Equality Analysis

Birmingham City Council Analysis Report

EA Name | Proactive Fraud Monitoring/Detection (DCLG Grant Funded Project)
Directorate | Economy
Service Area | Birmingham Audit
Type | New/Proposed Function

**EA Summary**
The objective is to develop a suite of repeatable tests to prevent and detect fraud within the Council. Findings from the project will be managed in accordance with existing Council policies / procedures, for example: Prosecution & Sanction Policy.

**Reference Number** | EA000635

**Task Group Manager** | Cynthia.Carran@birmingham.gov.uk

**Task Group Member** | 

**Date Approved** | 2015-04-08 01:00:00 +0100

**Senior Officer** | Kay.Reid@birmingham.gov.uk

**Quality Control Officer** | Cynthia.Carran@birmingham.gov.uk

**Introduction**
The report records the information that has been submitted for this equality analysis in the following format.

**Overall Purpose**
This section identifies the purpose of the Policy and which types of individual it affects. It also identifies which equality strands are affected by either a positive or negative differential impact.

**Relevant Protected Characteristics**
For each of the identified relevant protected characteristics there are three sections which will have been completed.

- Impact
- Consultation
- Additional Work

If the assessment has raised any issues to be addressed there will also be an action planning section.

The following pages record the answers to the assessment questions with optional comments included by the assessor to clarify or explain any of the answers given or relevant issues.
2 Overall Purpose

2.1 What the Activity is for

| What is the purpose of this Function and expected outcomes? | Birmingham City Council has undertaken data matching for a number of years to detect fraud and error. This has traditionally been in areas of benefit payments, social housing and council tax reduction. Widening this matching to detect fraud within the Council will build on the successes already achieved. However, the matching needs to be easily repeatable and targeted to the high risk areas. The concept of repeatable tests and monitoring is known as continuous auditing. Adoption of a continuous auditing approach is widely regarded as the most effective way of preventing and detecting fraud at an early stage whilst facilitating actions to prevent any re-occurrences. Funding has been secured from the Department for Communities and Local Government (DCLG) to develop a suite of automated tests to help prevent and detect instances of fraud within the Council. The project will provide a means to monitor vast volumes of transactions with fewer resources. Adoption of a continuous auditing approach will: - act as a deterrent against fraud being committed; - detect fraud and error that would have previously gone unnoticed; - detect issues much earlier, therefore substantially reducing the value of fraud and error; - identify actions to stop fraud and error materialising; - improve data quality For Birmingham Audit this will assist in: - improving efficiency and effectiveness of the service; - targeting work and the ability to undertake 100% data checks; - reducing the time taken for monitoring and auditing of systems; - reducing the need to rely on other forms of data matching such as NFI; - the provision of a greater level of assurance to management; - proactively preventing and detecting fraud / reducing the amount of reactive investigative work undertaken; - securing improvements in systems and controls with clear evidence - increasing compliance with Council policies and procedures Whilst proactive monitoring will not stop all fraud or error, it is estimated (based on investigative work over the last 3 years) that at least 10% could have been detected and stopped much earlier. The project is dependent on the expertise, skill and knowledge of consultants that will help deliver the project outcomes. |
For each strategy, please decide whether it is going to be significantly aided by the Function.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Aided by Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Service Excellence</td>
<td>No</td>
</tr>
<tr>
<td>A Fair City</td>
<td>No</td>
</tr>
<tr>
<td>A Prosperous City</td>
<td>No</td>
</tr>
<tr>
<td>A Democratic City</td>
<td>No</td>
</tr>
</tbody>
</table>

2.2 Individuals affected by the policy

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will the policy have an impact on service users/stakeholders?</td>
<td>Yes</td>
</tr>
<tr>
<td>Comment</td>
<td></td>
</tr>
<tr>
<td>The appointment of the third party consultant or associate and procurement of any hardware or software will be undertaken in line with the councils financial regulations and standing orders. These are in line with all relevant European Procurement Rules. The market place will be tested to identify the most suitable partner for successful delivery of the project. A third party associate or consultant will be commissioned to utilise their knowledge and expertise. They will work with existing members of staff for business insight and knowledge transfer purposes. The logic behind the repeatable tests is transportable and can be applied to other local authorities.</td>
<td></td>
</tr>
<tr>
<td>Will the policy have an impact on employees?</td>
<td>Yes</td>
</tr>
<tr>
<td>Will the policy have an impact on wider community?</td>
<td>Yes</td>
</tr>
<tr>
<td>Comment</td>
<td></td>
</tr>
<tr>
<td>The deliverables of the project link with key priorities in the Council specifically: The Leaders Vision - The early prevention and detection of fraud means that dwindling resources can be used for the people that most need them protecting the most vulnerable. In addition, the innovative nature of the project supports making Birmingham the Enterprise Capital of Britain. Council Priorities - The prevention and detection of fraud at an early stage also supports the Councils key priorities of: - Succeeding Economically and Making a Contribution - Public Service Excellence Directorate Priorities - At a Directorate level the project supports the outcome of Driving the Councils overall direction and implementing good governance. National trends continue to indicate that there is an increased threat of fraud. The project will seek to detect fraud and achieve the financial savings which are more important than ever given the current period of austerity. The Audit Commissions Protecting the Public Purse publication promotes a rigorous strategy of reducing fraud and error within systems across all aspects of the public sector. This project is underpins this strategy.</td>
<td></td>
</tr>
</tbody>
</table>

2.3 Analysis on Initial Assessment

Chairperson:

Summary statement: Having undertaken an initial impact assessment of the Proactive Fraud Monitoring / Detection (DCLG Grant funded project), we have concluded that:

- the appointment of the consultant will be in line with BCC procedures and all data we hold is used fairly and lawfully.

- as there is no potential adverse impact associated with any aspects of the project, we should not proceed to a full impact assessment.

Should any equality issue arise during the appointment process or implementation of the project it will be considered.

Sign-off Date: 2nd March 2015
3 Concluding Statement on Full Assessment

Mohan Sandhar from the Equalities, Community Safety and Cohesion Team confirmed on 2nd March 2015, that he agreed that this EA did not need to go to a full assessment.

4 Review Date

01/03/18

5 Action Plan

There are no relevant issues, so no action plans are currently required.