

Press release: Government saves £300m in two years by preventing fraud and error

- Minister for the Constitution, Chloe Smith, announces over £300 million in savings from clamping down on fraud and error in the public sector through the National Fraud Initiative
- Minister for the Constitution, Chloe Smith said, “We are determined to build a fairer society and stopping a small group of unscrupulous people who break the law will help us achieve this.”

The government’s National Fraud Initiative (NFI) has saved over £300 million in taxpayers’ money over the last two years – the equivalent of the annual salary for 7,843 full time teachers – by detecting and preventing fraud and error in the public sector, Minister for the Constitution Chloe Smith has announced today (Friday 31 August 2018).

The government and the organisations that take part have been able to detect or prevent fraud and error worth hundreds of millions, ensuring that money is spent where it should be, including in areas such as:

- £144.8 million in occupational pension fraud and overpayments
- £32.6 million in fraudulent or wrongly received council tax single-person discount
- £24.9 million of housing benefit fraud and overpayment
- £25.5 million in social housing waiting-list misrepresentation
- £18 million of blue badge misuse – 31,223 blue badges were revoked or withdrawn
- £5.5 million from tenancy fraud

Public bodies spend billions of pounds of taxpayers’ money delivering essential services. Often delivered through complex and wide-reaching systems, these can be seen as targets for fraudsters, undermining our fairer society by robbing those with a genuine entitlement to these services.

When people defraud public institutions, they are diverting funding from essential public services, denying citizens the help and support they are entitled to, including access to social housing or disabled parking spaces in the towns and cities.

Minister for the Constitution, Chloe Smith said:

I am delighted that the National Fraud Initiative has been able to save UK taxpayers over £300 million since April 2016.

In England alone, more than £144 million will be going to protect vital public services instead of pension fraud and error.

We are determined to build a fairer society, and stopping a small group of unscrupulous people who break the law will help us achieve this.

The NFI compares sets of data, such as the payroll of a company with benefit records, allowing fraudulent claims and payments to be identified. Between April 2016 and March 2018, the NFI worked with over 1,200 public and private sector organisations, preventing and/or detecting over £300 million fraud and error nationally, of which £275.3 million has been in England alone.

NFI report

PDF, 833KB, 38 pages

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