

**David Richards**

Cyfarwyddwr Llywodraethu • Director of Governance  
Prif Swyddog Cyfrifyddu • Principal Accounting Officer



Llywodraeth Cymru  
Welsh Government

Darren Millar  
Chair – Public Accounts Committee  
National Assembly for Wales  
Cardiff Bay  
Cardiff  
CF99 1NA

5<sup>th</sup> October 2012

**National Fraud Initiative – participation of public bodies**

I refer to your letter of 26 June 2012 to the former Permanent Secretary in connection with the above matter.

I have deferred responding to your letter until now in order that my responses to the questions that you have asked are consistent with the responses to Recommendation 13 on the National Fraud Initiative in your interim report on Grants Management in Wales.

The National Fraud Initiative (NFI) in Wales is run in collaboration with NFI exercises in England Scotland and Northern Ireland to enable data to be matched across national boundaries. The Welsh Government itself has been fully committed to participation in the NFI since its inception and remains fully engaged with this important counter fraud facility run the by the Auditor General in Wales. We accept the principle of relevant funding recipient organisations participating in the National Fraud Initiative (NFI) as rollout of the NFI is extended by the Auditor General.

In the 2010-11 exercise 43 Welsh public sector bodies participated in the NFI 2010-11. These included the following mandatory participants:

- Local Authorities
- Police Authorities
- Fire Authorities
- NHS Bodies
- The Probation Trust

In addition to this the Welsh Government and Cardiff University participated in the NFI on a voluntary basis, together with the WAO itself and other audit suppliers contracted by the Auditor General.

The Auditor General has indicated that he wishes to encourage participation in NFI by other public bodies in Wales and where it will be beneficial and proportionate to private sector organisations. The Welsh Government will work closely with the Auditor General to encourage further voluntary participation in the NFI by organisations which he prioritises. A new 'point of application' facility is being introduced in to the NFI from October 2012 and, in particular, the Auditor General is keen for all universities in Wales to participate through this new facility. The Welsh Government, in conjunction with the Auditor General and the Higher Education Funding Council for Wales, will encourage participation by all Welsh Universities.

The Welsh Government is also finalising the wording of a reserve power to be included in its standard terms and conditions for grants to require grant recipients, when invited to do so, to participate in the NFI or other counter fraud activities identified by the Welsh Government.

The NFI is not the only counter fraud data tool available to the Welsh Government. It is an active participant in the Cabinet Office led counter fraud initiatives and is currently evaluating whether to engage with other data matching tools being developed and trialled by Whitehall departments.

With regard to the matter raised by your colleague Aled Roberts AM regarding the Tell us Once service we have contacted the Department for Work and Pensions (DWP) which is responsible for this important initiative across the UK. The DWP Account Manager with responsibility for the Tell Us Once initiative in Wales informs us that all of the local authorities in Wales are offering the Tell Us Once service in respect of deaths and that an increasing number are participating in respect of births. The Account Manager is meeting representatives of all the Welsh local authorities to review the effectiveness of the Tell Us Once service and to encourage further take up of the births service.

Please let me know if you require any further information.

Yours sincerely



**David Richards**