

Meeting with Companies House

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Context

We noticed a Cabinet Office press release this week that talked about a [new AI tool for fraud detection](#) across the public sector. The release suggested that Companies House will be the first user.

We were very interested in this and wondered if you might be able to put us in touch with someone in Companies House who might be able to tell us more?

Attendees



Kevin Watts - DPO, Companies House

Matthew Pennell - Head of Intelligence, Companies House

Notes

- MP: it's the CO's Public Sector Fraud Authority's system tool we're using, so haven't actually developed it ourselves. May require further conversations with PSFA, which they're happy to do if required.
- We've been working with CO for the past couple of years around data sharing.
- New capability to detect fraud and economic crime in public spending and within the UK's financial sector (see slides).
- PSFA are the main drivers and owners of it, and have been using it more than Companies House.
- CH will have 10 licences to use the platform. Main use case is around companies phoenixing.
- System generates leads that CH can then investigate to determine whether fraud has taken place.
- DH: could you explain how you think it will be implemented for CH?
- MP: main use case is looking across datasets to see patterns of behaviour.
- DH: what data is being used?
- MP: it's our publicly available data (through our public API), protected data (residential address, ID information) and data shared through data sharing approved by the DEA Board. Eg records of disqualified directors.
- Looking at particular models, eg phoenixing, shell companies. We've started doing some work with PSFA to help define and identify what these situations look like, so that the models can start to be implemented.
- DH: timing for CH?
- MP: not that far away, maybe a month or two. Starting to do our DPIA for it. But we won't be taking action on any information we get out of it until the new powers are approved. Looking at March, but could be April.
- MP: a small number of our team have been trained on it just before Christmas, but we haven't had direct access to the system since then.
- DH: once you start doing the analysis, will it result in findings or just the start of an investigation?
- MP: that's the plan - to take the outputs from the system to decide about investigations. Not automated decisions.

Public Sector Fraud Authority
quantexa

New for 2023....

Single Network Analytics Platform

Introducing the platform

The Cabinet Office's Public Sector Fraud Authority is building a new capability to enable public bodies to detect fraud and economic crime in public spending and within the UK's financial sector. The Single Network Analytics Platform (SNAP) brings government data together in a single environment and provides an unparalleled view of risk using Quantexa's network analytics and entity resolution technology.

For the first time, public bodies can see how companies and individuals are connected within a network analytics context and can use this to surface fraudulent behaviour and illicit activity in any area of government spending. The capability has been proven and tested within the Covid-19 loan schemes and with 19 UK banks. From contracts to loans and trade finance – the platform enables departments and financial institutions to understand the risk associated with individuals and companies (including connected parties and their associated networks).

Advanced risk-decisioning

The Single Network Analytics Platform will feature advanced risk models to detect the following types of fraud and financial crime – these models are developed and maintained by the PSFA's Counter Fraud Data Analytics Service:

- ✓ Conflicts of interest
- ✓ Shell companies
- ✓ Phoenixing
- ✓ Serious and organised crime
- ✓ Suspect formations
- ✓ Covid-19 loan fraud
- ✓ Financial sanctions and debarments
- ✓ HMRC aged debt – early 2024
- ✓ Terrorist financing – early 2025

Data Partners

The PSFA has established a range of data partnerships and facilitates wider access to government data sets via the Digital Economy Act (DEA) powers, including:

- ✓ Companies House (the entire register – public and non-public)
- ✓ NCA's National Data Exploitation Capability
- ✓ Department for Business & Trade
- ✓ HM Revenue & Customs

Technology Partners

- Microsoft Azure
- quantexa

Private Data Providers

- NCA National Crime Agency
- Companies House
- Department for Business & Trade
- BRITISH BUSINESS BANK

Public Data Providers

- ICJ
- THE WORLD BANK
- opencorporates
- Office of Financial Sanctions Implementation HM Treasury