

Practice Name:

**E-Claims**

Practice category:

- Systems and tools



Contact:

- Ministry of Housing, Communities & Local Government, Department for Work and Pensions
- [Website](#)
- [Email](#)

Country:

**United Kingdom**

### **Fraud risk(s) countered**

- Avoidance or manipulation of public procurement procedures
- Double funding
- Manipulation of project costs

### **Context and objective(s)**

The Department for Work and Pensions (DWP) and the Ministry of Housing, Communities & Local Government (MHCLG) have deployed an IT system in 2018, ECLAIMS, to automate the interface between the departments and their contractors. Companies can submit their applications and claims through the ESIF Managing Authorities (MA) system and the information is then assessed by the MA. This follows the concept of e-Cohesion, as outlined in Article 122(3)5 of the CPR, which concerns the electronic exchange of information between beneficiaries and authorities during the 2014-2020 programming period.

There was already an IT system in place for the 2007-2013 ESIF period, however, it didn't meet the e-Cohesion requirements. ECLAIMS is a cross-government system used by DWP (ESF) and MHCLG (ERDF), developed to meet the specific requirements of the 2014-2020 programme.

The tool's aim is to enable automated checks via the interface, validation of contractor claims prior to payment and facilitation of additional targeted controls. It therefore helps to intercept and prevent potential irregular or fraudulent applications and claims.

### **Description of the practice**

ECLAIMS is a form-based web application which administers applications and claims for the around £12 billion of funds from the ERDF & ESF for the 2014-2020 period. Organisations that apply for ESIF programmes need to register and complete applications via the ECLAIMS IT system. The system will continue to be used through to closure of these programmes.

In order to develop the system, a range of user consultations were undertaken, including discussions with internal (DWP, MHCLG) and external stakeholders (e.g. beneficiaries). The development spread across a period of approx. 3 years using agile methods and building the system in an incremental way with the help of several outsourced developers. After an initial trial phase that started in 2017, the system went live in 2018. Limited development still takes place where enhancements are required.

DWP and MHCLG were mainly involved in the development and funding of the system. Ongoing costs are now partly financed through EC Technical Assistance as well.

During the system's development, ongoing communications were issued to stakeholders. Once the system was finalised, guidance on how to apply for ESIF funding was made available on the gov.uk website.

The system broadly covers four functional categories:

- Submission and appraisal of applications for funding under the ESIF
- Submission of a claim, once funding has been granted, with supporting information on the amounts spent
- Workflow/case management of the claim
- Reporting & management information

The ultimate aim of ECLAIMS is to collect information, including supporting documentation, on applications and funded projects in line with the ECs e-Cohesion policy. Data is collected via the system, providing an audit trail of who has done what, where and when.

DWP, the MA, will use the information in the ECLAIMS IT system to carry out its full appraisal, with the aim of determining whether the application meets the relevant criteria to be considered for funding. Applications capture information on the rationale, activities, cost and compliance of a project.

During any part of the Due Diligence process (if applicable to the application) or during appraisal of the application against the Core Selection Criteria, the MA can raise queries via the ECLAIMS IT system with the applicant to clarify information, request additional information or correct any errors in the application.

The data is also available to a range of stakeholders to support the fulfilment of their roles i.e. the Certifying Authority (CA) and the Audit Authority (AA), both within ECLAIMS and via the reporting system. CAs and AAs also use ECLAIMS to record details of their activity, including details of performed visits/checks.

There is a range of control measures built within ECLAIMS:

- Separation of functions, reducing the opportunity for fraudulent activity. Access to the various parts of the system is restricted, dependent on the roles that have been allocated. Additionally, should staff have multiple roles, then the system recognises which activities have been undertaken historically and limits future activities against relevant projects/claims.
- Validation upon submission of claims to the MA, including:
  - Checks of financial data against project details i.e. financial values, Categories of Region, Priority Axis, Cost category
  - Checks of participant data against project details i.e. incomplete records, duplicate participants etc.

The system produces a wide range of information, from granular level per application or claim through to high level summary reports. The reports are made via the Jaspersoft BI tool which interfaces with ECLAIMS to extract data. Some of this information is published, e.g. in national Programme Board minutes, others are used for the day-to-day management of the programme.

## Unique features

- Use by all involved authorities (MA, CA, AA)
- Built-in validation checks that review claims and beneficiary data, identifying potential issues (e.g. double entries, missing information)
- Separation of functions in the system and series of built-in checks to prevent users from undertaking tasks that are not relevant to their role or might represent a conflict of interest

## Outcomes and results

The ECLAIMS system is the IT tool used by all applicants, beneficiaries and authorities within the 2014-2020 ESIF period.

## **Key success factors**

- Involvement of various stakeholders in the development
- Agile development of the system
- Continuous communication about the development
- Provision of detailed guidance about the use of the system

## **Challenges encountered & lessons learned**

- Continues to review the effectiveness of the system, and makes changes where specific needs are identified
- Focus on user experience

## **Potential for the transferability**

Following the e-Cohesion requirements, a similar system can be implemented by other countries.

Such a system must, undeniably, represent the particular steps that take place during the application and claims process, and must include all involved parties in the development process.