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Terry Shelvin
Clerk
Public Audit and Post-legislative Scrutiny Committee
Room T3.60
The Scottish Parliament
EDINBURGH
EH99 1SP

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Dear Terry

NATIONAL FRAUD INITIATIVE

Following the meeting of the Public Audit and Post-Legislative Scrutiny Committee on 1 December, you wrote to seek my comments on the National Fraud Initiative (NFI) and what work NHS bodies are taking to strengthen their arrangements.

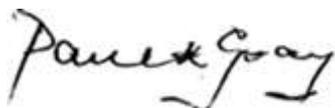
I support the aims and objectives of the NFI, and recognise the role it has played in helping to identify fraud, overpayment and error. I expect all NHS Boards to consider the most recent NFI report and, where necessary, strengthen NFI arrangements to ensure every effort is taken to tackle the threat of fraud.

Audit Scotland has indicated a slight decline in the effectiveness of the NFI arrangements that NHS Boards have in place. In the 2014-15 NFI exercise, the majority of Boards were scored as having satisfactory arrangements and were found to be using the NFI exercise as a key tool for tackling fraud. Eighteen had satisfactory arrangements in place (a decrease of two Boards since 2012-13), three had adequate arrangements in place (increase of two Boards) and one Board was reviewed as not satisfactory (the same as in 2012-13, albeit a different Board). The Board reviewed as 'not satisfactory' – NHS Highland – has indicated that the weaknesses identified by its auditors following the 2014-15 exercise will be addressed and implemented in full and reported to its audit committee.

NHSScotland is committed to tackling fraud and the NHS Counter Fraud Services was set-up specifically to develop techniques that minimise the risk of fraud. And fraud prevention is expected to be a standing agenda item on Audit & Risk Committees at a local level.

I hope this is helpful, but please get in touch if we can provide any further information that would be of use to the Committee.

Yours sincerely



Paul Gray