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Customer Success Story

Sharing Data to Prevent Fraud
and Improve Service Efficiencies
across 15 Local Authorities

Essex County Council

Local
Government

Challenge

A pivotal moment in the stark awareness of the level of local authority fraud came with the publication of the Audit Commission's report in 2013. The study estimated that between 3% and 11% of any discounts, reductions and exemptions claimed against Council Tax were either incorrect or fraudulent. While the Commission has long since gone, replaced by a number of Government and private reporting bodies, Council Tax fraud has not. The Covid pandemic and the cost-of-living pressures have conspired to create an upward trend in Local Authority Fraud across the board, with the latest estimates from the Credit Industry Fraud Avoidance System – CIFAS, at a staggering £2.1bn, with the largest loss from housing tenancy fraud.

Solution

In a unique collaborative approach in Essex County, all 15 Local Authorities joined forces with the goal of collectively tackling fraud. They had a clear vision to instigate a cost-effective, secure, easy-to-access and easy-to-maintain system that would allow them and their public sector partners to share essential records to optimise income derived from local taxes. This approach was ground breaking. Historically, information sharing across Local Government boundaries was shrouded in the Data Protection Act of the day, was at best limited and at worst non-existent.

Creating a secure system to deliver tangible ROI

What eventually became known as the Pan Essex Compliance and Counter Fraud Scheme aimed to establish data inaccuracies through the secure sharing of datasets both from within individual authorities, but also on a county level. These inaccuracies could then be investigated and would identify fraudulent claims for the likes of Single Person Discounts, Single Occupancy etc. and any money recouped recorded as real cash being returned to the public body. A key business goal was to seek to provide an attractive return on investment, measured as real revenue recovered against the total acquisition cost of creating a solution.

"What we have achieved in Essex is arguably the best example of Digital Transformation in Local Government. Vigilant's VigilancePro counter fraud platform has paid for itself many times over. Working together, Essex Local Authorities have recouped over £3 million in real cash from incorrect council tax discount and exemptions, benefit claims and residents' parking permits through secure intelligent data sharing across boundaries"

Rob Hawes - Revenue and Benefits service manager, Chelmsford City Council

Essex County Council

15 local authorities come together to tackle fraud and recoup £3 million in incorrect and fraudulent discounts, exemptions, parking permits and benefits claims.

Vigilant's proven solution selected

Through a competitive, European-wide tender process the Pan Essex scheme enlisted the help of UK-based Vigilant Applications. The successful tender cited Vigilant's secure powerful, proprietary, data analytics and correlation software VigilancePro, capable of interrogating multi-format data sets including the likes of unstructured data. It also acknowledged value for money and Vigilant's track record of working at scale with other public sector bodies, including the Police and the NHS.
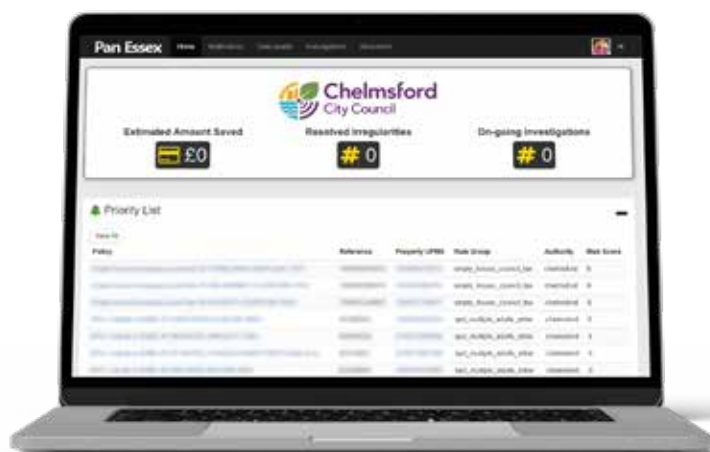
Real-time data sharing across authorities

Following a design process spearheaded by Vigilant, all Local Authorities in Essex were brought on board and the Pan Essex Compliance and Counter Fraud system was fully operational by mid-2017 with Local Authorities securely supplying data extracts. Unlike any of the national fraud initiatives, the Pan Essex system is essentially real-time, with regular monthly cross-border sharing of data extracts which flag inconsistencies for investigation with the minimum of false positives.

GDPR-assured reporting on fraudulent discounts

The Vigilant solution provides each authority with its own branded UI and secure local sign-on. GDPR is assured through a clever architecture that only shares the 'outcomes' of data matching across boundaries instead of the physical data itself. The individual authority dashboards provide a comprehensive 'case' workflow and cumulative report of fraudulent Council Tax discounts recouped as part of an Essex-wide leader board.

VigilancePro selected for:

+ Secure, powerful data analytics and correlation

+ Interrogation of multi-format data sets including unstructured data

+ Value for money

+ Track-record of working at scale in the public sector

Results

Full ROI within first six months and over £3 million recovered to date

The Pan Essex results surpassed expectations, with a full ROI delivered within the first six months of going live. As well as a real return on the Essex investment, the system also provides automatic data improvement by identifying and flagging irregularities such as misspelt names, addresses and postcodes across all datasets.

The ROI leaderboard has encouraged friendly rivalry among neighbouring revenue and benefits managers, with authorities keen to play their part in recouping real cash from fraudulent claims. **The current figure for real cash recovered is over £3m.**

The next step was then to move to a wider data sharing system to improve operational efficiencies across the county.

A secure data sharing platform yielding major operational efficiencies

With Vigilant as a trusted partner, the Counter Fraud scheme has evolved into a wider Pan Essex 'Secure Data Sharing Platform' where the ability to securely match data across boundaries has yielded major operational efficiencies.

Data sharing to support vulnerable people

The first new application to sit on the platform is VIPER (Vulnerable Intelligent Persons Emergency Response). VIPER uses existing shared data sets to immediately identify vulnerable people requiring priority evacuation following a major incident.

Vigilant developed the VIPER solution to comply with the Civil Contingencies Act and incorporated a bespoke secure mobile application for use by emergency services and volunteers on the ground. Comprehensive evacuation plans that would have taken days to prepare are now created in minutes and ensure that all Essex authorities comply with the requirements of the Act.

'Once we had the Pan Essex secure data sharing platform in place we knew it would yield intelligence for other challenges in Essex. Alongside the counter fraud application, we now have VIPER – a Vulnerable Persons Identification and Rapid Evacuation solution. The same core technology provides an almost instant emergency plan and keeps us compliant with the Civil Contingencies Act. It really is groundbreaking'

John Higgins, Head of IT Resilience, Emergency Planning. Tendring Council

See
Local Authorities Share Data Extracts in compliance with GDPR.

Shape
Data Matching and Real-Time Data Enables Local Authorities to:

- Act immediately on fraud
- Execute evacuation plans for vulnerable people within minutes

Stop
Stop Fraud. Improve Services with real-time response.

A blueprint for Local Authorities

One of the original business goals of the Pan Essex scheme was to offer a blueprint solution that could be replicated across other groups of Local Authorities in the UK providing significant returns. The successful deployment of the VigilancePro core technology powering the Secure Data Sharing Platform has delivered on that goal with the Counter Fraud Scheme and is positioned to host other applications alongside VIPER, yielding further operational efficiencies.

Essex County Council

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