



MEDIA RELEASE

NI's Auditor General reports on £4.4m of fraud and error identified following data matching exercise

A significant rise in the number of erroneous pension payments is among the main findings of a report published today (Tuesday 19th July) by Northern Ireland's Comptroller and Auditor General, Mr Kieran Donnelly CB, on the work of the National Fraud Initiative (NFI) here.

The NFI is a computer-based data matching exercise run every two years. Public bodies including government departments, agencies, non-departmental public bodies, councils and health sector bodies participate, with their respective data sets matched to help identify potentially fraudulent and erroneous transactions. Today's report is the seventh since Northern Ireland began participating in the Initiative.

For the reporting period April 2020 to March 2022, almost £272,000 of fraud and error was detected and recovered, with a further estimated £4.2 million of potential future fraudulent or erroneous payments prevented. The majority of outcomes relate to pensions and in particular a small number of cases where the pensioner died relatively young and was in receipt of a significant pension. The report notes that while it is possible that the COVID-19 pandemic has been a factor in the increased number of pension cases (78, compared with 10 in the previous reporting period) and the significant level of outcomes, this cannot be confirmed.

Contrastingly, there were significantly reduced outcomes in relation to rates evasion; with £58,000 recovered or prevented in this reporting period compared with £936,000 in 2018-20. Mr Donnelly's report explains that, as a result of the significant pressures stemming from the COVID-19 pandemic, the amount of time devoted by rates staff to NFI investigations was curtailed.

Among the other outcomes noted in today's report is £40,000 in duplicate payments recovered from suppliers.

Commenting on the findings of the report, Mr Donnelly stated:

"While it is impossible to eradicate fraud entirely, all public bodies in Northern Ireland have a duty to help minimise its impact and to maximise the proper use of funding for public services. To date, NFI exercises have recovered or protected over £44 million of public money here.

"I would call on organisations across the public sector here to strongly consider participating in future data matching exercises, so that we can continue to deliver these positive outcomes for citizens."

The full report, which also includes case examples illustrating the value of data matching, is available to download from the NI Audit Office website.

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THIS STATEMENT IS ISSUED ON THE STRICT UNDERSTANDING THAT IT IS NOT FOR PUBLICATION OR BROADCAST BEFORE 00.01 hrs ON 19 JULY 2022

Notes for Editors

1. The Comptroller and Auditor General (C&AG) is Head of the Northern Ireland Audit Office (NIAO). He and the NIAO are totally independent of Government. He certifies the accounts of Government departments and a range of other public sector bodies. He has statutory authority to report to the Assembly on the economy, efficiency and effectiveness with which departments and public bodies use their resources. These reports are published as Assembly papers. Additionally, in 2008 the C&AG obtained statutory powers to conduct data matching exercises and to report publicly on his data matching activities.
2. Upon receiving his new powers, the C&AG made arrangements to participate in the National Fraud Initiative (NFI) exercise, now run by the Cabinet Office. The Cabinet Office processes the data using a secure web based system.
3. Over 80 public bodies took part in this seventh running of the exercise.
4. This report is available on the Audit Office website at <https://www.niauditoffice.gov.uk/national-fraud-initiative> . The report is embargoed until 00.01 hrs on Tuesday 19 July 2022.
5. Background briefing can be obtained from the Audit Office by contacting Valerie Evans (028 9025 1062).