



Northern Ireland Audit Office

MEDIA RELEASE

The National Fraud Initiative: Northern Ireland

Mr Kieran Donnelly, Comptroller and Auditor General, today (11 June 2020) issued a report on the latest outcomes from the National Fraud Initiative (NFI). This is the sixth report since Northern Ireland began participating in the NFI in 2008.

Background

The NFI is run every two years and is a highly effective data matching tool which helps to identify potentially fraudulent and erroneous transactions, using sophisticated computer-based data matching techniques.¹ Over 80 public bodies took part in this sixth running of the exercise in Northern Ireland (NI), including government departments, agencies, non-departmental public bodies, councils and health sector bodies. NI data was also matched with data held by public sector organisations in England, Scotland and Wales, providing a cross-jurisdictional approach to tackling fraud.

Mr Donnelly said:

“Preventing and detecting fraud is a challenge for all organisations, including the public sector. It is essential that organisations in receipt of public money do all that they can to minimise losses to fraud, in order to maximise the proper use of funding for public services..... An emerging challenge is the fraud risks associated with the Covid-19 pandemic and I will engage positively with NFI colleagues to ensure that data matching can be used to best effect to address these risks”.

Main Findings

For the reporting period April 2018 to March 2020, over £5.5 million of actual and estimated fraud and error was detected or prevented through NFI data matching, in particular:

- estimated cost avoidance to the health service of £2.7 million, with the removal from the GP register of over 1,200 people who were unable to demonstrate entitlement to publicly funded services;
- estimated savings of £1.6 million on temporary accommodation, as a result of 44 social housing properties being recovered and reallocated to those on the housing waiting list;
- over £900,000 of rates evasion recovered or prevented; and
- over £175,000 of pensions fraud, error and overpayments recovered or prevented

The following case examples from the report illustrate the value of data matching:

Case Example - Rates

NFI data matching identified a property which was not on Land and Property Services' (LPS) rating system. A bill has been issued to recover outstanding rates dating back to 2014, amounting to £18,820. Repayment of the outstanding amount commenced in March 2020.

Case Example – Social housing

A data match highlighted that an NIHE tenant was in a care home. Housing staff carried out thorough investigations to determine the tenant's status and established that the tenant was

¹ The NFI is administered by the Cabinet Office on behalf of the main public audit authorities in England, Scotland, Wales and Northern Ireland.

determined to be a permanent resident in care in August 2019. A termination of tenancy was obtained in September 2019 and the property was recovered. As result, the property was re-let in October 2019 to a household on the waiting list.

Case example – Trade creditors

A non-departmental public body detected two duplicate payments totalling £24,072. The money has been recovered from the relevant suppliers.

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. 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.
2. This report is available on the Audit Office website's [National Fraud Initiative page](#). The report is embargoed until 00.01 hrs on Thursday 11 June 2020.
3. Background briefing can be obtained from the Audit Office by contacting **Valerie Evans** (028 9025 1062).