

# Public Audit and Post-Legislative Scrutiny Committee

## National Fraud Initiative

### Submission from NHS Dumfries and Galloway

#### **Background**

The Scottish Parliament's Public Audit and Post-legislative Scrutiny Committee is examining Section 97 of the [Criminal Justice and Licensing \(Scotland\) Act 2010](#), which put the [National Fraud Initiative](#) on a statutory footing, and considering whether there are any improvements that could be made to the legislation underpinning the National Fraud Initiative.

#### **Remit**

The remit for the post-legislative scrutiny is to *consider whether -*

- *the policy intentions of putting the National Fraud Initiative in Scotland on a statutory basis have been realised;*
- *any further policy or legislative changes are required to improve the effectiveness of the National Fraud Initiative.*

Views are being sought on the following questions:

- What have been the benefits, financial and otherwise, of putting the National Fraud Initiative on a statutory footing?
- Could the legislation be strengthened in any way?
- Should participation in the National Fraud Initiative be improved? Are there any bodies who do not participate in the National Fraud Initiative who should do so?
- Are there any other issues you would like to raise in connection to this particular part of the legislation?

What have been the benefits, financial and otherwise, of putting the National Fraud Initiative on a statutory footing?

Within NHS Dumfries and Galloway (NHSDG) we have always given the exercise a priority and this has meant that we have submitted data in previous years to ensure that we get as much benefit out of the data matching as possible. In 2010/11, although not a mandatory requirement, NHSDG submitted the Creditors data and used the matches to identify approximately £22,000 of overpayments in this area.

One of the benefits of putting the National Fraud Initiative on a statutory footing is that it means that public bodies are required to submit the data, although the guidance is not clear on what will happen if bodies do not comply.

A further benefit of NFI being on a statutory footing is that this gives a clear

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message that the public sector in Scotland will not tolerate fraud and that there are many means that will be used to identify wrongdoing. Although many of the results and recoveries from NFI are retrospective, by publicising these results and getting the message out that fraudsters will be caught and prosecuted will also help to deter fraud.

Could the legislation be strengthened in any way?

The legislation is very clear, although further consideration should be given to what will happen if bodies don't comply with the legislation.

Emphasis could be given to the existing governance mechanisms within bodies to ensure that participation is built into these to ensure non-compliance is identified and acted upon.

The role of Audit and Risk Committees could be enhanced to identify where assurances are gained from participation in the process and how this links into the overall assurance framework within the body.

Should participation in the National Fraud Initiative be improved? Are there any bodies who do not participate in the National Fraud Initiative who should do so?

We cannot comment in this area

Are there any other issues you would like to raise in connection to this particular part of the legislation?

If bodies only submit data because it is mandatory and do not engage in the process, they will never get the best out of the exercise. In this situation participation will be seen as a tick box exercise and not because of the benefits.

The benefits of the exercise should be given greater focus to ensure that all required organisations participate because they are aware of these rather than be worried they will be criticised for non participation.