

[REDACTED]

From: [REDACTED]@audit-scotland.gov.uk>
Sent: 03 July 2018 15:49
To: [REDACTED] (Communications); 'Aileen Clarke'
Subject: National Fraud Initiative - Press Release

Afternoon folks,

Please find below the press release on the National Fraud Initiative that will be going out to media at the back of 9 tomorrow.

All the best,

Patrick

News release

Embargoed until 00:01 hours, Thursday 5 July 2018

Counter-fraud operation could save public purse £19m

Scotland's public finances have been boosted after a data-sharing exercise identified nearly £19 million of fraud and error across the public sector.

Almost 100 public bodies participated in the latest National Fraud Initiative (NFI), which is coordinated by Audit Scotland every two years.

The NFI compares electronic data about individuals held by different public bodies, such as councils and NHS boards, to help identify fraud or error.

Matches resulted in an estimated £18.6 million of outcomes since the last report in 2016. This figure includes future losses prevented by the work.

The latest exercise in Scotland has led to:

- £4.8 million of overpayments being recovered to date;
- 4,802 council tax discounts reduced or removed;
- 280 occupational pensions stopped or reduced;
- 4,505 blue badges stopped or flagged for future checks;
- 710 housing benefit payments stopped or reduced;
- £1.8million in further savings from the NFI 2014/15

The matches which generated the most results were pensions (£6.3m), council tax discounts (£4.4m), blue badges (£2.6m) and benefits (£2.1m).

Fiona Kordiak, Director of Audit Services said: "Systems underpinning public spending are complex and errors can happen.

"There are also some individuals who seek to exploit the systems and fraudulently obtain services to which they are not entitled.

"What these latest results demonstrate is the value of data matching to Scotland's public finances at a time when budgets continue to be under pressure."

The report notes that there is strong evidence that most bodies take advantage of the opportunities provided by the NFI but says some could act more promptly to investigate matches, prevent frauds and correct errors.

The report makes a number of recommendations to support further improvement by participating bodies in the NFI.

For further information contact [REDACTED]
scotland.gov.uk or media@audit-scotland.gov.uk

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4. The NFI in Scotland is now well established with this being the sixth biennial exercise since 2006/07. It remains the largest national fraud detection and prevention scheme that can provide data-matches within and between public bodies.
5. The NFI 2016/17 involved 96 Scottish bodies across the central, local government, health and college sectors. Bodies submitted data sets which generated 347,715 data matches for further investigation.
6. The 2016/17 outcomes are split:
 - £16.8 million of outcomes from the 2016/17 NFI matches
 - £1.8 million of outcomes from further follow up work on the NFI 2014/15 matches.
7. The NFI 2016/17 helped the Scottish Public Pensions Agency (SPPA) and councils which administer pensions to identify 225 pensioners whose deaths had not been reported to them. Including other pension-related outcomes (for example, reductions in pensions caused by early retirees returning to work) and forward savings, the amounts for the NFI 2016/17 total £6.3 million.
8. Councils have removed 4,802 council tax discounts amounting to £4.4 million.

9. Councils have reported correcting 4,505 blue badge records where the NFI helped them to identify that the holder was deceased.
10. A total of 710 housing benefits overpayments were recorded. Glasgow City Council and Aberdeen City Council have so far achieved the highest levels of outcomes from their 2016/17 NFI investigations (£306,645 and £224,666 respectively).
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[REDACTED]
Communications Adviser
Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN
T: [REDACTED] M: [REDACTED]
E: [REDACTED] [\[REDACTED\]@audit-scotland.gov.uk](mailto:[REDACTED]@audit-scotland.gov.uk)
www.audit-scotland.gov.uk



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[REDACTED]

From: [REDACTED] on behalf of Cabinet Secretary for Finance, Economy and Fair Work
Sent: 04 July 2018 15:17
To: [REDACTED] Cabinet Secretary for Finance, Economy and Fair Work
Cc: Cabinet Secretary for Justice; Ingebrigtsen R (Ross); [REDACTED] Nicolson S (Stuart) Special Adviser; [REDACTED] Communications Justice; [REDACTED] Governance and Risk; Wright AG (Aileen); Communications Economy; [REDACTED] Communications); MacArthur A (Aileen) (Comms); [REDACTED]; News Desk [REDACTED]
Subject: RE: Lines for clearance - The National Fraud Initiative in Scotland - reactive lines

Mr Mackay is content.

Thanks,

[REDACTED] Private Secretary (Depute) | Cabinet Secretary for Finance, Economy and Fair Work
Tel. [REDACTED] | Blackberry [REDACTED]

Mail: 4N.08 | St Andrews House | Regent Road | Edinburgh | EH1 3DG

All e-mails and attachments sent by a Ministerial Private Office to another official on behalf of a Minister relating to a decision, request or comment made by a Minister, or a note of a Ministerial meeting, must be filed appropriately by the recipient. Private Offices do not keep official records of such e-mails or attachments. Scottish Ministers, Special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

From: [REDACTED]
Sent: 04 July 2018 14:58
To: Cabinet Secretary for Finance, Economy and Fair Work
Cc: Cabinet Secretary for Justice; Ingebrigtsen R (Ross); [REDACTED] Nicolson S (Stuart) Special Adviser; [REDACTED] Communications Justice; [REDACTED] Governance and Risk; Wright AG (Aileen); Communications Economy; [REDACTED] Communications); MacArthur A (Aileen) (Comms); [REDACTED]; News Desk; [REDACTED]
Subject: RE: Lines for clearance - The National Fraud Initiative in Scotland - reactive lines

Rory,

Daily Mail and Daily Record have now asked for these lines, grateful for clearance to this copylist and the newsdesk will issue.

Thanks Gillian

From: [REDACTED]
Sent: 04 July 2018 13:06
To: Cabinet Secretary for Finance, Economy and Fair Work
Cc: Cabinet Secretary for Justice; Ingebrigtsen R (Ross); [REDACTED] Nicolson S (Stuart) Special Adviser; [REDACTED] Communications Justice; [REDACTED]

Governance and Risk; Wright AG (Aileen); Communications Economy; [REDACTED] Communications); MacArthur A (Aileen) (Comms); [REDACTED] News Desk

Subject: Lines for clearance - The National Fraud Initiative in Scotland - reactive lines

Rory

Please see news release Audit Scotland has issued today under embargo for tomorrow. The following reactive lines in anticipation of any media queries have been agreed with policy, comms and SpAds.

Grateful for the Cab Sec's clearance.

A Scottish Government spokesperson said:

"We welcome Audit Scotland's report which shows the effectiveness of the National Fraud Initiative in Scotland. We take the prevention, detection and investigation of fraud very seriously, ensuring our key financial controls are robust and by working with all public bodies to share fraud prevention information and good practice. The Scottish Government will continue to support Audit Scotland and partner bodies to encourage and enhance participation in the NFI."

Background

The National Fraud Initiative (NFI) is one of the tools public sector organisations use to combat fraud.

Audit Scotland, as facilitators of the exercise in Scotland, and the Cabinet Office, which oversees the exercise across the UK as a whole, are responsible for the effectiveness of the data matching processes.

Thanks Gillian

[REDACTED] Greener Comms | Scottish Government | [REDACTED] For information
out of hours call 0300 244 4000

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"There are also some individuals who seek to exploit the systems and fraudulently obtain services to which they are not entitled.

"What these latest results demonstrate is the value of data matching to Scotland's public finances at a time when budgets continue to be under pressure."

The report notes that there is strong evidence that most bodies take advantage of the opportunities provided by the NFI but says some could act more promptly to investigate matches, prevent frauds and correct errors.

The report makes a number of recommendations to support further improvement by participating bodies in the NFI.

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scotland.gov.uk or media@audit-scotland.gov.uk

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**

[REDACTED]

From: [REDACTED] (Communications)
Sent: 03 July 2018 15:51
To: [REDACTED]
Subject: RE: National Fraud Initiative - Press Release

Thanks Patrick. You've probably spotted and don't expect it's a big deal as it's embargoed anyway but that has gone to Aileen Clarke at BBC not our Aileen so I'll forward on to her.

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██████████
Communications Adviser

Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN

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www.audit-scotland.gov.uk



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[REDACTED]

From: Ingebrigtsen R (Ross)
Sent: 04 July 2018 12:57
To: [REDACTED]; Nicolson S (Stuart) Special Adviser
Cc: [REDACTED] Communications Justice; [REDACTED] Governance and Risk; Wright AG (Aileen); Communications Economy; [REDACTED] (Communications); [REDACTED] (Comms); [REDACTED] News Desk
Subject: RE: Advance copy - The National Fraud Initiative in Scotland - reactive lines

Content

Thanks

Ross

Please note Scottish Ministers, Special advisers and the Permanent Secretary to the Scottish Government are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot for information.

From: [REDACTED]
Sent: 04 July 2018 12:53
To: Ingebrigtsen R (Ross); [REDACTED] Nicolson S (Stuart) Special Adviser
Cc: [REDACTED] Communications Justice; [REDACTED] Governance and Risk; Wright AG (Aileen); Communications Economy; [REDACTED] (Communications); MacArthur A (Aileen) (Comms); [REDACTED] News Desk
Subject: RE: Advance copy - The National Fraud Initiative in Scotland - reactive lines

SpAds just wanted to check if this one was ok?

From: [REDACTED]
Sent: 04 July 2018 10:46
To: Ingebrigtsen R (Ross); [REDACTED] Nicolson S (Stuart) Special Adviser
Cc: [REDACTED] Communications Justice; [REDACTED] Governance and Risk; Wright AG (Aileen); Communications Economy; [REDACTED] (Communications); MacArthur A (Aileen) (Comms); [REDACTED] News Desk
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Hi Ross, Callum, Stuart

Please see below, issued by Audit Scotland today under embargo for tomorrow, grateful for views on our proposed response

Thanks Gillian

A Scottish Government spokesperson said:

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From: [REDACTED]
Sent: 04 July 2018 09:31
To: Communications Economy; [REDACTED] (Communications); MacArthur A (Aileen) (Comms)
Cc: [REDACTED] Communications Justice; [REDACTED]
[REDACTED] Governance and Risk; Wright AG (Aileen)
Subject: RE: Advance copy - The National Fraud Initiative in Scotland

Thanks Gillian

Please find attached our suggested lines.

Shona

Shona Lines
Governance and Risk Team
3B-North
Victoria Quay
EH6 6QQ

[REDACTED]
[REDACTED]
Email: [REDACTED]

From: [REDACTED] On Behalf Of Communications Economy
Sent: 03 July 2018 16:43
To: [REDACTED] (Communications); MacArthur A (Aileen) (Comms)
Cc: [REDACTED] Communications Economy; Communications Justice; [REDACTED]
Subject: RE: Advance copy - The National Fraud Initiative in Scotland

Thanks Lucy that's super helpful,

Shona great if you can copy luke, Aileen and I into your lines tomorrow morning and we can take a look.

I see we saw something like this previously....

"We take the prevention, detection and investigation of fraud very seriously, ensuring our key financial controls are robust and by working with all public bodies to share fraud prevention information and good practice. The Scottish Government will be considering the recommendations highlighted in the report and will look to support the consideration of improvements to the effectiveness of the exercise in Scotland."

Thanks Gillian

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Sent: 03 July 2018 16:01
To: MacArthur A (Aileen) (Comms)

Cc: [REDACTED] Communications Economy; Communications Justice
Subject: RE: Advance copy - The National Fraud Initiative in Scotland

Hi Aileen

[REDACTED] got in touch today about the Audit Scotland report on the National Fraud Initiative which is embargoed until Thursday. I think it sits more comfortably with finance comms than justice but as you're not in the office today I've spoken to Audit Scotland and they have shared their news release (below).

[REDACTED] team are working on lines at the moment so will be able to pick up with you about it tomorrow. The news release is going to media at 9 am tomorrow. I said we could share our lines with [REDACTED] at Audit Scotland when they're cleared – his email is [REDACTED] [scotland.gov.uk](mailto:[REDACTED]@scotland.gov.uk).

Lucy

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 - £16.8 million of outcomes from the 2016/17 NFI matches
 - £1.8 million of outcomes from further follow up work on the NFI 2014/15 matches.
7. The NFI 2016/17 helped the Scottish Public Pensions Agency (SPPA) and councils which administer pensions to identify 225 pensioners whose deaths had not been reported to them. Including other pension-related outcomes (for example, reductions in pensions caused by early retirees returning to work) and forward savings, the amounts for the NFI 2016/17 total £6.3 million.
8. Councils have removed 4,802 council tax discounts amounting to £4.4 million.
9. Councils have reported correcting 4,505 blue badge records where the NFI helped them to identify that the holder was deceased.

10. A total of 710 housing benefits overpayments were recorded. Glasgow City Council and Aberdeen City Council have so far achieved the highest levels of outcomes from their 2016/17 NFI investigations (£306,645 and £224,666 respectively).
11. Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. It provides services to the Auditor General for Scotland and the Accounts Commission for Scotland. All Audit Scotland reports published since 2000 are available at www.audit-scotland.gov.uk

From: [REDACTED] (Communications)
Sent: 03 July 2018 13:58
To: [REDACTED]
Subject: RE: Advance copy - The National Fraud Initiative in Scotland

Hi Shona

No, I'm not aware of this – a chat would be helpful! I'm going into a meeting shortly too – do you want to give me a ring around 3.30? I'm on [REDACTED]

Lucy

From: [REDACTED]
Sent: 03 July 2018 13:56
To: [REDACTED] (Communications)
Subject: FW: Advance copy - The National Fraud Initiative in Scotland

Hi Lucy

Just wanted to check that you are aware of this, and whether you will be looking for lines/ briefing from us? If so, when would you need that by?

Heading in to a meeting now, but free after 3.00pm if you want to discuss.

Thanks.

Shona

Shona Lines
Governance and Risk Team
3B-North
Victoria Quay
EH6 6QQ

Tel: [REDACTED]
Email: [REDACTED]

From: Audit Scotland [<mailto:info@reports.audit-scotland.gov.uk>]
Sent: 03 July 2018 09:16
To: [REDACTED]
Subject: Advance copy - The National Fraud Initiative in Scotland

You are subscribed to receive email alerts from Audit Scotland.

Counter-fraud operation could save public purse £19m

Scotland's public finances have been boosted after a data-sharing exercise identified nearly £19 million of fraud and error across the public sector.

Attached is an advance copy of the Audit Scotland report, 'The National Fraud Initiative in Scotland'.

Please note the report is embargoed for publication or broadcast until 00.01 hours on 5 July 2018.

- [The National Fraud Initiative in Scotland.pdf](#)



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