

# More than £2bn of taxpayers' money protected against fraud

- Since 1996, more than £2bn detected or prevented through the National Fraud Initiative
- £40,000 benefit cheat found to own several businesses and a Mercedes with personalised number plates
- 183,000 dodgy disabled parking permits pulled out of circulation thanks to the programme

An anti-fraud scheme run by the Cabinet Office has detected or prevented more than £2bn of fraud since it was [launched 25 years ago](#), helping to protect public money and put fraudsters behind bars.

The National Fraud Initiative plays a critical role in identifying people trying to defraud the public sector, ensuring taxpayers' money goes towards delivering vital services, instead of ending up in the wrong hands.

## **Cabinet Office Minister, Lord Agnew, said:**

"The work done by the National Fraud Initiative is keeping nefarious fingers out of the public purse, protecting funding which can go towards essential services such as the NHS.

"It's entirely right that British taxpayers expect the Government to protect their hard-earned money and programmes such as these allow us to do exactly that."

One such case saw the IT manager of an NHS hospital trust sent to prison for defrauding the Government of £800,000 – the equivalent of 16 nurses' wages for a year. His criminal activity was detected thanks to the work of the NFI and its collaborators on the case, the Local Counter Fraud Specialist (RSM), the NHS Counter Fraud Authority and HMRC.

## **Senior Investigator at the NHS Counter Fraud Authority, Ben Rowe, said:**

"The National Fraud Initiative was key in identifying a serious fraud being perpetrated by someone in a position of trust who was stealing large sums of money intended for essential NHS services.

"The scheme offers an excellent example of collaborative working between government agencies being done right."

Another case discovered one man fraudulently claimed more than £40,000 of incapacity benefit, income support and council tax benefits. After this was detected by the NFI, further investigation found he owned several small businesses, had savings of more than £100,000 and owned a Mercedes Benz complete with personalised number plates.

Since it was established in 1996, the NFI has also helped public bodies prevent more than £300m of Council Tax discount scams, £370m of housing benefit fraud, almost £850m of pension payments being made in error and has taken more than 183,000 fraudulently claimed disabled parking badges out of circulation.

The work being done by the NFI to keep fraudsters out of the public purse has recently been recognised by the UK Fintech Awards, where they picked up Data Initiative of the Year for their industry-leading use of data.

### **NHS IT Manager Case study**

Data matching enabled by the NFI identified an IT manager working for a hospital trust who was also a sole director of two shell companies.

The directorships had not been declared so an investigation by the Local Counter Fraud Specialist (RSM), the NHS Counter Fraud Authority and HMRC followed.

Investigations revealed that the employee had filed non-trading accounts for both companies during their existence. However, he then produced fraudulent invoices, all under his own £7,500 authorisation limit, and sent them by email from his fictional employees, to obtain £674,000 from the trust.

He even added VAT of £132,000 to make the invoices more plausible. A dismissal and prosecution followed and he was sentenced to five years and four months imprisonment. Confiscation proceedings are underway to try to recover the funds.