


Outline Business Case

Draft v0.1

Project Name	Fraud Prevention – Enhanced ID Checking	Programme	Transformation	 EAST CAMBRIDGESHIRE DISTRICT COUNCIL
Project Manager	Trevor Bowd	Project Executive	Richard Quayle	

Purpose: To seek approval to commit resources to plan the project in detail.

Executive summary

This project is part of a wider county-wide project called the Cambridgeshire Anti-Fraud Network which received funding from the Department for Communities and Local Government to boost capability and capacity to tackle fraud and error.

Through the installation of a commercially available software solution the Council is able to provide enhanced identity checking across all services through the Customer Services Team.

The key benefits are that enhanced ID checking reduces the risk of fraudsters gaining access to Council services, and secondly supports the One Stop Shop approach to customer service. In addition, (if the Council agrees to this project) it has the potential to lever in revenue for the organisation to support the Council's commercial agenda moving forward.

Reasons

Like other organisations many services that we provide require customers to prove their identity. At present this involves photocopying documents such as passports and driving licenses and retaining paper copies on files, with this "checking" process being undertaken by different services.

This type of check only confirms, for example, that the photograph on the passport is the same as the person presenting the passport as proof of ID. Enhanced identity checking using a software solution enables the security features contained in documents, such as passports which authenticate the presented document.

The project will help the Council to mitigate risk, prevent identity fraud and comply with legislation.

Options

The following options have been considered:

1. Do nothing – continue with basic ID checking on an ad-hoc basis.
2. Install software to enhance ID checking across services provided by the Council.
3. As 2 above plus offer ID checking service to external organisations.

The Business Case recommends a two stage approach to implementing enhanced ID checking:-

Phase 1 - Install software to enhance ID checking across services (this is already programmed to happen as part of Audit Services forward planning).

Phase 2 (proposed in this business case) – based on experiences/success of the in-house installation, investigate the opportunities for providing an ID checking service to external organisations through submission of a PID.

This will bring in additional revenue streams; however at this stage we are unable to confirm the pricing structure due to the need to keep our costs competitive in the business sector. We are proposing (if the Transformation Programme Sub-Committee agrees the business case) that a competitive pricing structure will be developed within a Project Initiation Document.

Business Benefits Expected

Business benefits will be developed in the PID and will focus on:

- 100% increase in data cross-referencing with enhanced security checks.
- Reduce exposure to fraud.
- Demonstrate compliance with Right to Work, Right to Rent, Anti-Money Laundering Legislation.
- The Commercial agenda is supported through the addition of new revenue streams.
- 50% reduction in staff time to check ID's.

Risks

The risks associated with the actual implementation of the ID checking software are around the system being unavailable or scanning equipment malfunction when we would have to revert to photocopying ID.

The risks are more around exposure to identity fraud and the potential associated financial and/or reputational risk.

Cost

The wider Anti-Fraud Network project will fund the installation costs for the ID checking software, licenses and two scanners for two years from the date the purchase order is place at a cost of £3,000 per year. The cost after this period is likely to be more as the procurement exercise involved similar set ups across each of the district councils in Cambridgeshire.

In terms of staff costs, Customer Services has undertaken a time analysis exercise to determine the amount of time attributed to id checking for Licensing, Building Control and Housing Services. On average, staff spent 25 minutes carrying out ID checking (although it should be

noted that over the last few weeks due to changes in legislation and fee costs for licenses this attributable time has greatly increased).

Once the ID checking software has been installed we envisage that we can reduce the time spent by 50% and increase security by 100% (mainly as the process will be linked with national ID databases). If the project is agreed for further development, Audit Services will liaise with local businesses to highlight this service to ascertain their possible commitment to using the Council moving forward. We would like to have undertaken this exercise prior to requesting confirmation of the Business Case, but due to the necessity to install the software to conduct a time analysis process, we must make sure that the Council gets a clear return on investment.

Timescales

March 2016- The timescale for the implementation of the ID checking software is set by the DCLG through the Anti-Fraud Network project which requires all elements to be in place by 31st March 2016, however, funding lasts for two years from the date the Council issues a purchase order to commit to the installation.

May 2016- Once the software has been embedded in the Council, we will conduct a robust time analysis activity to ascertain staff time attributed to ID checking to develop a clear pricing structure.

June 2016- Develop competitive pricing structure.

August 2016- Bring Project Initiation Document to the Transformation Programme Sub-Committee for agreement.

August 2016- Launch and promote the ID checking service to the business sector.

Assessment of effectiveness

- Effectiveness could be measured by the number of false id incidents referred to Internal Audit/ARP Fraud Team for investigation or referral on to the UK Border Agency.
- Reduction in staff time by 50% to carry out fraud checking.
- Increased revenue streams.