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Department of Finance
An Roinn Airgeadais
www.finance-ni.gov.uk

FD (DoF) 05/26

10 July 2026

Dear Finance Director

ANNUAL THEFT AND FRAUD RETURNS TO DoF: 2024-25 & 2025-26

Purpose

1. The purpose of this letter is to bring to your attention the requirement for departments to submit an annual fraud return to DoF and to advise that DoF will be producing a double report to cover the years 2024-25 and 2025-26 on this occasion. We would ask you to ensure that your composite departmental returns for both years are submitted by the requested dates of **14 & 21 August 2026**, as detailed below.

Requirements

Standard Annual Fraud Returns – all departments (return by 14 August 2026)

2. Managing Public Money Northern Ireland (Annex 4.9.10) requires departments to submit a return to DoF, giving details of all discovered cases of suspected and proven fraud (including attempted fraud) affecting their department, agencies, NDPBs and, where public funds are involved, voluntary bodies and other agents such as Intermediary Funding Bodies. Cases involving European Union funding should also be included.

3. We would ask you to please submit a **separate excel document for each year** (see attached excel documents for completion – *FD (DoF) 05/26 att1* for 2024-25, *FD (DoF) 05/26 att2* for 2025-26). The process itself has not changed from previous exercises when departments were required to update a spreadsheet for each individual case of fraud reported. The spreadsheet includes drop down menus with a choice of options which can be accessed by clicking in the relevant cell and using the arrow which appears to the right-hand side to select the most appropriate option. Where drop down menus exist, **only** the options given should be used when responding. To avoid lengthy delays in analysing and consolidating the information needed for the report, we would ask that you **follow all the guidance in this letter and attached Annex A** when completing your spreadsheets.

   Cyber-related or covid-related frauds should be included on the spreadsheet as an option in column H, and further details must be provided in column I on the underlying nature of the fraud. For example, please note in column I if it was grant-related, payment processes, abuse of position, etc.

   Please note that the majority of frauds reported should have a value attached, unless they are in the very early stages of investigation. Estimated values can be highlighted as such in column K. Please include a value even where the fraud was prevented or the amount was recovered. This is needed in order to estimate the levels of fraud prevented. Returns showing a number of zero-value frauds will be returned for further information.

   We have also retained the 2 additional categories added under the discovery section to capture a more accurate number of cases reported by whistleblowers. Where the fraud was reported by an internal or external whistleblower this should be selected as the option in column N, and if this was reported through an established whistleblowing policy then select 'Yes' in column P.

4. I would ask that you **do not format or amend** the spreadsheets in any way as this will cause difficulties/anomalies in the analysis process. Each department should provide DoF with **one** completed worksheet for **each** year for their composite departmental returns.

Specific Fraud Narratives – departments listed below (return by 21 August 2026)

5. In order to streamline the production of the report, we are also requesting the specific input on the defined fraud risk areas usually requested as a separate exercise. This will only be relevant to the areas noted below and we would ask that this narrative is submitted by **<u>21 August 2026</u>**.

    DfC on benefit fraud (DfC);
    NIEA on waste offending (DAERA);
    Legal Services Agency on legal aid (DoJ);
    LPS on benefit fraud (DoF);
    NIHE on tenancy fraud (DfC);
    NI Water on water connections (DfI);
    Health Sector on counter fraud services (DHSSPS); and
    NICS Group Fraud Investigation Service (DoF).

    Please provide no more than 5 or 6 key points (each being a maximum of 1-2 sentences long) for each year, **presented separately**. To ensure consistency of reporting and that we capture all relevant information, please use the attached spreadsheet covering both years (*FD (DoF) 05/26 att3*), and please ensure that all boxes on the spreadsheet are completed.

6. Should you have any queries on the completion of the spreadsheets please do not hesitate to contact Fiona.Doherty@finance-ni.gov.uk and Joanne.Warnock@finance-ni.gov.uk. Due to leave over the returns period, please copy any queries to both Fiona and Joanne.

7. Completed returns should be forwarded, by **<u>14 August 2026 (att1 & att2)</u>** and **<u>21 August 2026 (att3),</u>** to Fiona.Doherty@finance-ni.gov.uk.

Yours sincerely

STUART STEVENSON

cc Joanne Warnock
Fiona Doherty
Fraud Forum Members
Mark Cherry (NIEA)

Annex A

General Guidance

- Do not include frauds which were suspected in year but have been subsequently proven to be unfounded.

- Only cases which involve public funds should be recorded, e.g., theft of staff personal belongings should not be recorded. However, where client belongings are stolen, and organisations have identified that they have a duty to reimburse the individual from public funds, such cases should be recorded.

- **Do not include costs associated with vandalism or repair costs**.

- Where columns are highlighted in blue the **relevant drop-down menu choices MUST be used** - no other data can be accepted.

- Please use the drop-down arrows where applicable and **do not leave any box blank**, other than those asking for further clarification. Click on the cell and the arrow will appear, click on the arrow and the menu choices will appear. Should you overwrite the cell with your own data, the submission will be returned to be updated using the correct method.

- Do not paste your data into the cells that contain the drop-down menus.

- Spreadsheets with insufficient detail for analysis purposes will be returned for further completion.

- The departmental fraud reference is the number used previously when reporting fraud to DoF and NIAO in year.

- Where 'Other' is selected as the option this will require further explanation - please **ensure this is recorded**.

- It is **imperative** that the formatting of the spreadsheet is **not amended in any way** as this will cause anomalies when analysing the final figures.

- If you have any queries or require further information regarding the completion of the spreadsheet, please contact Fiona Doherty on 02890816774 or email - fiona.doherty@finance-ni.gov.uk

Section 1 - Case description

- Please provide a ***brief*** description of the case – do not include any specific names of individuals. However, please ensure that the description contains sufficient detail to be understood by someone not directly involved.

Section 2 - Category of Fraud

- Please choose one category of fraud which best classifies the case.
- If you choose 'other' please provide further information.
- Theft of assets should include cases where income is stolen once recorded within an organisation and also includes losses from petty cash, safes, etc. Please ensure you specify what assets were stolen in the next column.
- Payment process fraud includes cheque fraud, counterfeit notes and coins, unauthorised direct debits and GPC related payments.
- Income related cases are those where income is diverted at the point of entry into an organisation.
- Where the fraud is related to cyber crime or Covid, this should be selected as the category in column H, and further details provided in column I on the underlying nature of the fraud. For example, was it grant-related, payment processes, abuse of position, etc.

Section 3 – Causation

- Indicate one category which best describes how the fraud was perpetrated/occurred.

Section 4 - Value of case

- **Please only use pounds and pence.**
- Please convert Euros to Pounds and record the amount in Pounds. Also provide additional information on the conversion in the next column.
- Please provide **one** figure only. If it is estimated between 2 figures, provide a value in the middle e.g. £100-£200 then record £150.
- The majority of frauds reported should have a value attached, unless they are in the very early stages of investigation. Estimated values can be highlighted as such in column K.
- Please include a value even where the fraud was prevented or the amount was recovered. This is needed in order to estimate the levels of fraud prevented.
- Please do not include costs associated with vandalism and/or repair costs.

Section 5 – Discovery

- Please indicate the category which best describes how the actual, suspected or attempted fraud was discovered.
- Further details column - please explain how it was discovered and what control weaknesses were exploited.
- If you choose 'other means' please provide additional information.

Section 6 – Whistleblowing

- Advise whether the fraud was reported through an 'established' whistleblowing policy/procedures.

Section 7 – Perpetrators

- If you choose 'other 3rd party' please provide further details.

Section 8 - Investigation and follow up action

- Please provide additional details as required regarding recovery of losses.
- Please provide additional details as required regarding completion of criminal and disciplinary action taken.

Section 9 – Action taken to improve controls

- Please provide additional details where controls have been improved.
- Please provide reason on why no action was considered necessary.