scrutiny Committee

## National Fraud Initiative

### Submission from Moray Council

To consider whether:

- The policy intentions of putting the NFI in Scotland on a statutory basis have been realised,
- Any further policy or legislative changes are required to improve the effectiveness of the National Fraud Initiative,

#### Questions

Q: What have been the benefits financial and otherwise of putting the national fraud initiative on a statutory footing?

A: The statutory framework has provided certainty for participating bodies relating to the transfer of large volumes of data , including personal data, to a third party processor . The development of suitable protocols for doing so and the services secured from the Cabinet Office, specifically around co-ordinating data uploads, the matching of data and the return of matches in a regulated manner gives confidence to participants that data protection and information sharing issues have been fully considered in the framing of the legislation.

The financial benefits have been direct where data matches have indicated error or other irregularity leading to recovery of funds. There have also been indirect benefits in that the legislation has obviated the need for individual participants to allocate resources to considering the legitimacy and legality of sharing data in this manner, thus simplifying the process.

Q: Could the legislation be strengthened in any way?

A: The legislation as presently drafted appears fit for purpose, requiring mandatory participation by the main public bodies in Scotland in the submission of data. The discretionary element is the extent to which participating bodies check the returned matches. We believe this should remain discretionary to ensure that the level of checking is commensurate with the assessed risks arising from the matches. The nature of the data in scope means that many legitimate matches will be highlighted. Hence it is important, from a cost benefit perspective, that local discretion is retained in determining the extent to which matches should be investigated. In any event the rationale for checking processes is subject to review and comment by appointed external auditors.

# Public Audit and Post-Legislative Scrutiny Committee

## National Fraud Initiative

### Submission from Moray Council

Q: Should participation in the National Fraud Initiative be improved? Are there any bodies who do not participate in the National Fraud Initiative who should do so?

A: To the extent that the principal public bodies in Scotland are included we have no specific comments to make on others who may usefully participate.

Q: Are there any other issues you would like to raise in connection with this particular part of the legislation.

A: There are no other issues we would wish to raise. We believe the policy intentions of putting the NFI in Scotland on a statutory basis have been realised, by providing a means by which public bodies can assess the quality of data held within a range of operating systems.