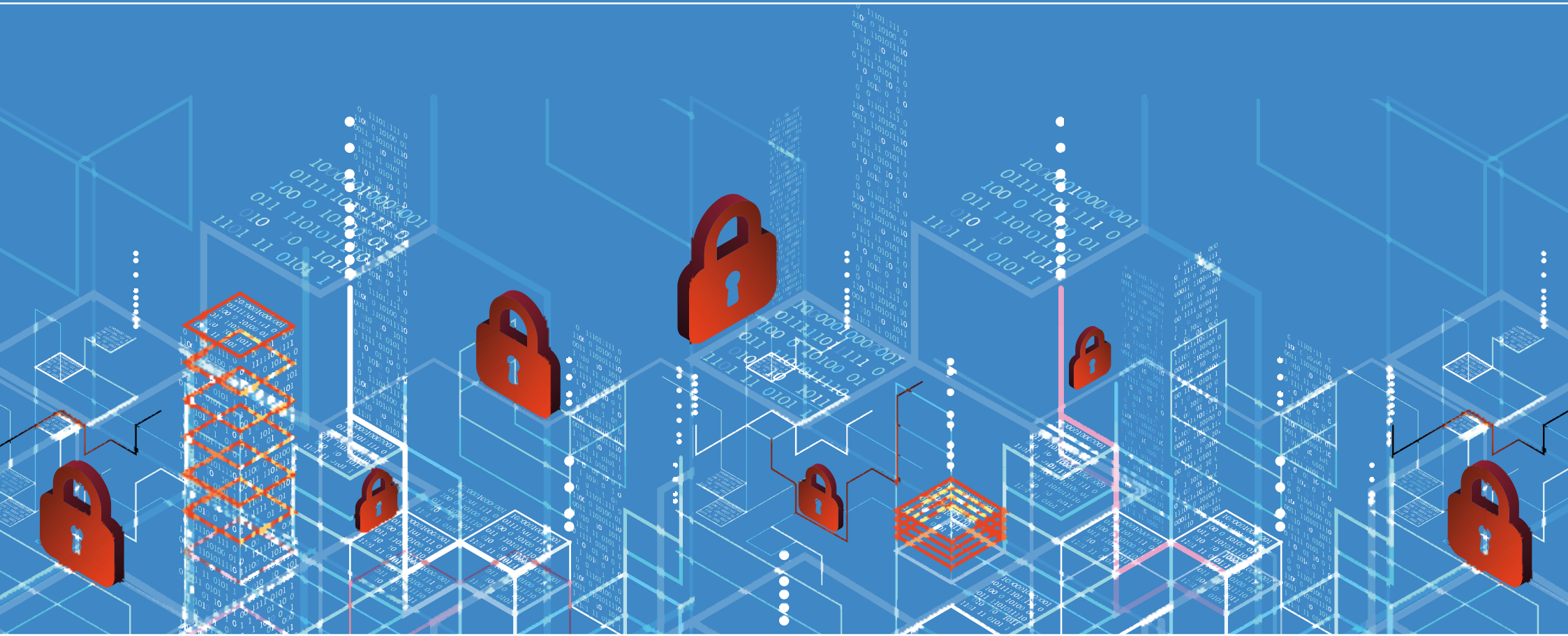# nfi
National Fraud Initiative

The National Fraud Initiative: Northern Ireland

This report is being published under Article 4E of the Audit and Accountability (Northern Ireland) Order 2003.

KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
19 July 2022

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Foreword

Preventing and detecting fraud is a continuing challenge for all public sector organisations. Organisations must seek to minimise losses to fraud, in order to maximise the proper use of funding for public services. It is not possible to eradicate fraud but we must do all in our power to minimise its impact.

Since 2008, under statutory powers inserted in the Audit and Accountability (Northern Ireland) Order 2003 by the Serious Crime Act 2007, my Office has undertaken data matching exercises for the purpose of preventing and detecting fraud. The main data matching tool we use is the National Fraud Initiative (NFI), administered by colleagues in the Cabinet Office.

This is the seventh NFI exercise to be undertaken in Northern Ireland. Total outcomes to date are over £44 million, representing current and past fraud and error stopped <u>and</u> potential future fraud and error averted. A recent challenge has been the fraud risks associated with the COVID-19 pandemic and this report includes outcomes relating to COVID-19 grant payments.

These achievements would not be possible without the efforts of the 80+ participating organisations in Northern Ireland who review and investigate data matches in order to detect fraud and error. **I thank all those involved for continuing to support this important work.** If your organisation does not already participate in the NFI, I would encourage you to join our collective effort. You can contact my Office at **nficoordinator@niauditoffice.gov.uk** for further information, or go to our website at **https://www.niauditoffice.gov.uk/national-fraud-initiative**.

I would especially like to encourage **housing associations** to sign up to the NFI. Following a report by my Office in 2013 on Tackling Social Housing Tenancy Fraud, the Public Accounts Committee (PAC) endorsed the NFI and said *"the Committee expects all housing associations to participate"*. However, to date, only three associations have participated in past NFI exercises, with none taking part in the current exercise due to COVID-19 pressures and other priorities.   My staff will continue to engage with the housing associations and the Department for Communities to encourage participation.

Nationally, since 1996, outcomes from data matching through the NFI are now over £2 billion, demonstrating the continuing value of this cross-jurisdictional exercise. I will continue to work collaboratively with the Cabinet Office, Audit Scotland, Audit Wales and participating organisations to ensure that the value and impact of the NFI is maximised.

Kieran Donnelly
Comptroller and Auditor General

1. NFI Headlines 2020-22

19% decrease in NFI outcomes compared with the previous reporting period

£4.4 million actual and estimated savings in total

78 cases where pension continued to be paid after the death of the pensioner

£126,000 of erroneous pension payments recovered and £4.1 million of potential future erroneous payments averted

58 cases of rates evasion or incorrect application of lone pensioner rate relief identified

£58,000 of rates arrears or incorrect rates relief recovered or future losses averted

13 cases of incorrect award of housing benefit identified

£51,000 of incorrect payments being recovered or future losses averted

2 duplicate payments identified within COVID-19 Small Business Support Grant scheme

£20,000 erroneous grant payments being recovered

16 duplicate creditor payments detected
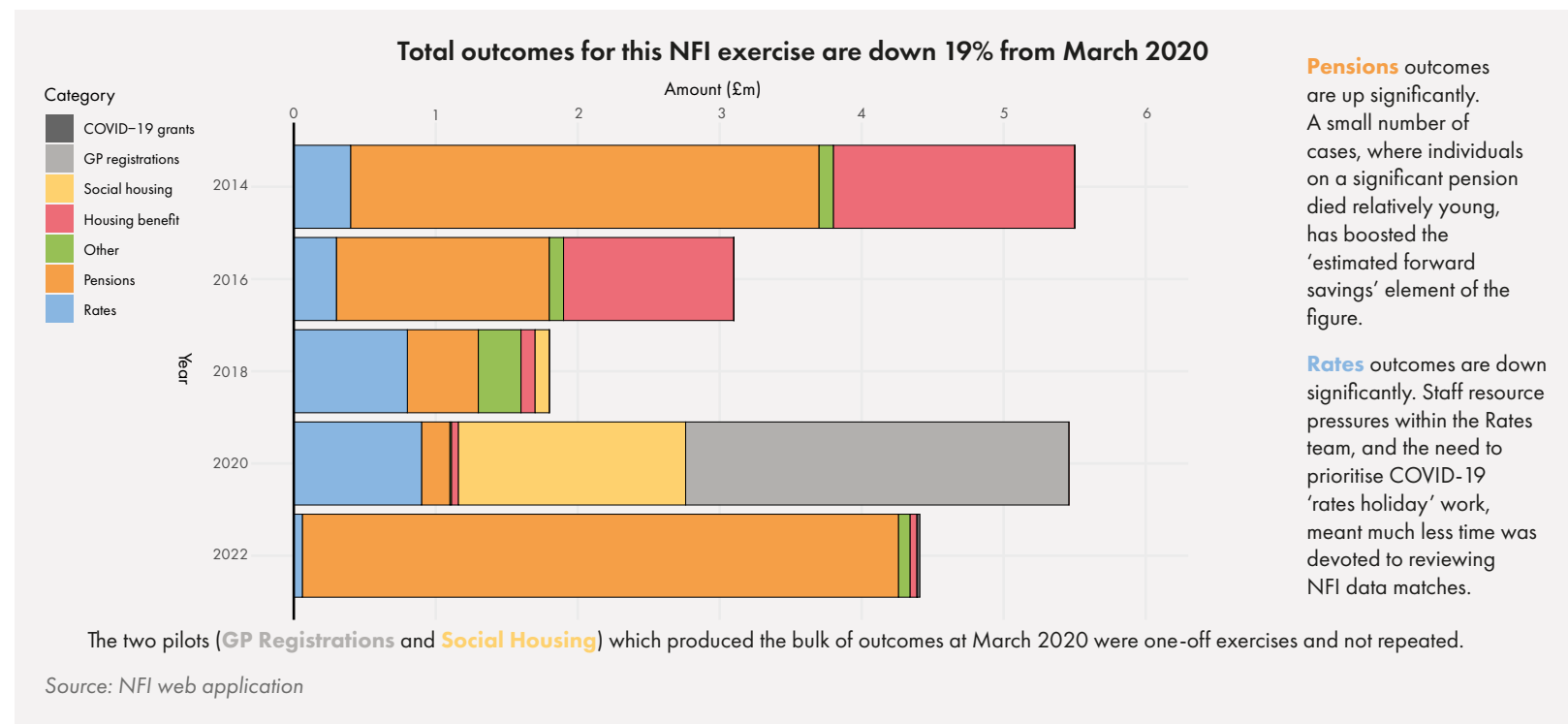
£40,000 recovered from suppliers

2. NFI Outcomes in Northern Ireland 2020-22

The National Fraud Initiative (NFI) is a major data matching exercise undertaken every two years. Appendix 1 provides an overview of the NFI process.

Between 1 April 2020 and 31 March 2022, outcomes for the NFI in Northern Ireland were over £4.4 million, compared with just over £5.5 million in the previous reporting period (a decrease of just over 19 per cent). The total figure comprises actual outcomes of £0.272 million and estimated outcomes of £4.175 million. Total outcomes for the seven NFI exercises to date in Northern Ireland are over £44 million (see Appendix 2).

In this reporting period, pension outcomes saw the biggest increase, due to a small number of cases with significant estimated outcomes (see Appendix 3 for calculation of estimated forward savings). Rates outcomes were down significantly on the previous reporting period, due to staff resourcing issues caused by high priority COVID-19 related work. Two pilots from the 2018-20 reporting period (on GP registrations and social housing) were one-off exercises and not repeated in this reporting period.

Total outcomes for this NFI exercise are down 19% from March 2020

Category
- COVID−19 grants
- GP registrations
- Social housing
- Housing benefit
- Other
- Pensions
- Rates

Pensions outcomes are up significantly. A small number of cases, where individuals on a significant pension died relatively young, has boosted the 'estimated forward savings' element of the figure.

Rates outcomes are down significantly. Staff resource pressures within the Rates team, and the need to prioritise COVID-19 'rates holiday' work, meant much less time was devoted to reviewing NFI data matches.

The two pilots (**GP Registrations** and **Social Housing**) which produced the bulk of outcomes at March 2020 were one-off exercises and not repeated.

Source: NFI web application

Pensions

How is fraud and error identified?

- Pension information is matched to deceased records (known as mortality screening) to detect where a pension paying authority has not been notified of the death of a pensioner and so a pension continues to be paid after the date of death.

- Six NI public sector pension paying authorities submitted pensions data for mortality screening as part of the main NFI exercise. In addition, two of these authorities had earlier submitted data for interim mortality screening offered by the NFI, and outcomes from that are included in this report.

- Pension records are also matched to payroll records to identify cases of pensioners returning to work without notifying the pension paying authority, thereby possibly avoiding a reduction (abatement) in pension.

Outcomes

- 78 cases where pension remained in payment after the date of death of the pensioner, compared with 10 cases in the previous reporting period

- £126,000 of actual overpayments recovered or in recovery and an estimated £4.1 million* of potential future erroneous payments averted, compared with total actual and estimated outcomes of £171,000 in the previous reporting period

- No pension abatement cases identified, compared with one case totalling just over £5,000 in the previous reporting period

Note: The vast majority of pension outcomes are from a small number of cases where the pensioner died relatively young and was in receipt of a significant pension, leading to a large estimated outcomes figure (see Appendix 3 for calculation methodology). It is possible that the COVID-19 pandemic has been a factor in the increased number of cases and the significant level of outcomes, although this cannot be confirmed.

Case Examples:

Two pensioners died in June 2019 but the pension paying authority only became aware of the deaths via NFI data matches in February 2021.

In the first case, overpayment of pension amounted to £8,805. Recovery of £5,786 was made in April 2021 via widower's pension arrears and a lump sum. The balance is being paid back on a monthly basis.

In the second case, the overpayment of pension amounted to £7,677. The pension paying authority is pursuing recovery of the funds through contact with the deceased's personal representatives and a family member, however, to date the full amount is still outstanding.

Rates

How is fraud and error identified?

- Rates records are matched to the electoral register to identify:
  - properties where someone is registered to vote but the property is not registered for rates; and
  - properties where someone is registered to vote but the property is marked as 'vacant' on the rating system.
- Lone Pensioner Allowance (LPA) gives a 20 per cent rate rebate to people aged 70 or over who live alone. LPA records are matched to death records, electoral records and state pension records to determine whether the award of LPA is still valid.

Outcomes

- 8 cases of rates avoidance detected, compared with 135 cases in the previous reporting period
- £30,000 of actual and estimated savings, compared with £858,000 in the previous reporting period
- 50 cases of incorrect award of LPA detected, compared with 126 cases in the previous reporting period
- £28,000 of actual and estimated LPA savings, compared with £78,000 in the previous reporting period
- 14 national insurance number corrections within LPA records, helping to prevent future fraud and error

Note: The rates team in the Department of Finance, which administers the rating system, has been under significant resource pressure due to COVID-19 related work therefore the time devoted to NFI investigations has been curtailed, leading to significantly reduced outcomes compared to the previous reporting period.

Case Examples:

NFI data matching identified a property which was marked as vacant on the rating system but at which someone was registered to vote. Outstanding rates dating back to 2017, and amounting to £7,190, are in recovery.

In a similar case, a person was registered to vote at an apparently vacant property. Rates arrears of £2,913 were identified, dating back to April 2020, and are in recovery.

COVID-19 grants
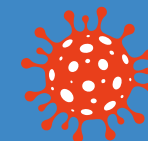
How is fraud and error identified?

- NFI data matching involved the £10,000 Small Business Support Grant scheme and the £25,000 Retail, Hospitality and Leisure Grant scheme, both administered by the Department for the Economy*. It looked for duplicate payments within and between the two schemes, contrary to scheme eligibility.

- NFI data matching supplemented other data analytics and review work being carried out within the Department in relation to COVID-19 grants.

* Note: The COVID-19 pandemic and resulting periods of lockdown had a profound effect on businesses. The government response included a range of business support grants, which had to be paid within a tight timescale. As a result of serious concerns over the value for money and risk of fraud and error inherent in the grant payments (primarily because of the timescale involved), the Permanent Secretary of the Department for the Economy sought a Ministerial Direction for the grant schemes.

Outcomes

- 2 cases of duplicate payments within the £10,000 Small Business Support Grant Scheme detected, which had not been picked up by the other grant-related work within the Department

- £20,000 of COVID-19 grant funding being recovered

Case Examples:

NFI data matching identified duplicate payments to two grant recipients which the Department did not already know about.

The Department has made contact with both grant recipients and recovery efforts are ongoing. No evidence of fraud was detected in either case.

Housing benefit

How is fraud and error identified?

- People on low incomes may receive housing benefit. Fraud and error can occur when calculations are based on inaccurate information, for example where:
  - the claimant does not declare a source of income; or
  - the claimant does not declare a change of circumstances, e.g. additional residents at the address.
- The NFI matches housing benefit records to a range of datasets, including public sector payroll and pensions, student loans and housing tenancies, in order to detect inaccuracies.
- The NI Housing Executive (NIHE) administers housing benefit for those who rent their homes.
- The Department of Finance (Land and Property Services (LPS)) administers housing benefit for those who own their homes.

Note: In 2017, NIHE housing benefit fraud investigation transferred to the Department for Communities (DfC). DfC uses Real Time Information (RTI) from employers and pension providers as its main focus for housing benefit investigations; as a result, NFI housing benefit outcomes have reduced significantly since then. However, the NIHE still secures useful outcomes from the data match with student loans. The Department of Finance used NFI data for investigation purposes in this exercise. At the end of May 2022, the administration of housing benefit for home owners transferred from LPS to NIHE.

Outcomes

13 cases of housing benefit fraud, error and overpayment detected, compared with 32 cases in the previous reporting period

£51,000 of actual and estimated savings, compared with just over £48,000 in the previous reporting period

Case Examples:

A housing benefit claimant had not declared that they were in receipt of a student loan. This only became apparent via an NFI data match. Overpayment of housing benefit amounted to £14,605 for the period September 2018 to October 2021.

In a similar case, the claimant was overpaid £10,190 for the period September 2019 to September 2021.

In both cases, the housing benefit claim has been cancelled and recovery of the amount is in progress.

Private supported care home residents

How is fraud and error identified?

- Health trusts may contribute to the care home fees of older people. If care homes fail to notify trusts, either fraudulently or erroneously, that a resident has died, payments may continue after the date of death of the resident.
- The NFI matches trusts' private supported care home payment records to death records, to help identify such cases.

Outcomes

- 2 cases of erroneous payments to care homes detected, compared with no cases in the previous reporting period
- £35,000 of actual and estimated savings, compared with zero in the previous reporting period

Case Examples:

In one Health Trust, the Finance Department was not notified that a care home resident had died in July 2020 and it continued to pay for their care until receipt of the NFI data match in early 2021. The overpayment to the care home amounted to almost £21,000. It has been recovered in full and the Trust has confirmed there was no fraudulent activity. The Trust's social worker had been advised of the death but, through an oversight, had not notified the Finance Department. A reminder has been issued to all community social work teams to ensure they inform the Finance Department of residents' deaths.

In a second Trust, a care home resident, supported by the Trust via a £100 per week nursing care payment, died in November 2020. The care home did not advise the Trust of the death and payments continued until the end of April 2021. The issue was discovered when the NFI data match was reviewed in May 2021. The total overpayment of £2,400 was reclaimed from the care home. The care home has been reminded of the need to check payment remittances for accuracy before signing them as correct and returning them to the Trust.

Trade creditors and procurement

How is fraud and error identified?

- Data matching suppliers information allows organisations to identify duplicate payments and incorrect VAT calculations, and can also highlight cases where system improvements or "housekeeping" are required, for example the removal of duplicate creditor reference numbers.

- NFI data matching between payroll, Companies House data and trade creditor records also helps organisations to detect links between staff on their payroll and companies with which they trade. Matches may reveal undeclared conflicts of interest which have resulted in a financial advantage to a staff member or someone with whom they are closely connected.

Outcomes

- 16 duplicate payments identified, compared with 6 in the previous reporting period

- £40,000 recovered from suppliers, compared with £31,000 in the previous reporting period

- 65 cases where action has been taken to correct non-monetary errors (such as a duplicate creditor reference number), compared with 95 such cases in the previous exercise, thereby helping to prevent fraud and error occurring in future

- 2 cases of undeclared conflicts of interest detected, compared with one case in the previous reporting period. The organisation concerned confirmed that the officers involved did not acquire any financial advantage from the undeclared interests. Both officers have been required to comply with their organisation's code of conduct by registering the interests.

Case Examples:

One local council identified three duplicate payments totalling £19,156. The largest of these was £16,783 and related to a payment to a media company. The invoice reference was keyed incorrectly, therefore internal systems did not pick up the duplicate payment. Following investigation, contact was made with the supplier, seeking a refund of the amount. Recovery has been made by applying a manual credit, off-setting the amount against a further payment due to the media company.

Another local council identified a duplicate payment to an oil company, amounting to £1,768. This happened as a result of the invoice being registered twice, with a slightly different supplier's invoice number in each case. This meant the duplicate payment was not picked up internally. The amount was recovered in full from the supplier in September 2021.

Blue badges and concessionary travel passes

How is fraud and error identified?

- **Blue badges** are administered by the Department for Infrastructure (DfI). A blue badge entitles the holder to concessions such as use of parking spaces designated for blue badge holders and free on-street parking in "pay and display" areas. Matching blue badge holder records to death records helps to identify potential fraudulent use of a badge after the death of the registered badge holder. Northern Ireland blue badge data is also matched to data from England, Wales and Scotland, to identify cases where a person may be holding more than one badge.

- **Concessionary travel passes** are administered by Translink on behalf of the DfI and are issued to a number of eligible groups, such as people aged 60 and over. Details of travel pass holders are matched to death records to identify cases where a pass is still in circulation, and could therefore be used fraudulently, after the death of the pass holder.

Outcomes

- Data matching identified 2,145 **blue badges** still in circulation after the death of the badge holder, a 69 per cent decrease on the previous exercise and the lowest figure since the NFI first ran in Northern Ireland. This reflects the benefit of ongoing mortality screening using General Register Office (GRO) data, as a supplement to the NFI. The DfI examined a 10 per cent sample of the matches and found that 153 cases (70.5% of the sample) were already known to them and cancelled, based on GRO data. In the remaining 64 cases (29.5%), the date of death was not previously known and the badges were cancelled. No issues of fraud were found in the sample examined.

- Data matching identified 3,882 **travel passes** still active after the death of the pass holder (2,628 in the previous exercise), but only 16 of these had actual usage recorded, to the value of £349, after the date of death (11 cases and £281 in the previous exercise). Translink had already cancelled 2,180 of the passes, based on monthly information provided by the General Register Office (GRO). It cancelled the remaining 1,702 passes by the end of January 2021.

Payroll

How is fraud and error identified?

- The NFI matches payroll data across all participating organisations to identify cases of employment fraud, for example:
  - employees working for one body while on long-term sick leave from another; or
  - employees with two jobs where shift patterns overlap, so that it would not be possible to cover both jobs.

Outcomes

- 2 cases of payroll error, compared with 1 in the previous reporting period
- £2,270 of outcomes, compared with £10,700 in the previous reporting period

Case Example:

An NFI data match showed that a full time employee of a regional college had also received salary payments from a health trust.

Investigations revealed that the person had worked two shifts for the Trust as part of a COVID response but was then erroneously placed on a 12 hour per week contract and was paid at that rate for four months.

The Trust identified a salary overpayment of £2,233. The Trust is pursuing recovery of the overpayment under normal debt recovery processes and repayments are being made in instalments.

Social housing

How is fraud and error identified?

- In Northern Ireland, the majority of social housing (around 85,000 properties) is owned and managed by the NI Housing Executive (NIHE). In addition, 19 registered housing associations own and manage around 43,000 properties.   The NIHE is a mandatory participant in the NFI (see Appendix 1) but the housing associations participate voluntarily. In this NFI reporting period (2020-22), none of the housing associations opted to participate, due to COVID-19 pressures.

- The NFI matches local tenancy data to the tenancy data of other participating social housing providers across the UK, and also to housing benefit, to help detect tenancy fraud by identifying where a person appears to be resident at two properties and therefore may be subletting one property unlawfully.   Housing tenants' data is also matched to death records to ensure proper reassignment of a tenancy on the death of a tenant.

- In addition, the Northern Ireland social housing waiting list, which is maintained by the NIHE, is matched to housing tenants, housing benefits and deceased records to detect undisclosed tenancies and undisclosed changes of circumstances.

Outcomes

- In the previous NFI exercise, the NIHE was able to recover 44 properties following a pilot data match between housing tenant records and private supported care home residents' payment records, held by the health and social care trusts. This data match is now being pursued under local data sharing agreements and has not been repeated in this NFI exercise.

- No social housing outcomes have been recorded in this NFI exercise.

3. Making the NFI work for your organisation

The following tips will help you to get the best out of the NFI exercise:

Roles and responsibilities	Investigating matches	Recording and reporting
• The Senior Responsible Officer (SRO) should nominate an appropriate Key Contact who has the necessary time and influence to ensure NFI work is started and progressed effectively, in line with the suggested timetable.	• Prioritise key reports and higher risk matches.	• Users should record short but informative comments on matches within the NFI web application; this allows the SRO, Key Contact, NFI Coordinator and auditors to determine progress.
• SRO and Key Contact should agree the approach and timeframe. The NFI recommends that key reports and high risk matches are prioritised. We would encourage sign-off of the proposed approach by the Audit Committee.	• Use the report comment facility to record your intended approach.	• Use the report comment facility to record a comment for multiple matches where appropriate, rather than entering the same comment numerous times. This saves time and effort in processing matches.
	• Follow up matches promptly so that fraud and error can be stopped at the earliest opportunity.	
• Users nominated to investigate data matches must have a good knowledge of the business area they are investigating (payroll, creditors etc.).	• Work within the secure web application – this streamlines the process, allows information to be shared easily and ensures data security. Exporting of data should be kept to a minimum.	• All outcomes, both quantitative and qualitative (e.g. national insurance number corrections), should be recorded in the comments and outcomes boxes.
		• Use outcomes to make informed system improvements e.g. strengthening controls.
• Users should familiarise themselves with the latest guidance to ensure effective working. Comprehensive guidance is available under the Help menu in the NFI web application. The Cabinet Office publication NFI Matters (under help/documents) highlights relevant hints and tips to make the most effective use of the NFI web application.	• DO NOT investigate every match. Use a risk based approach.	• SRO should report progress and outcomes (including nil outcomes) to senior management, the Board and the Audit Committee.
	• Periodically review shared comments from other organisations and respond appropriately to any queries.	• Take positive assurance from having few matches and no monetary outcomes.
		• Use the **NFI self-assessment checklist** to quality assure your approach to the NFI.
		• Use the outcome of your NFI work to inform your Annual Governance Statement.

4. Audit overview

Audit teams in the NIAO monitor progress by participating organisations, to help ensure they are getting the best out of the data matches provided and to encourage progress where necessary. We reviewed progress at the end of December 2021, 11 months after matches were released, and rated organisations' NFI approach as **High Risk,** **Medium Risk,** or **Low Risk** (see key opposite). Over 80 per cent of participating organisations had made good progress and were considered low risk. Four organisations (5 per cent of total participants) had not looked at any data matches. Two of these organisations had been classified as high risk at the same point in the previous exercise. NIAO staff continued to monitor those organisations categorised as red or amber and by the end of March 2022, most had made further and adequate progress. However, one organisation had not processed any of its data matches, attributing its lack of activity to 'staff shortages'.

Participating Organisations' Risk Assessment

- High Risk
- Medium Risk
- Low Risk
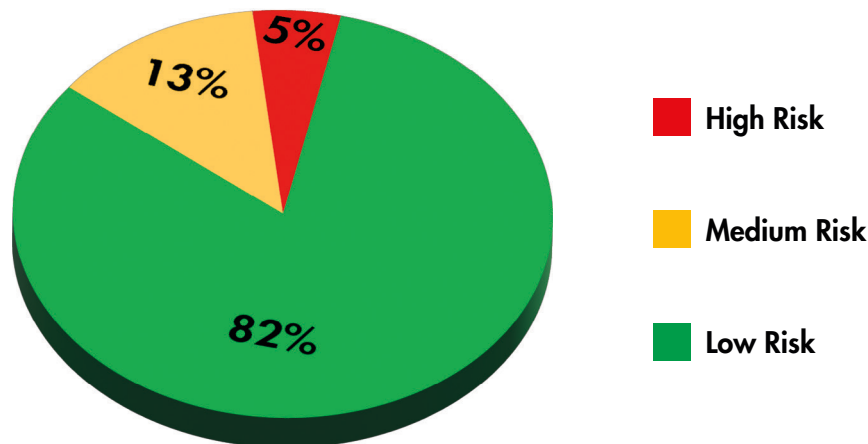
High Risk

- No reports opened or data matches processed 11 months after match release
- No clear timetable in place to review and investigate matches
- Internal issues in these organisations diverted time and resources away from the NFI

Medium Risk

- Not all key reports were opened 11 months after match release
- Low number of matches processed
- High risk matches not prioritised
- Comments/queries from other organisations not being responded to

Low Risk

- Work commenced promptly
- Key reports and higher risk matches prioritised
- Clear and informative comments recorded
- Outcomes clearly recorded
- Report comment facility used appropriately
- Shared comments from other organisations reviewed and responded to as appropriate
- Clear arrangements for internal reporting of the NFI exercise

5. Looking to the future

The Cabinet Office continues to develop the NFI and the NIAO continues to monitor how developments might be applied in Northern Ireland to extend the scope of the NFI through increased participation and additional data matches:

Housing tenancy fraud: The Cabinet Office is developing a pilot which will draw on a much wider range of datasets to help tackle housing tenancy fraud. The proposed pilot will focus on flagging potential fraud where there is both evidence of the tenant residing elsewhere and evidence of other individuals residing at the social housing property. In addition to matching tenancy records to the normal NFI datasets, the pilot will also match to insurance policy data, financial data and credit reference agency data. It is hoped that the NI Housing Executive and at least one housing association will be involved in this pilot.

Data matching – new purposes: Data matching legislation in NI (see Appendix 1) allows for the purpose of data matching exercises to be extended beyond "to assist in the prevention and detection of fraud", which is currently the sole purpose permitted. There is provision for the Department of Finance to amend the legislation by adding three potential new data matching purposes. These are:

- to assist in the prevention and detection of crime (other than fraud);
- to assist in the apprehension and prosecution of offenders; and
- to assist in the recovery of debt owing to public bodies.

In England, the Cabinet Office has undertaken a consultation to gauge opinion on seeking an amendment to its legislation to allow the extension of NFI purposes. The responses are being considered and a formal consultation response will be published in due course. We will monitor developments and consider whether to pursue a similar extension of purposes in the future.

Appendix 1 – overview of the NFI

What is the NFI?

The National Fraud Initiative (NFI) is a major data matching exercise, run by the Cabinet Office every two years, which detects fraud and error. It compares data from over 1,200 organisations across England, Scotland, Wales and Northern Ireland, making it a powerful tool. The NIAO co-ordinates the exercise in Northern Ireland, with over 80 local public sector organisations participating.   These include government departments, local councils and health bodies.

Governing legislation[1] states that organisations which are audited by the C&AG or a local government auditor may be required to participate in data matching exercises. These are known as mandatory participants. Other bodies may participate on a voluntary basis where the C&AG considers it appropriate. The purpose of data matching must be "to assist in the prevention and detection of fraud."

Key steps in the process

- Participating organisations submit the required datasets, e.g. payroll, pensions, domestic rates, to the secure NFI website.

- The NFI matches the data and identifies inconsistencies, which are returned to participants as 'matches' via the secure website. Examples of matches include:

  - Payroll to payroll - could indicate a person working elsewhere while off sick.

  - Pensions to deceased records – could indicate that a pensioner has died but the pension-paying authority has not been informed.

  - Rates to electoral register – could indicate a person is resident at a property which is not registered for rates, or which is registered as vacant.

- Organisations have around 12 months to review and investigate their matches. **Organisations are not expected to investigate all matches** but should determine their approach based on their knowledge of key fraud risks and the risk scores applied to each match by the NFI system.

- Organisations record relevant comments and outcomes within the secure NFI website. Outcomes may be monetary (actual and estimated, see Appendix 3) or non-monetary (such as correction of national insurance numbers or duplicate creditor references).

- Organisations with few matches, or no fraud or error in the matches they investigate, can take positive assurance that their internal control environment is operating effectively, and use the NFI to inform their Annual Governance Statement.[2]

- The Cabinet Office collates the total outcomes and the Comptroller and Auditor General (C&AG) reports on the outcomes for Northern Ireland.

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1   Audit and Accountability (NI) Order 2003, articles 4a to 4h.

2   The Annual Governance Statement replaced the Statement of Internal Control in 2010-11. All departments, agencies and arm's length bodies must prepare them. They bring together all disclosures relating to governance, risk and control.

Appendix 1 – overview of the NFI

Data protection and data security

Data protection and data security are fundamental to the NFI. The C&AG's Code of Data Matching Practice[3] and NFI privacy notice ensure compliance with data protection legislation. They let individuals know why their data is being matched, the standards that apply and where they can find further information. The C&AG has statutory authority to data match and does not require the consent of the individuals concerned.

The NFI uses a secure web-based application for the transmission of data and for access to matches by the participating organisations. The NFI's systems are accredited to handle, store and process information up to the restricted classification level.

3   Prepared by the C&AG under Article 4G of the Audit and Accountability (Northern Ireland) Order 2003 and available at **www.niauditoffice.gov.uk/national-fraud-initiative**

Appendix 2 – NFI outcomes in NI

Dataset	Total from previous 6 NFI exercises 1 April 2008 to 31 March 2020 £	Current exercise 1 April 2020 to 31 March 2022 £	NI Total to 31 March 2022 £
Rates	16,654,496	57,463	16,711,959
Housing benefit	9,436,593	50,930	9,487,523
Pensions	8,424,989	4,240,658	12,665,647
Creditors	823,382	39,777	863,159
Social housing	1,719,760	0	1,719,760
Private supported care home residents	92,149	35,112	127,261
Payroll and other	86,406	2,619	89,025
GP Registrations	2,736,913	0	2,736,913
COVID-19 grants	0	20,000	20,000
Total	**39,974,688**	**4,446,559**	**44,421,247**

Appendix 3 – calculating outcomes and estimated forward savings

Dataset	Basis of calculation
Pensions	Actual pension overpayment plus forward savings calculated as the annual pension multiplied by the number of years until the pensioner would have reached the age of 85
Rates	Value of fraud or error detected, plus forward savings calculated as the average annual rates bill (£1,000) multiplied by 2. For Lone Pensioner Allowance, the forward savings are (£1,000 x 2 x 20%) for each case, as LPA gives 20% relief
Housing benefit	Value of fraud or error detected, plus forward savings calculated as the weekly benefit reduction multiplied by 21 weeks
Housing tenants	£36,120 per recovered property in NI, based on the annual cost of providing temporary accommodation for the displaced tenant, plus an estimate of other costs such as legal costs and the cost of restoring the property
Social housing waiting list	£1,440 per person removed from the list, based on the annual cost of temporary accommodation, the likelihood of future losses due to fraud and the period of time the fraud may have continued without NFI intervention
Private supported care home residents	Value of fraud or error detected, plus forward savings calculated as actual weekly cost of care x 14 weeks
Payroll	Value of overpayments, plus £5,000 per case where an employee is dismissed or resigns, or £12,000 per immigration case (estimated amounts based on future losses prevented where a fraudulent employee resigns or is removed from post)
Creditors	Value of overpayments
Procurement	Value of any contract cancelled or non-valid payments prevented
COVID-19 grants	Value of grant

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