



**National Fraud
Authority**

Working in partnership to tackle fraud in the public sector

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Overview

- The context - losses to fraud in the UK
- 2010 Public Sector Fraud Taskforce
- Lessons from the private sector
- Public, private and cross-sector partnerships – good practice
- Cabinet Office Counter Fraud Taskforce



Losses to fraud in the UK



Source: NFA Annual Fraud Indicator 2011

Public Sector Fraud Taskforce (Jan - Mar 2010)

Taskforce members



Counter Fraud Service

Private sector advisors



Data analytics suppliers



Lessons from the private sector (1)

- Preventing fraud is more effective than acting after it has occurred
- Fraud prevention and the customer experience not mutually exclusive
- Data needs to be shared with organisations that face the same threat
- Fraud prevention activity needs to be carefully incentivised



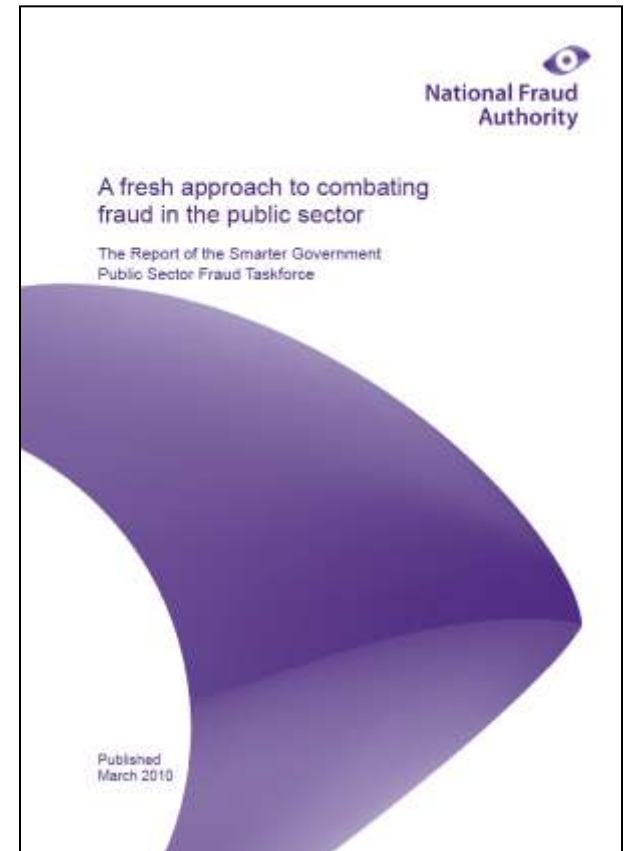
Lessons from the private sector (2)

- Data analytics has to be at the heart of preventing fraud
- Risk profile customers – e.g. using credit reference and other data available outside the public sector
- Have to continually invest to save - fraudsters innovate



Outcome

- Report published March 2010
- 33 recommendations to tackle public sector fraud more effectively
- Shift in emphasis from enforcement to prevention
- More collaborative working needed in the public sector to tackle common fraud threats



Why take a partnership approach?

- Fraud is a cross-sector problem – fraudsters do not discriminate
- Shared problems, shared solutions
- Cuts to public services - requires collaboration, innovation and focus on prevention to protect scarce resources



Public sector partnerships

- NFA Regional Partnerships Project (2010-11):
 - Learning from success of existing local counter fraud partnerships
 - Guide to be published in June
- ‘Best practice’ partnerships:
 - LB Croydon Fraud and Enforcement Partnership
 - Kensington and Chelsea
 - Greenwich and Bromley
 - South West Partnership
 - LAIOG!!!!



Private sector partnerships

- Insurers - Insurance Fraud Bureau (IFB)
- Banks – Fraud Intelligence Sharing System (FISS)
- Telecommunication UK Fraud Forum (TUFF)
- Mortgage Fraud Forum



Cross-sector partnerships

- National Fraud Intelligence Bureau
- CIFAS
- NFA-led Information Sharing Taskforce



The way forward - Counter Fraud Taskforce

- Chaired by Minister of the Cabinet Office - Francis Maude MP.
- Membership from Government departments and private sector
- Overseen 8 pilots across Government – already delivered **in-year savings**
- Promoting collaborative, partnership working across public sector to tackle fraud – established **Counter Fraud Champions** in all Government departments

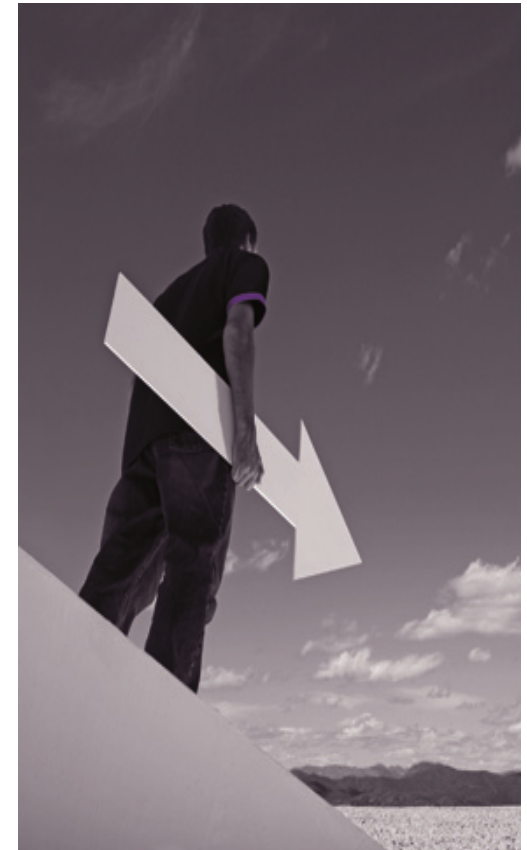


Taskforce interim report – June 2011

- Six-point plan, delivered in partnership across Government:
 - Establishing a **zero tolerance** approach
 - Focus on **prevention**
 - Sharing **intelligence** on fraud and fraudsters
 - Preventing government services from attack by **organised crime, corrupt insiders** and **cyber crime**
 - **Assessing risk** and **measuring** fraud loss
 - **Designing out vulnerabilities** in new systems and processes

The future of public counter fraud partnerships

- Joint-procurement of data analytics solutions - central and local government
- Counter Fraud Champions in every Government department, agency, local authority etc
- All public bodies sharing intelligence through the National Fraud Intelligence Bureau
- Joining up counter fraud networks and continuing to learn from each other





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