



Department of

Finance

An Roinn

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ANNUAL THEFT & FRAUD REPORT 2022-23 & 2023-24



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BACKGROUND

Background

1.1

Under Managing Public Money NI (MPMNI) departments are required to report to the Department of Finance (DoF) annually on all actual, suspected and attempted frauds which involve public money. This information is collated by DoF through an annual exercise completed by departments in respect of their own core department, their agencies, Non-Departmental Public Bodies (NDPBs) and other sponsored bodies.

1.2

DoF uses this information:

- i. to highlight to the NI public sector the common types of theft and fraud cases which are being perpetrated; and
- ii. to identify measures which will help public sector bodies prevent and detect fraud and theft in the future.

Defining Theft and Fraud

1.3

Under the Fraud Act 2006 there is a legal definition of what constitutes “fraud”. However, the annual reporting exercise and this report includes cases which would come under the wider more generally understood use of the term “fraud” including:

false accounting, bribery and corruption, misappropriation, forgery, abuse of position and straightforward theft.

1.4

The cases included in this report include not only ‘actual’ cases but also ‘suspected’ and ‘attempted but prevented’ cases reported by departments for the 2022-23 and 2023-24 years.

Scope of Report

1.5

The report covers cases reported by departments, their agencies, NDPBs and other sponsored bodies.

1.6

It does not include any cases which may have occurred in the NI Assembly, the NI Audit Office, or the NI District Councils. If required, information on actual, suspected or attempted fraud in these organisations should be sought directly from the relevant organisation(s).

1.7

Statistics on key fraud risk areas listed below are provided in the Summary Reports section. To enable meaningful trend analysis this information is not included in the results presented on pages 3-11. It is recognised that these areas are so significant due to their value/nature that they should be reported separately. More information on each of these is available from the respective departments.

These include the areas of:

[Department for Communities](#)
Benefit Fraud

[Department of Health Business Services Organisation \(BSO\)](#)
Health Service Fraud

[Northern Ireland Environment Agency](#)
Environmental Crime

[Northern Ireland Water](#)
Unauthorised Connections / Meter Tampering

[Land and Property Services](#)
Housing Benefit Fraud

[Northern Ireland Housing Executive](#)
Tenancy Fraud

[Legal Services Agency Northern Ireland](#)
Legal Aid Fraud

[Department of Finance](#)
Group Fraud Investigation Service

⁴Information has been gathered at a point in time and should not be taken as a complete record of all cases of fraud perpetrated in the 2022-23 or 2023-24 year. Nor does it include ‘suspected’ cases which have subsequently been determined as not fraudulent.

HIGHLIGHTS 2022-23

162

cases reported for 2022-23.



Increase of 36

cases from the previous year (126 cases).



Of the 162 reported,

77 actual - 55 suspected – 30 attempted



Value of fraud reported

£1,207k²



This is a decrease of

£1,402k

from the previous year (£2,609k).



40%

of the total value was in respect of 'actual' cases (£486k).



£ 312k

related to 'suspected' cases.

² There may be a slight discrepancy in the exact values or percentages quoted in the report due to the rounding of figures.

HIGHLIGHTS 2023-24

177

cases reported for 2023-24.



Increase of 15

cases from the previous year (162 cases).



Of the 177 reported,

92 actual - 73 suspected – 12 attempted



Value of fraud reported

£1,332k²



This is an increase of

£125k

from the previous year (£1,207k).



54%

of the total value was in respect of 'actual' cases (£715k).



£ 311k

related to 'suspected' cases.

² There may be a slight discrepancy in the exact values or percentages quoted in the report due to the rounding of figures.

KEY FINDINGS

The number and value of frauds which have taken place over the past 5 years are detailed below.

Value of Cases


Figure A

19-20	20-21	21-22	22-23	23-24
£3,129k	£780k	£2,609k	£1,207k	£1,332k

Number of Cases


Figure B

19-20	20-21	21-22	22-23	23-24
224	130	126	162	177



In comparison to 2021-22, the overall number of frauds has increased in 2022-23 by around 29%, from 126 to 162 cases, and increased again in 2023-24 by around 9% from 162 to 177 cases.

The overall value of fraud fell by almost 54% in 2022-23. The value rose slightly again in 2023-24, by around 10%, but it was still lower than 2021-22, with the 2023-24 figure being around 51% of the 2021-22 figure.



There were several high value frauds reported in the 2022-23 year:

The most significant fraud in terms of value was reported by DAERA and had a value of approximately £243k, just over 20% of the total value of fraud included in this report for 2022-23. This fraud occurred in the Northern Ireland Environment Agency and was categorised as ‘grant related’. The department reported that fraudulent information on soil sample analyses was submitted in relation to a number of planning applications. At the time of reporting, criminal investigations were ongoing.

DoH reported a substantial attempted but prevented fraud in relation to falsification of records by members of staff in Western Trust (pay or pay related allowances), amounting to a value of £192k. An investigation is ongoing with PSNI and DoH.

DoH also reported a suspected fraud in relation to falsified records and fraudulent forms (theft of assets (cash)), with an estimated value of £114k. This related to 16+ Pathway Services at the Western Trust and criminal investigations are ongoing.

DoH (Business Services Organisation) reported another substantial attempted but prevented fraud, in relation to forged cheques (payment process related), with an estimated value of £105k.

There were also several high value frauds reported in the 2023-24 year:

DE reported a substantial attempted but prevented cyber crime to a value of £300k. This was an attempt to replace a contractor's bank details in relation to Fresh Start Programme capital funding for a primary school. The fraud was discovered when staff queried a change of bank details mid contract.

A payment-process related fraud of £105k was reported by DoF, in relation to a pension lump sum payment which was not received by the retiree. An investigation is still underway with PSNI and the bank concerned.

DoH (Public Health Agency) reported a cyber crime in relation to bank mandate fraud, with a value of £104k. The supplier's system was compromised and a fraudulent email was sent, requesting a change of bank details, which was actioned. PSNI and the bank were informed, and the bank refunded £56k of the lost funds. DoH also reported a further similar bank mandate cyber fraud with a value of £97k, where another supplier's system was compromised, leading to a request for bank details to be changed. The bank refunded the full amount.

Type of Fraud Comparison

The tables below compare the values and the numbers of each type of fraud between 2021-22, 2022-23 and 2023-24. In 2022-23, the most prevalent types of fraud were in the 'other' category, largely made up of misuse of Blue Badge parking permits, and 'pay or pay related allowance', whilst 'grant' related frauds accounted for the highest total value. In 2023-24, the most prevalent type of fraud was in the 'Pay or pay-related allowances' category, whilst 'Cyber crime' frauds accounted for the highest total value.

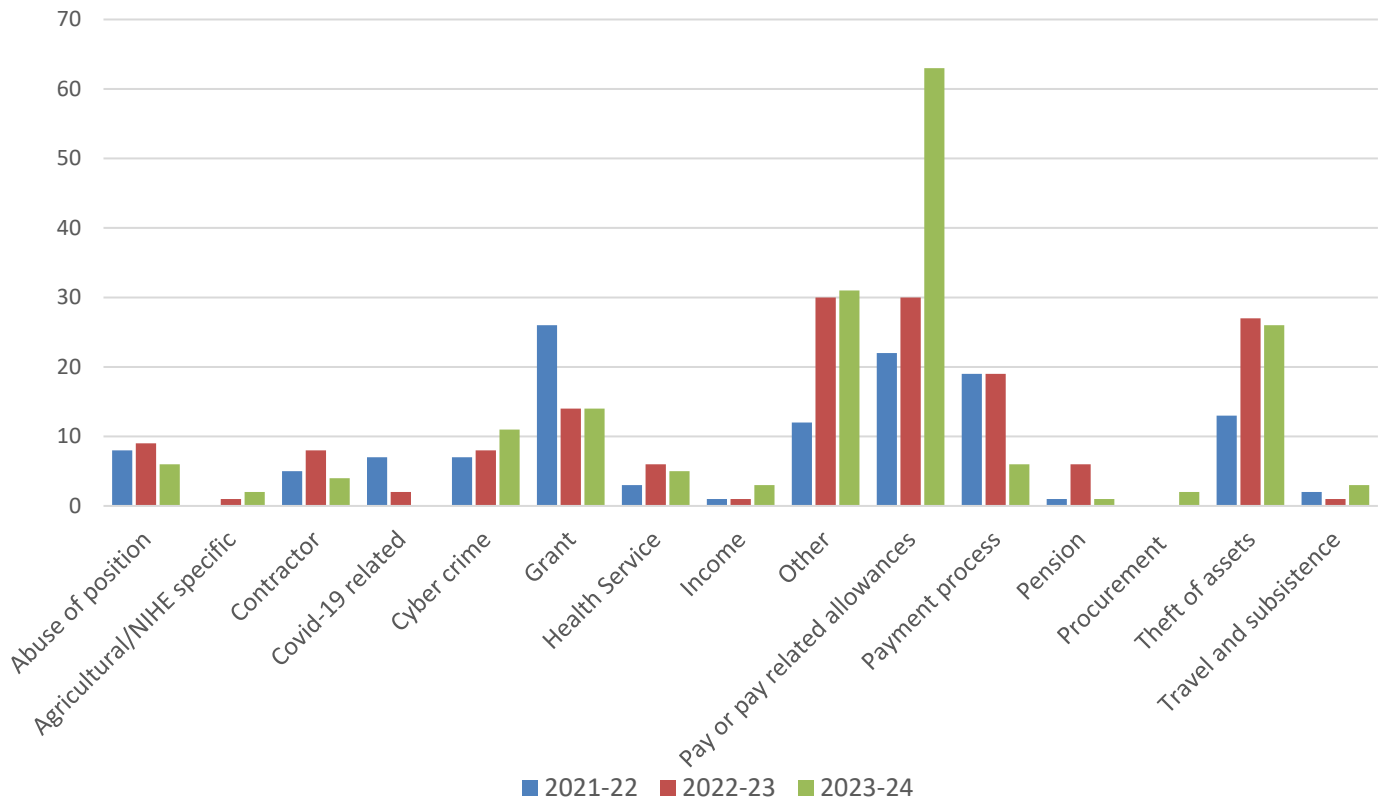
Figure C

	Value £		
	2023-24	2022-23	2021-22
Abuse of position	204	100	2,025,435
NIHE/Agricultural specific	44,470	1,300	-
Contractor	30,100	66,036	7,369
Covid-19 related	-	20,000	166,639
Cyber crime	511,205	143,351	43,236
Grant	89,675	393,974	124,631
Health Service	60	15	13,575
Income	304	30,350	225
Other	21,475	-	-
Pay or pay related allowances	308,160	273,507	136,956
Payment process	184,100	114,677	78,745
Pension	1,221	27,065	6,319
Procurement	-	-	-
Theft of assets	140,887	136,490	3,010
Travel and subsistence	52	-	2,431
TOTAL	1,331,913	1,206,865	2,608,571

	Number		
	2023-24	2022-23	2021-22
Abuse of position	6	9	8
NIHE/Agricultural specific	2	1	-
Contractor	4	8	5
Covid-19 related	-	2	7
Cyber crime	11	8	7
Grant	14	14	26
Health Service	5	6	3
Income	3	1	1
Other	31	30	12
Pay or pay related allowances	63	30	22
Payment process	6	19	19
Pension	1	6	1
Procurement	2	-	-
Theft of assets	26	27	13
Travel and subsistence	3	1	2
TOTAL	177	162	126

Illustrated below is the movement in numbers of each type of fraud from 2021-22 to 2022-23 to 2023-24.

Figure D



There were both increases and decreases across categories of ‘type of fraud’ over the two years, with an overall increase



from 126 cases in 2021-22 to 162 cases in 2022-23 and 177 cases in 2023-24.

The biggest increase was in ‘pay and pay related allowances’ frauds



from 22 instances in 2021-22 to 30 instances in 2022-23 and 63 instances in 2023-24.

Theft of assets also increased in both number and value in 2022-23, staying high in 2023-24

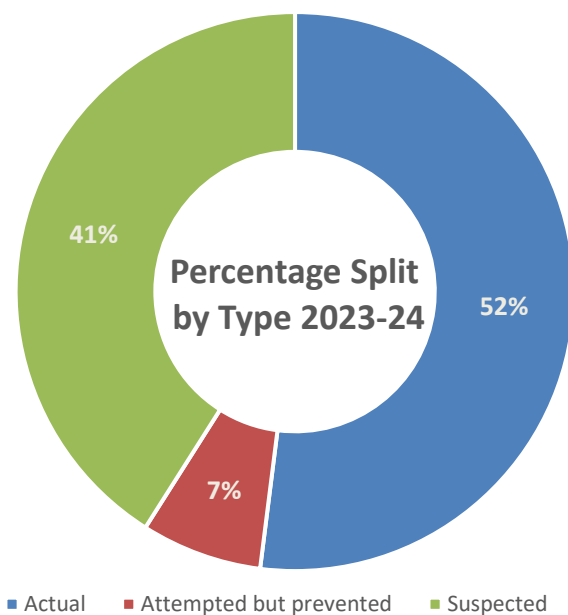
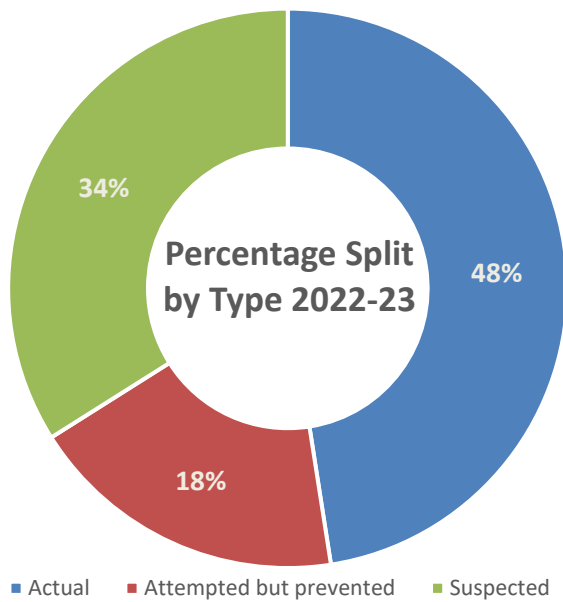


from 13 instances and £3k in 2021-22 to 27 instances and £136k in 2022-23 and 26 instances and £141k in 2023-24.

Actual, Prevented and Suspected Fraud

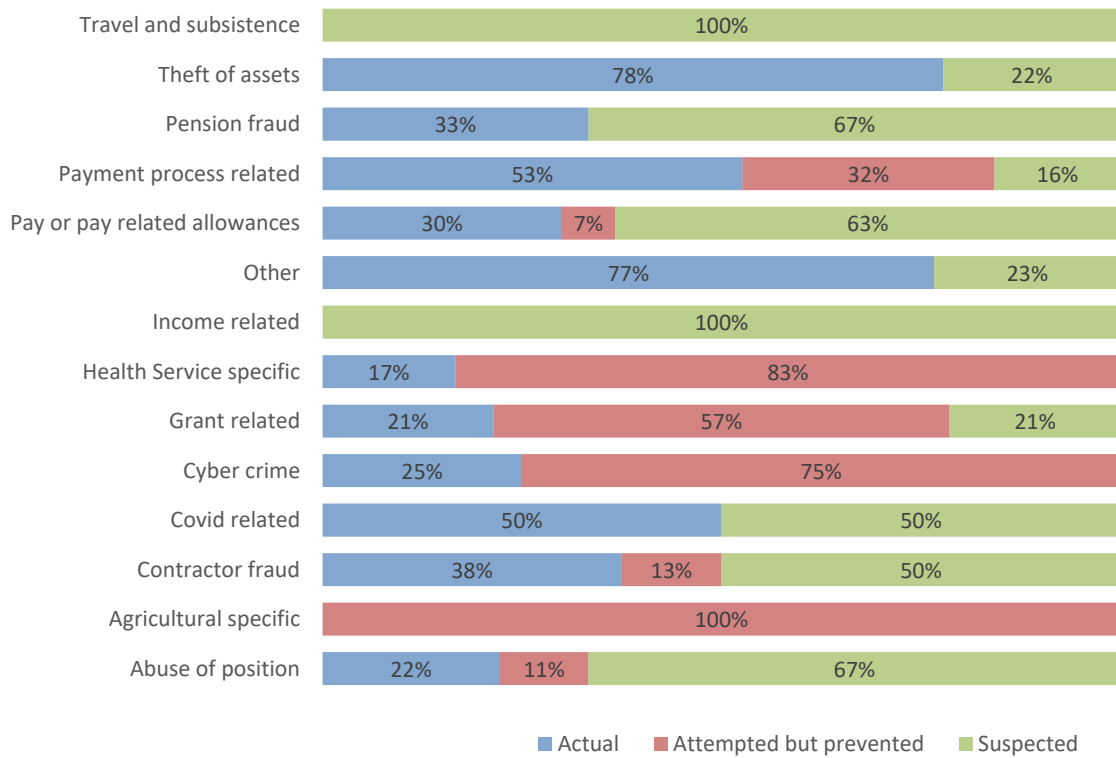
Figure E

Type	Actual	Attempted but prevented	Suspected	Grand Total
2022-23				
Number	77	30	55	162
Percentage	48%	18%	34%	100%
2023-24				
Number	92	12	73	177
Percentage	52%	7%	41%	100%

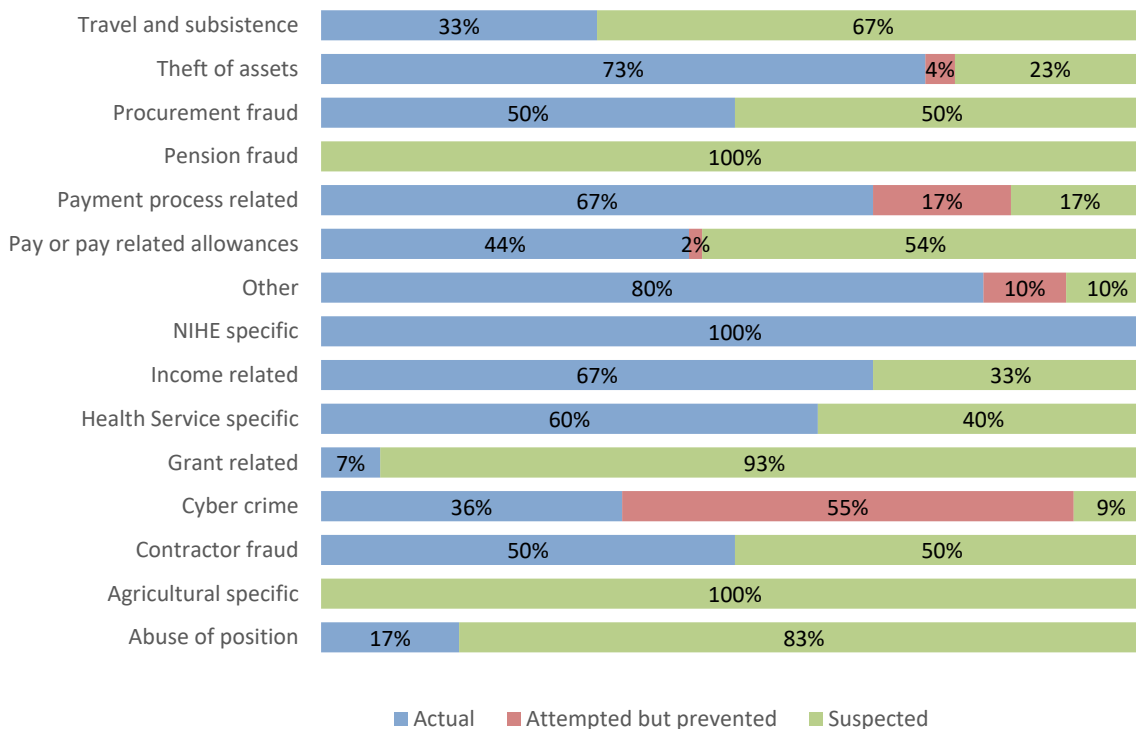


Split between actual, attempted and suspected

Figure F:
2022-23

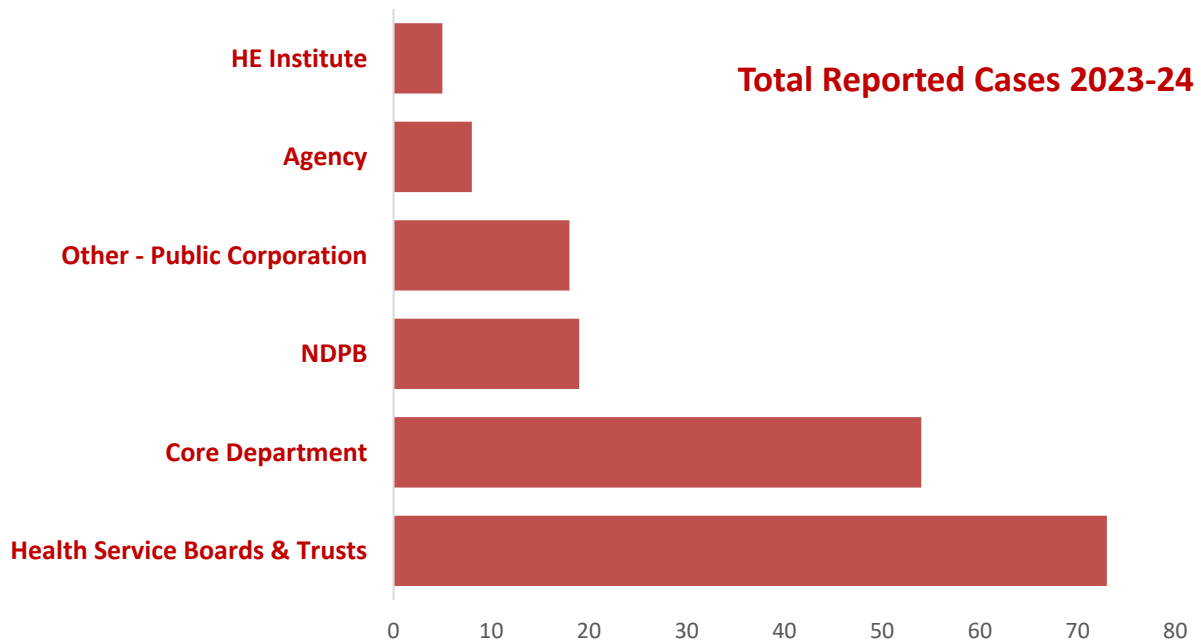
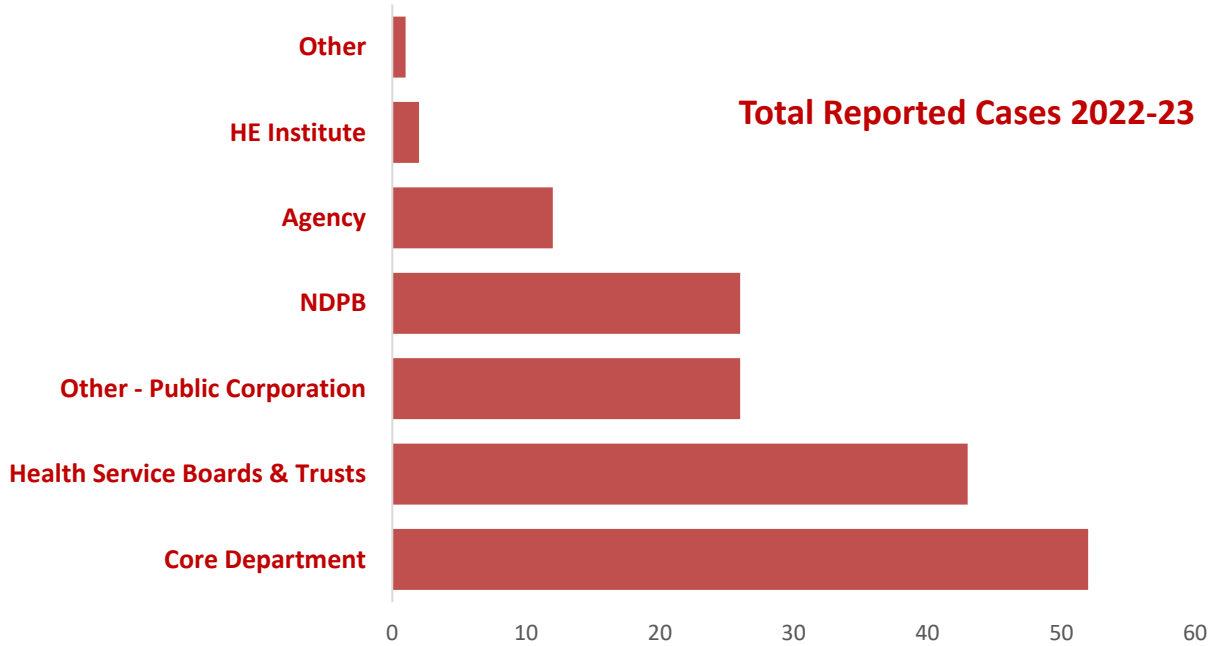


2023-24



Annual Theft & Fraud Report 2022-23 & 2023-24
Reported Fraud by Organisation

Figure G



SPECIFIC FRAUD RISK AREAS - SUMMARY REPORTS FOR 2022-23



**Department for Communities
Benefit Fraud**

- Total value £119.4m, 1.6% of total expenditure (2021-22 £138.4m, 1.9%)
- 1925 investigations (2021-22 2180)
- 77 administrative penalties, formal cautions or convictions (2021-22 112)
- Recovery of £99k of assets criminally obtained (2021-22 £126k)
- 3361 compliance interviews completed, leading to £12.4m benefit adjustments



**Department of Health - BSO
Health Service Fraud**

- 92 new cases, 54 of which included in annual fraud return (2021-22 105)
- Actual or estimated value for new cases £679k (2021-22 £2019k)
- 6 cases criminal sanction (2021-22 5)
- 29 cases disciplinary/financial recovery/referral to professional/regulatory body (2021-22 12)
- 256 post payment exercises primary care expenditure (2021-22 128)
- £86k of recoveries in relation to primary care expenditure (2021-22 £58k)
- £184k of recoveries in relation to evasion of health service, dental and ophthalmic charges (2021-22 £128k)



**Northern Ireland Environment Agency
Environmental Crime**

- 988 incidents of reported environmental crime (2021-22 1135)
- 6 successful prosecutions resulting in 4 suspended sentences, fines £9.2k and investigative costs awarded £3.4k
- 1 confiscation order £237k (2021-22 1, £177k)
- 2 PoCA Restraint Orders £339k (2021-22 £923k)
- 3 cases referred to HMRC for avoidance of environmental taxes (2021-22 7)



**NI Water - Unauthorised Connections
/Meter Tampering**

- 118 cases investigated (2021-22 124)
- Illegal activities including unauthorised connections to public water main and meter tampering
- 2 convictions
- 7 ongoing prosecutions
- 6 cautions
- 50 warnings
- Approximately £137k has been recovered



Land & Property Services Housing Benefit Fraud

- 2022-23 NFI exercise (2-year cycle):
 - LPS worked through 23,000 cases
 - 102 errors identified, equating to £275k



Northern Ireland Housing Executive Tenancy Fraud

- 198 cases investigated (2021-22 137 cases)
- 30 properties recovered (£854k)
- 3 tenancies recovered (85k)
- 11 Fraudulent Applications Withdrawn (£313k)
- 9 Fraudulent Successions prevented (£256k)



Legal Services Agency Legal Aid Fraud

- 261 referrals (2021-22 338)
- All 261 registered for further investigation (2021-22 338)
- 246 Applicant fraud and supplier fraud
- Outcomes in the period:
 - 273 Outcomes resulting in no further action
 - 1 Revocation of legal aid certificate
 - 15 other resolutions



Department of Finance Group Fraud Investigation Service

- 36 referrals received and investigated (2021-22 112)
- Main areas covering fraud referrals:
 - Grant funding (24);
 - Pension (3);
 - Invoice/payments/contractor/theft (3); and
 - Other (6).

SPECIFIC FRAUD RISK AREAS - SUMMARY REPORTS FOR 2023-24



**Department for Communities
Benefit Fraud**

- Total value £163.2m, 2.0% of total expenditure (2022-23 £119.4m, 1.6%)
- 1523 investigations (2022-23 1925)
- 51 administrative penalties, formal cautions or convictions (2022-23 77)
- Recovery of £189k of assets criminally obtained (2022-23 £99k)
- 3506 compliance interviews completed, leading to £7.3m benefit adjustments



**Department of Health - BSO
Health Service Fraud**

- 129 new cases, 89 of which included in annual fraud return (2022-23 92)
- Actual or estimated value for new cases £652k (2022-23 £679k)
- 1 case criminal sanction (2022-23 6)
- 20 cases disciplinary/financial recovery/referral to professional/regulatory body (2022-23 29)
- 308 post payment exercises primary care expenditure (2022-23 256)
- £158k of recoveries in relation to primary care expenditure (2022-23 £86k)
- £168k of recoveries in relation to evasion of health service, dental and ophthalmic charges (2022-23 £184k)



**Northern Ireland Environment Agency
Environmental Crime**

- 1205 incidents of reported environmental crime (2022-23 988)
- 10 successful prosecutions resulting in 7 suspended sentences, fines £8.7k and investigative costs awarded £2.1k
- 1 confiscation order £20k (2022-23 1, £237k)
- No PoCA Restraint Orders (2022-23 2, £339k)
- 4 cases referred to HMRC for avoidance of environmental taxes (2022-23 3)



**NI Water - Unauthorised Connections
/Meter Tampering**

- 131 cases investigated (2022-23 118)
- Illegal activities including unauthorised connections to public water main and meter tampering
- 1 conviction
- 3 ongoing prosecutions
- 4 cautions
- 83 warnings
- Approximately £427k has been recovered



Land & Property Services Housing Benefit Fraud

- 2022-23 NFI exercise (2-year cycle):
 - LPS worked through 23,000 cases
 - 102 errors identified, equating to £275k



Northern Ireland Housing Executive Tenancy Fraud

- 220 cases investigated (2022-23 198 cases)
- 32 properties recovered (£1,156k)
- 4 tenancies recovered (£144k)
- 8 Fraudulent Applications Withdrawn (£289k)
- 11 Fraudulent Successions prevented (£397k)



Legal Services Agency Legal Aid Fraud

- 240 referrals (2022-23 261)
- All 240 registered for further investigation (2022-23 261)
- 220 Applicant fraud and supplier fraud
- Outcomes in the period:
 - 204 Outcomes resulting in no further action
 - No Revocations of legal aid certificate
 - No other resolutions



Department of Finance Group Fraud Investigation Service

- 21 referrals received and investigated (2022-23 36)
- Main areas covering fraud referrals:
 - Grant funding (7);
 - Pension (4);
 - Invoice/payments/contractor /theft (2); and
 - Other (8).

DAERA/NIEA – Packaging Waste Disposal Notes

DAERA also reported a suspected fraud which had an estimated value of £7,600,000. This suspected fraud was identified by the Northern Ireland Environment Agency but as there was no loss of public funds, it has not been included in the figures within this report. The Agency identified suspected fraudulent production and sale of Packaging Waste Exporter Notes (PERNs) by three accredited companies registered in Northern Ireland. The case is still under investigation by the Environmental Crime Unit in DAERA.

COVID-19 RELATED FRAUD



Covid-19 related fraud is now included as an individual category in the report. This allows departments to report on specific numbers and values of cases related solely to Covid-19, rather than simply highlighting emerging trends and high-risk areas as in the early years.

As can be seen from elsewhere in this report, departments reported two instances of Covid-19 related fraud in 2022-23, totalling £20,000. Both these cases, one actual and one suspected and both valued at £10,000, were reported by the Department for the Economy and related to Covid-19 grant funding. There were no reports of Covid-19 related fraud in 2023-24.

In addition, whilst not included in the figures elsewhere in this report, LPS has been at the forefront of assisting the citizens and businesses of Northern Ireland throughout the duration of the Covid-19 pandemic. LPS was responsible for the administration of the Localised Restriction Support Scheme (LRSS) which has paid out approximately £320 million to businesses before the scheme was formally closed on 7 April 2021. To date, LPS has identified a total of 93 cases of suspected fraud, 17 of which have been investigated and closed with the remaining 76 currently being investigated by PSNI. The total amount of LRSS grant paid out associated with these suspected fraudulent cases amounts to £525K. LPS were also responsible for the administration of the Omicron Hospitality payment scheme, which formally closed in March 2022. A total of six applications (amounting to £75k) were identified as potentially fraudulent by LPS and passed to GIAFS for further investigation. These cases however were passed back to LPS to recover internally as PSNI believe they would not merit criminal investigation.

CYBER CRIME



Cyber related fraud is also now included as an individual category, allowing departments to report on specific numbers and values of cases.

In 2022-23, eight cases of cyber related fraud, with a total value of £143,351, were reported by DoH (2, £53,713), DfC (3, £0 (prevented)), DfE (1, £0 (prevented)) and DE (2, £89,638) and are included in the figures elsewhere within this report. These included phishing attempts, email hacking, and bank mandate fraud.

In 2023-24, eleven cases of cyber related fraud were reported, with a total value of £511,205. These were reported across six departments: DAERA (1, £0 (prevented)), DfC (1, £0 (prevented)), DfE (1, £0 (prevented)), TEO (1, £3,968), DE (2, £300,000) and DoH (5, £207,236). The details of the most significant cases are covered on page 6 of this report. The most common methods included bank mandate fraud and phishing attempts.

FRAUD PREVENTION ACTIVITIES & LESSONS LEARNED

In order to promote greater awareness amongst staff and the public of the impact and consequences of taking part in fraudulent activities, public sector bodies continue to carry out the fraud prevention activities listed below across the key fraud risk areas. These activities are also enabling improved visibility in terms of reporting and greater data analysis of trends, patterns and behaviours.



Fraud Prevention Activities

- Staff awareness sessions, newsletters and Fraud Alerts
- Professional Counter Fraud training and accreditation
- Use of data analytics and improved data sharing
- Use of technology to combat cyber fraud
- Legislation e.g. development of tenancy fraud legislation
- Cross Border collaboration
- Collaboration across the public sector
- Multi agency joint operations, Investigations and task forces
- Joint operations with partner law enforcement organisations
- Participation in International Fraud Awareness Week
- Participation in National Fraud Initiative
- Publicity campaigns
- Cyber Security Centre



Lessons Learned

Lesson 1

Robust controls must be established and applied consistently to act as a deterrent and enable fraudulent activity to be identified.

Lesson 2

Early intervention and staff awareness are key to detecting and preventing fraud.

Lesson 3

Clear channels for reporting fraud must be established and communicated.

Lesson 4

Conflicts of interest need to be properly documented and managed.

Lesson 5

Technical capabilities are evolving rapidly, and it is important we keep pace.

OTHER PUBLIC SECTOR FRAUD REPORTING MECHANISMS

National Fraud Initiative (NFI)

One of the key mechanisms used by NI public sector bodies to prevent and detect fraud is the National Fraud Initiative (NFI), a UK-wide data matching exercise run every two years by the Cabinet Office. Over 80 Northern Ireland public sector bodies, including departments, non-departmental public bodies, health bodies and local councils, participate in the NFI. The NI Audit Office co-ordinates the NFI exercise for NI participants.

The Comptroller and Auditor General NI (C&AG) acquired data matching powers in 2008 and all organisations whose accounts are audited by the C&AG or a local government auditor may be required to submit their data for matching.

In the eight exercises completed to date in Northern Ireland, outcomes total over £48 million, representing current and past fraud and error stopped and potential future fraud and error averted. The C&AG issued her report on the eighth exercise in October 2024, outcomes were principally in the areas of pensions and rates. The report is available on the NI Audit Office website at [National Fraud Initiative | Northern Ireland Audit Office \(niauditoffice.gov.uk\)](https://niauditoffice.gov.uk). Previous published reports on the NFI in Northern Ireland are also available at this link.

The ninth exercise, NFI 25-26, is currently ongoing. Data matches were released in early 2025 and all investigations are to be completed by 31st March 2026. Outcomes from this exercise are approximate at this stage. The C&AG will publish a report on this exercise in Autumn 2026.

NICS Fraud Forum

The NICS fraud forum is a best practice advisory group made up of departmental representatives. The forum normally meets twice a year to discuss key topics/areas of interest. In 2022-23 and 2023-24, these topics included whistleblowing procedures, Counter Fraud Standards, and updates on the NFI and Digital Economy Act. Contact among the group also continued over this period through the sharing of email alerts and the publication of guidance.

Organised Crime Task Force

The Organised Crime Task Force (OCTF) comes under the auspices of the Department of Justice (DoJ), providing a strategic multi-agency forum to tackle organised crime and reduce the harm it causes to communities, individuals and businesses in Northern Ireland.

The Taskforce does not have an operational responsibility for tackling organised crime – this remains the focus of the relevant agencies.

A representative from the NICS Fraud Forum attends the Criminal Finances Subgroup ensuring there is an appropriate link between the work of the OCTF and the NICS Fraud Forum. The Annual Reports and Threat Assessments for the OCTF for 2022-23 and 2023-24 can be accessed through the following links:

[OCTF Annual Report and Threat Assessment 2022-2023 | Organised Crime Task Force](#)

[OCTF Annual report and threat assessment 2023-2024 | Organised Crime Task Force](#)



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