



Northern Ireland Audit Office

MEDIA RELEASE

The National Fraud Initiative: Northern Ireland

Report by the Comptroller and Auditor General for Northern Ireland

Mr Kieran Donnelly, Comptroller and Auditor General, today issued a report on the latest outcomes from the National Fraud Initiative (NFI). This is the third report since Northern Ireland began taking part in the NFI.

Background

The NFI, which is run every two years, is a highly effective data matching tool which helps public bodies identify potentially fraudulent and erroneous transactions, using sophisticated computer based data matching techniques.¹ With continuing budgetary pressures, it is essential that public bodies use every means at their disposal to prevent and detect fraud and error. Over 100 public bodies took part in this third running of the exercise in Northern Ireland, including government departments, agencies, non-departmental public bodies, councils and health sector bodies.

Mr Donnelly said:

“Every public sector body has a duty to demonstrate a zero tolerance to fraud and to play its part in challenging those who seek to commit fraud. The results speak for themselves, with outcomes from the first three NFI exercises in Northern Ireland of almost £30 million. This success relies on the commitment and effort of all participating organisations, and I commend all those involved in the review and investigation of data matches for the essential work that they do.”

Main Findings:

Between April 2012 and March 2014, over £5.5 million of fraud and error was detected through NFI data matching. The report’s key findings are:

- Housing benefit fraud and overpayments amounted to over £1.6 million, with a number of successful prosecutions. Some of these are included as case examples in the report.
- Suspected fraud, error and overpayment in relation to pension payments amounted to over £3.3 million.
- Over 60 cases of rates evasion were identified leading to outcomes of over £350,000.
- Duplicate and erroneous payments to suppliers amounted to just over £102,000.

¹ The NFI is administered by the Audit Commission on behalf of the main public audit authorities in England, Scotland, Wales and Northern Ireland. This allows data matching on a cross-jurisdictional basis.

THIS STATEMENT IS ISSUED ON THE STRICT UNDERSTANDING THAT IT IS NOT FOR PUBLICATION OR BROADCAST BEFORE 00.01 hrs on Tuesday 17th June 2014.

There were over 5,000 matches between blue badge holder records and death records. This means usually that the badge was not returned after the death of the badge holder and so could potentially be used fraudulently. These badges have been cancelled by the Department for Regional Development. There were almost 10,000 matches between concessionary travel pass holder records and death records. These travel passes were cancelled by Translink.

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 Audit Commission's National Fraud Initiative (NFI) exercise. The Audit Commission processes the data using a secure web based system.
2. This report is available from the Stationery Office throughout the United Kingdom. It is also available on the Audit Office website at www.niauditoffice.gov.uk. The report is **embargoed until 00.01 hrs on Tuesday 17 June 2014**.
3. Background briefing can be obtained from the Audit Office by contacting **Neil Gray** (028 9025 4345) or **Patrick O'Neill** (028 9025 1023).