



Public Sector  
Fraud Authority

# Public Sector Fraud Authority Annual Report 2022-2023

Alternative format versions of the report are available on request from the Public Sector Fraud Authority: [PSFA@cabinetoffice.gov.uk](mailto:PSFA@cabinetoffice.gov.uk)

Public Sector Fraud Authority

Publication date: November 2023

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# Ministerial Foreword

Fraud against the public sector is a crime that impacts us all. Fraudsters are a committed, capable and evolving adversary and the public sector is just as affected by this hidden crime as other sectors. It affects the quality and quantity of public services as every pound stolen by fraudsters is one pound less spent on schools, hospitals, and other vital public services.

Government is committed to defending the public purse and tackling fraudsters head on. Given the challenges with the cost of living, our services are experiencing unprecedented demand and threat from fraudsters. The Public Sector Fraud Authority (PSFA) was launched on 3 August 2022 with £25 million of funding over 3 years to improve the performance of departments in tackling fraud, expand the breadth and depth of counter fraud knowledge and ensure the Treasury and the centre of the Counter Fraud Function are unified in their mission to tackle fraud.

This additional funding is paying dividends: the PSFA has far surpassed its target of achieving £180 million of savings for the taxpayer in its first 12 months by preventing and recovering £311 million. This shows the government is delivering its mission to transform the way we fight fraud and safeguard taxpayers money. Every pound we save in taking action on fraud reduces the cost of public services and makes taxpayers money go further. Better use of data and technology has been key in achieving this.

The Government has also recently passed the Procurement Act which includes tougher action on fraud and corruption, excluding suppliers who pose unacceptable risks from Government procurement processes. For the first time the Government will be able to maintain a public debarment list of these suppliers.

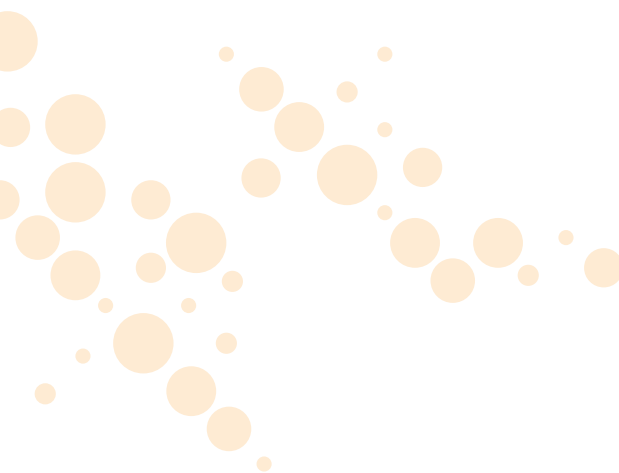
I am incredibly proud to oversee the public sector fraud portfolio and support the breadth of activity and skills within the Authority.

It has been a fascinating, rewarding and challenging year watching the PSFA design and build some of its key services, recruit more experts across the country, and produce leading best-practice guides for colleagues within the Fraud Profession and across the public sector.

I was particularly pleased that we were able to gather together the leading Fraud experts from our Five Eyes partners at the Imperial War Museum in September for the International Public Sector Fraud Forum, where we exchanged ideas on how best to challenge fraud. Events like this underline the UK's prominent position in tackling fraudsters.

**Baroness Neville-Rolfe DBE CMG**

Minister of State at the Cabinet Office





I am incredibly proud to oversee the public sector fraud portfolio and support the breadth of activity and skills within the Authority

**Baroness Neville-Rolfe  
DBE CMG**



# Chief Executive's Statement

Since the launch of the Public Sector Fraud Authority in August 2022, we have worked hard to build the Authority, and to have an impact on fraud against the public sector. By the end of our first year, the majority of PSFA's Functions and Services are designed, we have recruited 36 new colleagues, created our expert Advisory Panel and recruited the majority of the senior leadership team.

In its first year the PSFA set and published 21 objectives and met 20 of these (95%). This includes far exceeding the target set to have a financial impact of £180m of audited outcomes from the data services that were integrated into the PSFA at launch. Every pound that is saved represents taxpayers money that can be invested back into the services that the public depend upon.

I am hugely proud of the fledgling Authority and its focus on delivery while it builds its new services.

In addition, we have taken time to work with experts across government to look hard at the Counter Fraud Profession and set its strategy for the next three years. This was published in March 2023. Whilst it is pivotal that the Public Sector Fraud Authority makes sure it is having an immediate impact, it is also critical that we build capability across the public sector, and more widely. This year, the Profession agreed the first Professional Standard for prevention, which will form the core of future qualifications, and piloted the Counter Fraud Leadership Academy, which it

intends to be the qualification for all who lead Counter Fraud Functions in organisations. We also saw the first graduates from the Counter Fraud Investigation apprenticeship.

A key part of the PSFA's role is the focus on performance and outcomes. It is supporting departments with the introduction of financial outcome targets, a significant shift for much of the public sector. Alongside this, we must continue to challenge ourselves to create a culture where the detection of fraud, and action on it, is seen as a success and standard practice. If we want to fight fraud, we must increase our efforts to find this hidden crime.

By itself, the PSFA cannot deliver the impact that is needed. To do that it has to work closely with partners across sectors, and none more so than with the government departments and public bodies. The government created the PSFA to transform the way fraud against the government is tackled. The PSFA aimed in its first year to design and build our services and functions as well as to consult widely on our standards and practices. We will continue to challenge ourselves to consult and work closely with public bodies, sharing learning and adapting our approach according to their size and the risks they face.

Fraud is a crime that crosses boundaries - both sectors and countries. I am delighted to be partnering with Quantexa and Deloitte in the first stage of building and delivering the new Authority.

I am equally delighted with the exciting partnership between the PSFA and the Commonwealth Fraud Prevention Centre in the Australian government. This represents a key milestone in the fight against fraud. It will enable us both to go further and faster in learning and taking action on fraud, learning from each other's experiences and success and sharing expertise and tools.



While the PSFA, and colleagues across government, have made progress, it is very clear that our work is not done. The PSFA and all those working in the Counter Fraud Function across government will continue to work hard to protect taxpayers money and ensure those who choose to abuse the systems we have in place, for their own financial gain, do not go unpunished.

I served as interim Chief Executive of the PSFA during this reporting period. I am pleased that following my appointment as permanent Chief Executive in May 2023 I can continue to drive forward the important work of the PSFA and the transformation of how the government understands and responds to fraud against the public sector.

**Mark Cheeseman OBE**

Chief Executive - Public Sector Fraud Authority

I am hugely proud of the PSFA and its focus on delivery while it builds its new services

**Mark Cheeseman OBE**



## 2022-2023 Key Achievements

- ✓ **£311m in audited counter fraud benefits delivered.**
- ✓ **Delivered 20 out of 21 of our objectives.**
- ✓ **Recruited over 30 counter fraud experts, including 3 new expert Deputy Directors.**
- ✓ **Agreed and announced a partnership between the PSFA and Australian Commonwealth Fraud Prevention Centre.**
- ✓ **Used cutting edge analytics and technology to find and stop fraud, including £140m of potentially fraudulent payments in the Bounce Back Loans Scheme.**
- ✓ **Published the Government Counter Fraud Profession Strategy 2023-2025.**
- ✓ **Supported HMT with bespoke Fraud Risk and Impact training, equipping them to cascade learning, knowledge and skills.**
- ✓ **Published the Fraud Landscape Report.**
- ✓ **Held the largest Counter Fraud Conference to date at the QEII.**
- ✓ **Created and introduced technical Continuous Professional Development sessions for Counter Fraud Profession members.**
- ✓ **Appointed recognised experts on fraud management as members of the Advisory Panel.**
- ✓ **Established a secondee programme, utilising public and private sector experience with experts from EY, Deloitte, NATIS, HMRC and DWP.**
- ✓ **Continued our work on Counter Fraud Investigator apprenticeships, with the first apprentices graduating from the Education and Skills Funding Agency and local authorities.**



## Report Purpose

This publication provides an account of the Public Sector Fraud Authority's activities and performance against its 2022/23 objectives. It also outlines its governance arrangements.

## The Creation of the Public Sector Fraud Authority (PSFA)

Finding and reducing the impact of fraud is an essential part of government efficiency. In the Spring Statement 2022, the Chancellor announced the creation of a new Authority to counter fraud against the public sector. The government invested an additional £24.7m over three years into the PSFA, as part of a broader package of investment across government.

The PSFA was launched on 3 August 2022 as an integrated partnership between the Cabinet Office (CO) and HM Treasury (HMT) to transform how departments and public bodies deal with fraud against the public sector.

The PSFA is being built from the former Centre of the Government Counter Fraud Function, which was a small team based in the Cabinet Office. The PSFA has taken on the role as the Centre of the Function, as well as taking on additional responsibilities and creating a diverse set of functions and services.

### **The PSFA is different to the previous team in four main ways:**

- ✓ It has a published mandate, defining a clear role in government and how it will interact with public bodies;
- ✓ It has a greater focus on performance and outcomes across central government;
- ✓ It will provide an increased depth and breadth of support to public bodies;
- ✓ It will be integrated with both the Cabinet Office and HM Treasury.



## Our Purpose

**Our purpose is to work with departments and public bodies to better understand and reduce the impact of fraud against the public sector.**





## Our Mission

### Its mission is to:

- ✓ Modernise the fraud and error response by widening access and use of: leading practices, tools and technology - better protecting taxpayers' money
- ✓ Build expert-led services developed in collaboration with experts in departments and public bodies to better fight fraud and error through: risk, prevention, data and enforcement techniques
- ✓ Develop capability in the public sector to find, prevent and respond to fraud and error - both organisationally and individually
- ✓ Put performance at the heart of the public sector fraud conversation - focusing on investments and outcomes
- ✓ Aim to be seen as a beacon of fraud and error expertise and a destination for those wanting to make a difference in fighting public sector fraud

The PSFA is working with departments and public bodies to modernise how the public sector counters fraud, based on experiences and lessons learned in both the UK and internationally. The intention is that this will help the public sector to better understand, prevent and take action on fraud - reducing the cost of public services and protecting the public sector.



Counter Fraud is a quickly growing specialist area, which has historically had very limited standards and structures. The Centre of the Counter Fraud Function had started to build these standards and structures and the PSFA will accelerate this journey. This will help the public sector to better understand, prevent and take action on fraud - reducing the cost of public services and protecting the public sector.





# The Impact

The PSFA was created to work with departments and public bodies to increase the public sector's collective ambition on public sector fraud. It will work with them so there is:



# Performance Overview

The Public Sector Fraud Authority was created in August 2022. This report covers the performance of the PSFA since its launch and performance in the financial year 2022/23 of the services that were incorporated into the PSFA from the centre of the Counter Fraud Function.

This performance overview sets out how the PSFA has delivered its priority outcomes, as well as highlighting the Authority's core achievements.

The PSFA set 21 key objectives (outlined in Annex 1) to achieve in 2022/23. Of these, we successfully achieved 20 - a 95% success rate. The objective that we did not achieve was completion of the design for our Enforcement Unit by March 2023. However, the design was completed by July 2023.

A key focus in 2022/23 was the design and creation of the new, and expanded, services of the PSFA. In addition, focus was put into making as much difference as possible on fraud with the services that were incorporated from the centre of the Counter Fraud Function, which the PSFA superseded.

The development of the PSFA has been underpinned by lessons learnt in managing fraud in the pandemic and a key driver for our work in 2022/23 was taking insights from the pandemic. These experiences are being used as the foundation of how we fight fraud in the future. This will help to ensure fraud and corruption against the government, and ultimately the taxpayer, is minimised. In turn, this helps ensure that the quality and quantity of public services are maximised.



“  
The development of the PSFA has been underpinned by experiences in managing fraud in the pandemic



## Priority Outcomes

# The following section details some of the **key deliverables** of the PSFA in 2022/23.

It includes those detailed in our published plan '2022/23 Building for Success' and some examples of other deliverables. They have been mapped to the themes in the PSFA's 2023/24 plan, as this shows how the work of the PSFA with government departments and public bodies is building from our experiences in the pandemic and shaping an improved and modernised response to fraud in the public sector.

**We will better use data and technology to find, stop and recover fraud**



**We will take more, and better, action where fraud occurs**



**We will resolutely focus on Performance and Outcomes**



**We will strengthen key building blocks for counter fraud work across government**



**We will get more fraud expertise in up front and make a step change in how fraud is prevented**







## We will better use data and technology to find, stop and recover fraud

The PSFA set a target to deliver £180m in audited benefits in 2022/23.

We exceeded this target and delivered a total of £311m in audited counter fraud benefits. These benefits represent prevented and recovered fraud and irregular payments as a result and is made up of a variety of projects which included:

- the **National Fraud Initiative**, which is an exercise that works with more than 1,100 public bodies to compare sets of data against other records to identify discrepancies that may be evidence of fraud;
- the delivery of the **Covid-19 Loan Schemes Fraud Analytics Programme** providing counter fraud flags to identify instances of potential fraud and were then shared with accredited lenders to help them recover stolen money.



“  
Share  
potential fraud  
with accredited  
lenders to recover  
stolen money



## Audited Benefits Achieved

| Project                                                           | Description                                                                                                                                                                                                                                                                                          | Savings 22/23       |
|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <b>Bounce Back Loan Scheme</b><br><i>Phase 1 fraud risk flags</i> | Losses were prevented because lenders utilised the phase 1 fraud risk flags to identify ineligible loans and then take action to secure repayment of the loan.<br><br>Lenders have also removed loan facilities from the State guarantee where they have accepted liability for the ineligible loan. | <b>£99,476,014</b>  |
| <b>COVID loan schemes</b><br><b>Dissolution Objections</b>        | The dissolution objections process blocks companies from being struck off or being removed from the Companies House register who still carry a COVID loan debt. This provides the lenders with time to investigate and take recovery action where appropriate.                                       | <b>£40,509,531</b>  |
| <b>NFI AppCheck</b>                                               | Local Authorities use of NFI data to decline fraudulent applications for public services upfront.                                                                                                                                                                                                    | <b>£643,830</b>     |
| <b>NFI Private Sector Insurance</b>                               | Private sector insurance companies use of NFI data to prevent and detect insurance fraud.                                                                                                                                                                                                            | <b>£14,640,000</b>  |
| <b>NFI Vehicle Hire</b>                                           | Vehicle hire companies use of NFI data to prevent and detect vehicle fraud.                                                                                                                                                                                                                          | <b>£4,222,728</b>   |
| <b>NFI Web application</b>                                        | Extensive data matching delivered across 1,100 organisations across the UK.<br><br>Prevent and detect fraudulent/erroneous claims to public services in a wide range of areas.                                                                                                                       | <b>£149,613,477</b> |
| <b>NFI Utilities</b>                                              | The identification of properties fraudulently declared empty when they were occupied - allowing the status to be corrected and preventing future losses.                                                                                                                                             | <b>£1,923,341</b>   |
| <b>Total</b>                                                      |                                                                                                                                                                                                                                                                                                      | <b>£311,028,921</b> |

Continuing to develop strong partnerships across sectors is a key part of the government's overarching Fraud Strategy (published in May 2023) and the PSFA is already taking action in line with this.



## Deliver the National Fraud Initiative exercise for 2022/23

The National Fraud Initiative was created in 1996 to help Local Authorities find fraudulent payments. Since then, it has been further developed and moved into the Cabinet Office in 2015. When the PSFA was launched in 2022, the NFI was incorporated into its Data and Intelligence Services.

In 2022/23, the NFI data matching exercises delivered benefits of £171m.

Amongst other tools, the NFI runs a large data matching exercise every two years, bringing together data from over 1,100 bodies to identify anomalies and potential fraud. In 2022/23, the NFI undertook this exercise, and released matches to its stakeholders in January 2023.

The NFI also runs the FraudHub, which is available 24/7 and allows public sector bodies to work together to share key datasets on a regular basis. Matches are released in the FraudHub to help identify potential fraud and data errors quickly, supplementing the national NFI data matching exercise undertaken every two years. The FraudHub has continued to grow in 2022/23 with 37 member bodies across 7 different regional hubs.

In November 2021, the NFI undertook a second phase of a data sharing pilot with HMRC to target fraud in local councils associated with undeclared earnings and property ownership using powers under the Digital Economy Act. This pilot was a success delivering £14.9m in benefits and was approved as a Business as Usual pilot in December 2022 with matches due for release in Autumn 2023.



**nfi**  
National Fraud Initiative

“  
The NFI  
FraudHub allows  
public sector  
bodies to work  
together



## Provide data and analytics support to the Bounce Back Loan Scheme

The Covid-19 Loan Schemes Fraud Analytics Programme was designed and created during the pandemic to help identify, prevent and recover fraud in the Covid-19 Loan Schemes including the Bounce Back Loan Scheme. On the creation of the PSFA in August 2022, these services were incorporated into the Data and Intelligence Services of the PSFA.

Throughout 2022/23 the PSFA delivered the Covid-19 Loan Schemes Fraud Analytics Programme. This included a number of key services such as the Dissolution Objection Process and Insolvency Screening as well as the provision of counter fraud risk flags for review by the scheme lenders.

Our work has helped lenders to find more fraud enabling them to tackle fraud and recoup these funds - resulting in £99.5m in audited counter fraud savings (from counter fraud risk flags) being delivered by 31st March 2023. Additionally, the Dissolution Objection Process workstream delivered a further £40.5m in savings in 2022/23.

Our work on the Non Performing Loan Book (Portfolio Screening), which targeted lender investigation action on the highest risk cohort of loans, has led to an increase in detected fraud of £114m. We expect further recoveries to come from these detected irregular loans in the future.

“The platform we’re working on with Quantexa will make it easier for fraud teams to look closely at UK-registered companies and prevent public contracts, loans and grants from falling into criminal hands. And private partnerships such as this enable us to build impressive counter fraud knowledge in government by giving civil servants modern tools to detect and prevent fraud.”

**Baroness Neville-Rolfe DBE CMG**  
Minister of State at the Cabinet Office

Alongside data analytics support, the PSFA has supported the Department for Business and Trade in Covid-19 Loan Scheme governance, helping to ensure effective monitoring of lender performance and working with the British Business Bank to progress activity which maximises recoveries and minimises losses. This was done through; the development of the fraud risk screening model, assisting in the development of negotiation strategies where the British Business Bank negotiated settlements where lenders have claimed against the guarantee when payments were ineligible (such as duplicate loans), to engage with the lenders on specific issues, and the development and launch of additional debt recovery pilots.

**CLOSED**  
**Covid- 19 virus**

All state sites will be closed until March 31.

Our work has helped lenders to find more fraud

quantexa

## Close the Covid-19 Fraud Hotline and disseminate the intelligence to public bodies

During the pandemic, the government set up the Covid-19 Fraud Hotline, in partnership with Crimestoppers. This was set up to provide the public with an anonymous route to report suspected fraud against Covid schemes. The hotline was officially closed in September 2022.

The Hotline was closed in line with the ending of the Covid-19 schemes. The experiences from the Hotline have been incorporated into the PSFA's work on developing the new, PSFA intelligence model.

At the point of closing, messaging was provided on the hotline number up until June 2023, which signposted callers to other avenues of reporting.

In total the PSFA Intelligence Hub received 5,124 referrals from the Covid Fraud Hotline. The Intelligence Hub ensured that all referrals were disseminated to the appropriate public sector organisations and also as a risk flag to the accredited lenders in the Covid-19 Loan Schemes.

Intelligence generated from the PSFA Intelligence Hub is being utilised in a number of live investigations across the public sector as well as informing new detection and prevention approaches.

## Commence the 3 year review of the Digital Economy Act provisions

The Debt and Fraud Powers, as contained in Chapter 3 and Chapter 4 of the Digital Economy Act 2017, allow specified public authorities to disclose information for the purpose of managing and reducing debt owed to a public authority or to the Crown and combating fraud against the public sector.

The PSFA works with departments and public bodies to use these powers to pilot new data shares to find (and ultimately prevent) fraud and to better recover debt owed to the public sector.

These Powers were due to be reviewed as soon as is reasonably practicable after the end of three years beginning with the day on which they came into force to decide whether they should be retained, amended or repealed. The commencement date of the review process was extended due to the re-prioritisation of resources to support the Covid-19 response.

This was approved by Minister Neville Rolfe and the PSFA launched the consultation which ran from 28th March to 25th May 2023. The consultation reports are being analysed and will drive the future approach in the use of the Digital Economy Act.

**“** The PSFA data science team have provided expert guidance and support in relation to investigations being undertaken into fraud affecting government covid support schemes. Their ability to work with large volumes of data has been invaluable to the process. **”**

**Paul Greenway**

Senior Intelligence Manager, NATIS







## We will take more, and better, action where fraud occurs

### Complete a design for an enforcement unit to improve action on cases of potential fraud across the public sector

When fully operational, the PSFA will have an Enforcement Unit that will work with departments and public bodies to take action on cases of fraud where the public sector may have previously struggled.

We had originally planned for the design of the Enforcement Unit to be completed by the end of March 2023. However, due to capacity challenges we were unable to complete the design in line with our original plan.

Nevertheless, foundational work was undertaken and we recruited and engaged with key experts, which enabled the design to be completed by July 2023. In addition, the expertise recruited into the PSFA has supported departments and public bodies with expert advice to help them improve their response to incidents of fraud.

The Enforcement Unit remains on target to provide support to departments in the 23/24 financial year.

“We are genuinely grateful for the time, expertise and support that the embryonic Enforcement Unit have provided this year. When dealing with what appear to be serious and sizeable fraud concerns, it has been reassuring to be able to reach into a highly knowledgeable and, importantly, accessible team, to sense check our counter fraud responses. The Enforcement Unit have been a great example of the centre offering tangible benefits, supplementing the hard work of our own counter fraud team as we seek to safeguard huge amounts of public funding.”



Department  
for Education

“The PSFA investment in enforcement is adding value already”





## We will resolutely focus on Performance and Outcomes

### Map counter fraud resources and outcomes across the public sector

The Workforce Performance Review (WPR) was a ground-breaking review which evaluated departments and public bodies counter fraud risk awareness, resources and the outcomes delivered. It provided the most comprehensive and detailed view of counter fraud across government yet.

The results of the WPR were used by the National Audit Office (NAO) in their report 'Tackling fraud and corruption against government' which was published in March 2023. The work on the WPR will continue into 2023/24.

Alongside our work with departments and their associated arms length bodies, the PSFA produced the Fraud Landscape Report (FLR) for 2020/21. The report detailed the levels of fraud and associated error that departments and public bodies (excluding tax and welfare, as these are published elsewhere) had reported, and had dealt with, in the associated year. The report continues to be a key part of the government's commitment to transparency on its activity on fraud against the public sector.

### Agree financial outcomes with more public bodies

The government has committed to doing more to fight fraud against the public sector. The Workforce and Performance Review found that only 6% of the reviewed public bodies had targets for financial outcomes that their counter fraud investments would deliver.

In 2022/23, the Public Sector Fraud Authority worked with government departments to increase the number of organisations with agreed financial outcomes. Through this the government is seeking to increase the productivity of counter fraud work - driving increased outcomes and therefore reducing the loss from fraud and irregularities in the public sector.

By April 2023, more public bodies had committed to agreeing financial outcomes and some had set out what they expected them to be. The PSFA has continued to discuss targets and financial outcomes with departments and will publish the departments who have set financial outcomes for their fraud responses in the next Fraud Landscape Bulletin.



## Roll out guidance on Initial Fraud Impact Assessments (IFIA) and quarterly review completed IFIAs

By establishing the PSFA as an integrated authority reporting to the Cabinet Office and HM Treasury, the government has embedded mechanisms to consider, identify, and prevent fraud. These guiding principles start at the outset of financial decision making. The PSFA worked with HM Treasury to integrate Initial Fraud Impact Assessments (IFIAs) in the Green Book.

IFIAs are a tool designed to assess and understand the potential impact of fraud and the counter fraud requirements throughout the spend area lifecycle. They are designed to be completed prior to funding approval, and an impact score is generated. Where the impact is assessed as high, or very high, it recommends progression to a full fraud risk assessment as soon as possible. It is now mandated that an IFIA be conducted on all major new spend initiatives prior to launch.

The Government Counter Fraud Profession updated the government's Fraud Risk Assessment Standard to include IFIAs and this was published in April 2022. The PSFA created and delivered guidance around IFIAs for public servants.

In 2022/23 the PSFA reviewed 22 IFIA's covering £215bn of spend, including 10 of the new high profile energy schemes. IFIA reviews will continue as a business as usual process.

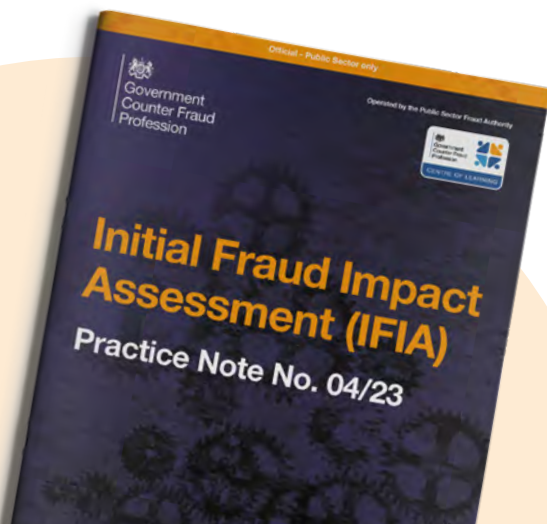
## Provide support to public bodies completing IFIAs

The PSFA held sessions to increase understanding of counter fraud awareness for HM Treasury. Additionally, specific sessions and support on Fraud Risk and IFIAs were delivered, equipping teams to cascade learning, knowledge and skills. This support will continue into the 2023/24 reporting year, with specific guidance on IFIAs planned for Quarter 2.

The PSFA worked with Departments to develop a template for carrying out IFIAs and delivered a communication campaign to inform public bodies of the requirement.

Additionally, the PSFA supported the completion of IFIA's for the suite of new energy schemes in Autumn 2022, working hand in hand with counter fraud and policy teams in both HM Treasury and the lead department to successfully understand the impacts that fraud could have in these schemes. This work informed early stage design decisions on the schemes and received strong feedback from the departments.

IFIAs are a tool designed to assess and understand the potential impact of fraud and the counter fraud requirements throughout the spend area lifecycle







## We will strengthen key building blocks for counter fraud work across government

### Publish the Mandate for the PSFA

The PSFA Mandate was published in September 2022. This followed consultation with Ministers, leads from across departments and public bodies, including fraud leads, finance leads and Chief Operating Officers. Former efficiency Ministers, including Lord Maude and Lord Agnew, also supported the development of the Mandate to ensure that learning from past experiences were integrated where possible.

The Mandate details how the PSFA will work within government, what its responsibilities are and the responsibilities of ministerial departments and public bodies when engaging with it.

*“The PSFA mandate was only published in September 2022 and within two weeks of publication you were able to assist BEIS and stand up the Tiger Team in line with the commitments made in this mandate. There have been many lessons learnt from this inaugural process, but it has been an exemplary piece of joint working at a time of national need that cannot go unrecognised and for which BEIS thank both the organisation and individuals within the organisation.”*



Department for  
Business, Energy  
& Industrial Strategy

### Develop a new assurance processes for the Functional Standards and pilot their use

Functional standards exist to create a coherent, effective and mutually understood way of doing business within government organisations and across organisational boundaries, and to provide a stable basis for assurance, risk management and capability improvement. They support value for money for the taxpayer, and continuity of implementation. These standards are mandated for use across central government, and may also be adopted by other public sector organisations.

The Counter Fraud Functional Standard was launched in October 2018 and details the basics that public bodies should have in place for the management of fraud.

In 2022/23, the PSFA designed, created and piloted a continuous improvement framework for the Counter Fraud Functional Standard. This included aligning it to best practice in other government Functions.

This framework will form the basis on which future assurance of compliance by public bodies with the standard will be undertaken by the PSFA.

The framework and assurance process was piloted with the Department for Environment Food and Rural Affairs, Rural Payments Agency, Ministry of Justice and Criminal Injuries Compensation Authority.



## Review and develop proposals for improved powers to combat public sector fraud

As the public would expect, following the Covid-19 pandemic cross government engagement took place. From this the PSFA Policy Function identified gaps in the powers that public bodies with smaller, or less mature, counter fraud units could access to enable them to find and take action on fraud. Specifically, these gaps related to evidence gathering, taking sanctions when fraud is found and seeking financial redress to remedy and recover loss.

From this work, the PSFA developed proposals for improving powers.

To best use the powers currently available, and to support the development of the PSFA's Enforcement Unit the PSFA was added to a Home Office consultation in December 2022. This was in order for it to become a designated agency which can use powers under the Proceeds of Crime Act (2002). The consultation closed in March 2023 and the PSFA continues to work to optimise the powers available both to the PSFA and to other public bodies.

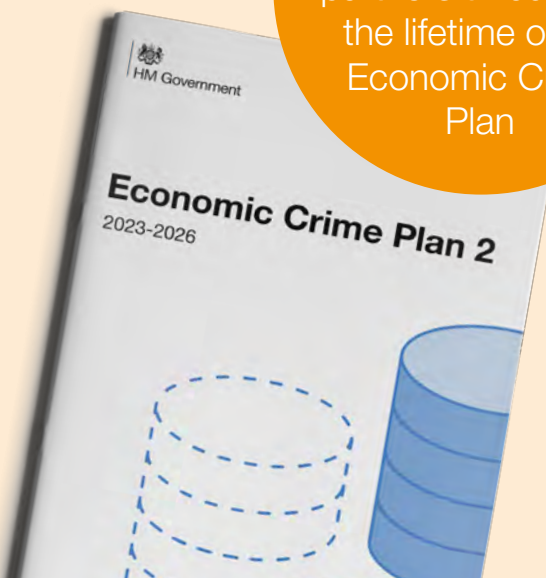
## Agree objectives for tackling public sector fraud in the new Economic Crime Plan

The public sector is only one of the many sectors affected by fraud and economic crime. When taking action on fraud and economic crime it is crucial for sectors to come together to tackle their common challenges. It was therefore important that the work of the PSFA and the wider public sector in tackling fraud was reflected in the Economic Crime Plan.

The Economic Crime Plan 2023-26 was published by the government in March 2023. The PSFA committed to working with partners throughout the lifetime of the Economic Crime Plan 2023-26 to increase understanding of the risks faced, build capability and collaborate internationally, all of which will combat economic crime. As part of this we have worked to establish and agree objectives for tackling public sector fraud.

The plan covers five main pillars and the PSFA committed to actions in the 'cut fraud and restore public faith in the response' pillar that reflected our agreed priorities and are consistent with the PSFA Mandate. These are to set departmental fraud targets, build an understanding of risks and threats in the sector, develop the Counter Fraud Profession and to lead and collaborate with international partners through the International Public Sector Fraud Forum. It also includes commitments to working across the public and private sector through the development of Economic Crime Data Partnerships - working closely with the financial sector and National Economic Crime Centre.

The PSFA committed to working with partners throughout the lifetime of the Economic Crime Plan



## Publish guidance from the International Public Sector Fraud Forum on leading practice on fraud in aid

The International Public Sector Fraud Forum (IPSFF) is a group that brings together experts working to combat public sector fraud from across the Five Eyes countries (Australia, Canada, New Zealand, the United Kingdom and United States). It was brought together by the Centre of the Counter Fraud Function and continues to work together now under the Public Sector Fraud Authority. It shares experiences and best practice and produces leading practice guides for use in governments, public bodies and more widely where appropriate.

The Forum has established 5 principles for public sector fraud.

### There is always going to be fraud

It is a fact that some individuals will look to make gains where there is opportunity, and organisations need robust processes in place to prevent, detect and respond to fraud and corruption.

### Finding fraud is a good thing

If you don't find fraud you can't fight it. This requires a change in perspective so the identification of fraud is viewed as a positive and proactive achievement.

### There is no one solution

Addressing fraud needs a holistic response incorporating detection, prevention and redress, underpinned by a strong understanding of risk. It also requires cooperation between organisations under a spirit of collaboration.

### Fraud and Corruption are ever changing

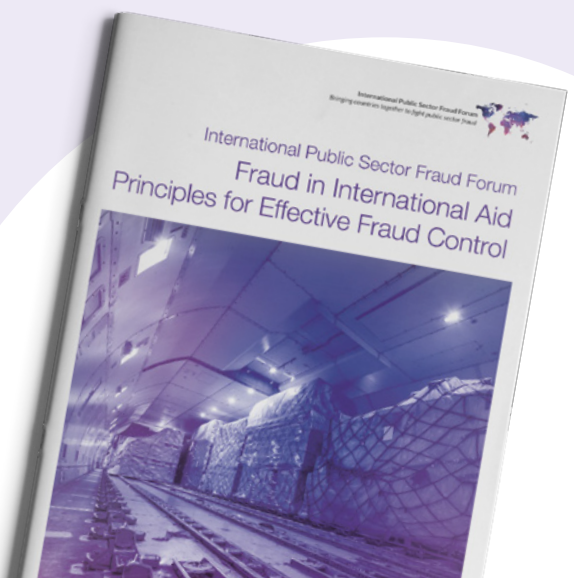
Fraud, and counter fraud practices, evolve very quickly and organisations must be agile and change their approach to deal with these evolutions.

### Prevention is the most effective way to address fraud and corruption

Preventing fraud through effective counter fraud practices reduces loss and reputational damage. It also requires less resources than an approach focused on detection and recovery.



International Public Sector Fraud Forum  
Bringing countries together to fight public sector fraud





## Create and deliver a training academy for fraud leads in the public sector

In 2017 the Government Counter Fraud Profession (GCFP) agreed the first Standard for Leadership, Management and Strategy. This outlined the knowledge, skills and experience that was expected of future leaders in public sector counter fraud and leading practice on the tools and techniques used to understand and manage fraud within a public body.

When the PSFA was created, the Counter Fraud Profession structure moved to the PSFA to be led from the new Authority. The PSFA has used the Leadership, Management and Strategy Standards for the GCFP to design, develop and test the first dedicated Leadership programme for senior Counter Fraud Function leads across the public sector.

In 2022/23 a pilot cohort of established senior leads and a representative from the Counter Fraud Prevention Centre in Australia (our new partners) tested the new course. From the pilot it became clear that the programme would be further enhanced with an immersive week following the digital course. This was designed in 2022/23. The analysis from the programme will be used to inform the implementation and move to a Business as Usual Academy in 2023/24 to train and develop our current and future leaders. Those who complete the course gain entry to the Government Counter Fraud Profession which provides members with dedicated learning pathways, access to the right tools, techniques and practical guidance and builds a cohesive system that allows future interoperability across sectors.

In addition to this work, the Counter Fraud Profession published a new multi-year strategy in February 2023. This sets the following priorities for the Profession.

“The standards set by the GCFP give all public sector a target baseline to be working toward which supports the role

**GCFP Members Survey**



**Government  
Counter Fraud  
Profession**

The PSFA is also promoting the use of the Counter Fraud Apprenticeship. As of April 2023, the apprenticeship for Counter Fraud Investigation had 221 candidates from HMRC, DWP, ESFA and local authorities, and leads to entry to the Counter Fraud Profession.

### Continual development of members

Offering an ongoing and regular programme of professional development, that is aligned to practice and standard updates in a range of counter fraud disciplines.



### Build deep counter fraud capability

Offering learning, development and career pathways beyond Investigation, in areas such as Risk, Measurement and Prevention. Included are the development of new training offers including apprenticeships.



### Inclusion and diversity

Building structures to break down barriers and create a future Profession that is open to all, inclusive in nature, and more reflective of those we serve in the public sector. This includes dedicated talent development with a focus on social mobility.



### Investment in leadership skills now, and in the future

Recognising the need to support and grow talent in leadership, we have designed and implemented a dedicated learning programme for Senior Civil Servants which provides a route into the Profession for those at most senior levels in the public sector.



### Increase marketing and promotion of the Profession

Ensuring the continued amplification and raising awareness of the Profession, to build credibility and recognition for members now and in the future.



## Work with NATIS to assure their learning environment against the Professional Standards

The National Investigation Service (NATIS) is a law enforcement organisation responsible for investigating cross-border, large, complex, serious organised crime relating to the public sector. NATIS was created to bring policing and government agencies together to investigate serious crime where public authorities and their schemes are targeted. In 2020 NATIS was tasked by the then Department of Business Energy, Innovation and Skills (BEIS) to lead on organised criminal gangs targeting HM Government financial support schemes provided in response to the Covid-19 pandemic. NATIS asked for their learning environment to be assessed against the Government Counter Fraud Profession's Professional Standards.

At the same time, the Counter Fraud Profession refined the process for assessing learning environments. The improved process is called 'Enhanced Collective Membership' which built on the previous process. In 2022/23 this new review process was piloted with NATIS where their learning environment was assessed as meeting the requirement and 42 NATIS officials gained entry into the Profession. The Enhanced Collective Membership process has now moved to business as usual.

**“** PSFA have moved the landscape in how fraud is tackled across the public sector and have managed to bring organisations together in pursuit of those objectives. NATIS have been engaged with the PSFA at all levels around many aspects of the approach to enforcement and we have found them to be open, informed and proactive in their support. **”**

**Mark Wheeler**  
Deputy Director, NATIS

The Government Counter Fraud Profession published three guidance products on Bribery & Corruption, Internal Fraud and Dual Working







## We will get more fraud expertise in up front and make a step change in how fraud is prevented

### Agree a Professional Standard for fraud prevention for use in the public sector

The Government Counter Fraud Profession designed and worked with experts across government on the first Professional Standard for fraud prevention. The creation of the Standard also included significant contributions from experts in other sectors and countries. It was agreed in February 2023.

The Standard includes the skills, knowledge and experience that the Profession would expect a future fraud prevention practitioner to have to be effective. It also provides leading practice on some of the tools and techniques used to prevent fraud and irregular payments.

The Standard will form the foundation of future training and qualifications that will be developed for use across government for those working to prevent fraud.

### Deliver training across government to better understand fraud risk - including on fraud risk assessment and IFIAs

Building the capability across government to better understand fraud risks, using tools such as Fraud Risk Assessments and Initial Fraud Impact Assessments was a focus of the PSFA. By March 2023, three cohorts (a total of 75 individuals across government) completed Fraud Risk Assessment training which aligned to the government's Professional Standard.

In addition, the PSFA delivered Initial Fraud Impact Assessment training sessions across government to support those undertaking these assessments.

In March 2022, the Counter Fraud Profession updated the Fraud Risk Assessment Professional Standards and Guidance to include Initial Impact Assessments. This was published in April 2022.

Membership to the Profession offers credibility for the role of Fraud Risk Assessor. The support offered via the Hub helps me in my role. I have found collaborating with the GCFP on FRA training content hugely rewarding.

**GCFP Members Survey**



## Design and recruit a Risk, Threat and Prevention Service for public bodies

At the launch of the PSFA in August 2022, we committed to creating a new expert service to work with departments and public bodies to better understand how fraudsters attack government schemes and services and take action to make those attacks less likely to succeed.

The PSFA partnered with Deloitte and the Government Consulting Hub in 2022/23 to design and build the Risk, Threat and Prevention Service. As part of this, the PSFA consulted with stakeholders on the service, its tools and processes. This culminated in a Target Operating Model setting out the service offering and demonstrates the benefits of public-private partnerships.

The PSFA also recruited 17 members of staff and, in line with the principle of an expert led organisation, focussed on individuals who are counter-fraud experts and have experience in preventing and detecting fraud. Those who form part of this service then underwent additional specialist training, in line with the Counter Fraud Profession's Professional Standard to ensure the service will be of the highest expertise and quality possible.

Following the design and recruitment of the Service, it was formally launched soon after the end of the 2022/23 financial year at an event in the Cabinet Office's 2nd Headquarters in Glasgow in May 2023.

## Pilot an approach to Tiger teaming - bringing together experts of different types to support departments

In October 2022, the government announced the launch of Energy Schemes to support businesses and individuals through a period of heightened energy costs. These were led by BEIS.

In September 2022 BEIS requested the PSFA to support the design and creation of the energy schemes. In response, the PSFA piloted the Tiger teaming approach specified in the Mandate that we had intended to pilot in 2022/23. The Tiger Team brought together fraud experts to analyse and support the understanding of fraud risk in schemes and initiatives and to make recommendations on how those risks could be best managed.

The PSFA pilot Tiger Team worked alongside BEIS' Counter Fraud team supported by fraud experts from other government departments. This work had input from Ofgem colleagues, the settlement bodies Elexon and Xoserve, and experienced energy sector experts from Deloitte.

The Tiger Team completed work on Initial Fraud Impact Assessments and Fraud Risk Assessments for six new energy schemes in BEIS and one in HMT and provided early stage advice on fraud prevention approaches.

*“The work of the Public Sector Fraud Authority, via the Tiger Team Model, has been vital in ensuring that the Initial Fraud Impact Assessments and Fraud Risk Assessments were completed on time and to the standard required.*

*The range of skills and experience that the Tiger Team brought to the BEIS also assisted BEIS Counter Fraud to embed fraud thinking within the schemes and ensured that ministers were sighted in all key fraud risks in the schemes.*”



Department for  
Business, Energy  
& Industrial Strategy

## Design and develop a new Global Fraud Risk Assessment and High Risk Portfolio

During the pandemic, the Centre of the Counter Fraud Function created and maintained a Global Fraud Risk Assessment (GFRA) that provided a high level overview of the relative fraud risk profiles for initiatives and schemes which enabled the government to highlight the highest risk schemes and encourage further counter fraud activity.

The Public Accounts Committee challenged the government to build a Global Fraud Risk Assessment across government. As part of the PSFA's Mandate, the government committed that the PSFA would create and maintain a Global Fraud Risk Assessment across government spending and, alongside this, a High Fraud Risk Portfolio, which will lay out the highest risk areas of spending, and the capability.

Since its launch, the PSFA reviewed the GFRA created during the pandemic and used the outcomes of this to design and develop a new Global Fraud Risk Assessment and, alongside this, a new High Fraud Risk Portfolio (HFRP).

These combine data from Fraud Risk Assessments submitted to PSFA with data on departmental counter fraud capacity and capability collected through the Workforce and Performance Review. The Global Fraud Risk Assessment will continue to build over the next few years, as new schemes and areas of spending have Fraud Risk Assessments and Initial Fraud Impact Assessments completed.

To complete an initial High Risk Portfolio, the PSFA used information from where fraud risk assessments had been completed and combined this with its own knowledge of likely risk areas.

Going forward into 2023/24, the contents of the HFRP will be overseen by a dedicated board, who will take decisions on which areas should be included.

During the pandemic, the Centre of the Counter Fraud Function created and maintained a Global Fraud Risk Assessment (GFRA)





## Building the PSFA - Other Achievements

### Focusing on designing and building the new services and functions

During the design phase of the PSFA, we set out that we would provide services to ministerial departments and public bodies to assist their own counter fraud resources in the delivery of specialist fraud activity.

As would be expected, since launch the PSFA has undertaken significant design work to create, and ensure the effectiveness of, these services and functions. Included in the design work was the creation of **a triage process** to determine where the PSFA would provide support. The PSFA has supported public bodies such as Companies House, the then Department for Business Energy Industrial Strategy, HM Treasury and Home Office on a range of requests demonstrating a previously unmet need.

The PSFA has supported public bodies such as Companies House, BEIS, HMT and Home Office on a range of requests



Companies House



Department for Business, Energy & Industrial Strategy



HM Treasury



Home Office

UK Government

## Recruiting our Experts

Since the PSFA launched in August 2022 until March 2023, **we have recruited thirty-six permanent civil servants with a broad range of counter fraud expertise, utilised five counter fraud experts from our Expert Talent Pool and have embedded our first industry secondee into the Authority.**

This was achieved through a concerted effort to recruit counter fraud experts, and those with a background in data, analytics, research and investigation, who could apply their existing expertise to the counter fraud sector. We also built a Core Services team to increase the efficiency of the PSFA through centralising corporate and cross-cutting work which previously detracted from time available for counter fraud experts to spend on technical work. Continuing to grow, and increase the expertise of, our workforce is a key objective for 2023/24.

To ensure that expertise was harnessed, and further developed in the PSFA a **Learning and Development Lead was recruited.** They worked on developing a programme of continuous professional improvement for experienced counter fraud professionals, alongside pathways for those at the start of their careers to become experts and hone the requisite skills within the PSFA. They began building a learner pathway across the services, functions and capability levels and this work will continue into 2023/24.

In order to harness expertise across government, **we established The Enforcement Advisory Group (EAG).** The EAG focuses on ensuring representation from public sector organisations with mature enforcement units such as Serious Fraud Office (SFO), alongside less mature organisations and potential user groups. The EAG includes a blend of civil and criminal experts to ensure a balanced view and a range of disciplines. The structure of the Government Counter Fraud Profession allowed easy identification of a range of

experts, from across sectors, drawing on existing practitioner and cross sector advisory groups to identify those with relevant and requisite skills and knowledge. The EAG supports the PSFA in designing and developing its Enforcement Service, as well as acting as a critical body and voice on the progress, scope and suitability of approach being pursued.

## Procuring our key partners

As part of building the PSFA, the PSFA undertook a number of open procurement exercises to select its partners for the first stage of its existence.

After a competitive tender, UK Tech Unicorn, **Quantexa** was selected as our lead data analytics partner to deliver the Single Network Analytics Platform (SNAP), which utilises entity resolution and network analytics to bring government data together, with the aim of preventing, detecting and recovering fraud involving UK registered companies.

The PSFA has also successfully partnered with **Deloitte** to support the delivery of data analytics, design tools for the Risk, Threat and Prevention Service and support the development of a Target Operating Model for the Enforcement Unit.





## Creating our Advisory Panel

The Mandate of the Public Sector Fraud Authority states that the leadership of the PSFA will be supported by an independent Advisory Committee of recognised experts on fraud management from different sectors.

In 2022/23 the Advisory Committee (now the Advisory Panel) was formed and members selected. The Advisory Panel first met in May 2023, which Baroness Neville-Rolfe convened. The Panel is an expert group that was set up to advise the PSFA's CEO and leadership team on our strategic approach to fraud prevention, detection and recovery, helps identify and shape new opportunities, and provides feedback on existing approaches.



The Advisory Panel is an expert group that was set up to advise the PSFA's CEO and leadership team on our strategic approach to fraud prevention, detection and recovery





## The Advisory Panel consists of:

**Anthony Browne MP** – Anthony Browne is the current MP for South Cambridgeshire and his previous roles include being the former CEO of the British Bankers Association where he led the banking industry through the reforms in the wake of the financial crisis. He also set up the banking industry's first Consumer Panel to encourage it to focus on the needs of customers. He was appointed by the Prime Minister to become the UK Government's Anti Fraud Champion in May 2023.

**Sir Ian Andrews** – A former Second Permanent Secretary who retired from MOD in 2009, Ian continues to pursue a wide range of security interests. From 2009-2013, he was Non-Executive Chairman of the UK Serious Organised Crime Agency (SOCA) – now part of the National Crime Agency – and, from 2013 until 2018, a Non-Executive Director of NHS Digital where he took a particular interest in information assurance and cyber security. He is now one of the Vice-Chairs of the UK National Preparedness Commission. A former Army reservist and adviser to the Transparency International Defence and Security Programme, he has supported Defence Engagement, particularly in Eastern Europe and Latin America, and contributes to various public sector and academic leadership and governance initiatives.

**Linda Miller** – Linda Miller is a subject matter expert and thought leader in fraud prevention and detection. She is the Founder & CEO of Audient Group, LLC, a services firm specialising in anti-fraud solutions for commercial and government clients bringing an international voice to the Advisory Panel. Prior to launching Audient Group, Ms. Miller spent five years as a Principal at Grant Thornton, LLP, one of the nation's largest tax, audit and advisory firms, where she led the firm's Fraud & Financial Crimes practice. Ms. Miller has served in executive roles in the U.S. Government, including as Deputy Executive Director of the Pandemic Response Accountability Committee (PRAC), a position to which she was appointed in May 2020. Ms. Miller also spent 10 years at the U.S. Government Accountability Office (GAO), where she led the development of GAO's Framework for Managing Fraud Risks in Federal Programs. Ms. Miller served on the task force that developed the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Association of Certified Fraud Examiners (ACFE) Fraud Risk Management Guide, which applies to private sector organisations. In March 2022, Ms. Miller was invited to testify before the U.S. House of Representatives Committee on Government Reform on fraud and improper payments.

**Paul Davis** – Paul Davis is the Fraud and Financial Crime Prevention Director at TSB, having worked in this area for 17 years including previous roles at Barclays and Lloyds Banking Group. Paul is a board member of Stop Scams UK – a partnership between banks, telecommunication and technology companies to reduce the harm caused by fraud. He is also the deputy chair of the Fraud Committee at UK Finance, the trade body for the banking and finance industry. Paul is also a regular spokesperson in the media on the topic of fraud and financial crime prevention.

## PSFA Leadership Team

In 2022/23 the PSFA's leadership team grew from Mark Cheeseman as Interim Chief Executive, supported by two Deputy Directors leading on Practice Standards and Capability and Data and Intelligence, to the creation of our Senior Leadership Team (SLT) which comprises of six Deputy Directors, each one responsible for one of our Services and Functions. Mark Cheeseman has since been permanently appointed as Chief Executive of the Public Sector Fraud Authority, following open competition.





## Finances

**In the Spring Statement 2022, HM Treasury announced **£24.7m** funding over three years to support the creation of the Public Sector Fraud Authority.**

This was added to the **£5.7m** annual budget that the Centre of the Counter Fraud Function was provided by the Cabinet Office.

This additional funding, brought the PSFA budget in 2022/23 to **£11.25m**.

The PSFA, which aims to protect taxpayers money at the forefront of everything we do, achieved a **7%** underspend on budget, with expenditure of **£10.44m**.

Three year funding  
to support the creation  
of the PSFA

**£24.7m**

Centre of the Counter  
Fraud Function  
annual budget

**£5.7m**

PSFA 2022/23  
budget

**£11.25m**



# The Functions of the PSFA

## PSFA Functions

### Performance, Assurance and Evidence

We work to understand the extent of fraud and error loss and oversee the performance of public bodies. We review public bodies' compliance against the Standard. We continue to build and maintain the evidence base for fraud and error in central government by collating data on fraud loss and undertaking research.

### Practice, Standards and Capability

We bring together expertise from across the government to define good practice, set professional standards and develop capability through the existing Counter Fraud Profession. This provides the structure to recognise the knowledge, skills and experience of counter fraud professionals across the public sector.

### Policy

We provide expert advice and information to Ministers, government departments and public bodies. We develop cross government policy to modernise the counter fraud response and bring together international partners to share leading practices through the International Public Sector Fraud Forum.

The PSFA deliver expert functions to drive the public sector fraud agenda and provide access to expert-led support services for departments and public bodies

We aim to be a beacon of fraud expertise

## PSFA Services

### Risk, Threat and Prevention

We have created a service to support government departments and public bodies in understanding the fraud risks and threats they face. We support the design of fraud controls and countermeasures, and test their effectiveness. This is an integral part of a modern fraud prevention approach.

### Data and Intelligence

We are building a new National Counter Fraud Data Analytics Service (NCFDAS) that will provide best-in-class tools and techniques to support public bodies to find and prevent fraud. This builds on the long standing National Fraud Initiative (NFI) and the Centre of the Counter Fraud Function's data sharing pilots programme. We facilitate public bodies' access to data and other advanced and innovative counter-fraud technologies, making best use of both the Local Audit and Accountability Act 2014 and the Digital Economy Act 2017. We work to enhance the use of intelligence across the public sector to find and reduce fraud.

### Enforcement

We are building a civil and criminal enforcement unit to take action on cases of fraud in the public sector through the support we offer to government departments and public bodies.

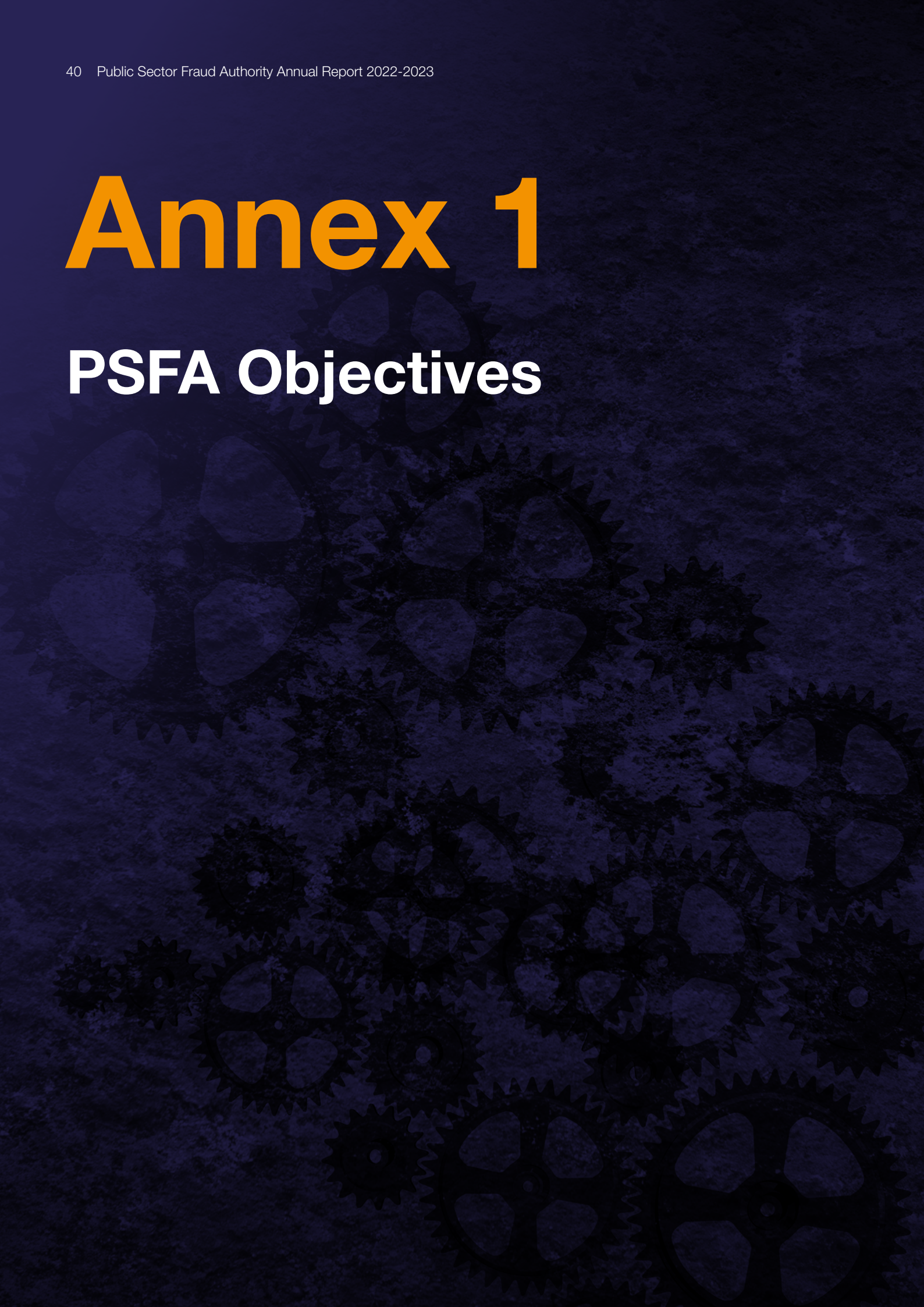
### Core Services

The efficient and professional operation and delivery of the PSFA services and functions is supported by a Core Services team which includes Private Office, Human Resources, Commercial, Communications, Governance and Finance.



# Annex 1

## PSFA Objectives





## Annex 1 - PSFA Objectives

- ✔ Map counter fraud resources and outcomes across the public sector.
- ✔ Agree financial outcomes with more public bodies.
- ✔ Roll out guidance on Initial Fraud Impact Assessments (IFIAs) and quarterly review completed IFIAs.
- ✔ Develop new assurance processes for the Functional Standards and pilot their use.
- ✔ Agree a Professional Standard for fraud prevention for use in the public sector.
- ✔ Create and deliver a training academy for fraud leads in the public sector.
- ✔ Deliver training across government to better understand fraud risk - including on fraud risk assessment and IFIAs.
- ✔ Work with NATIS to assure their learning environment against the Professional Standards.
- ✔ Publish the Mandate for the PSFA.
- ✔ Review and develop proposals for improved powers to combat public sector fraud.
- ✔ Agree objectives for tackling public sector fraud in the new Economic Crime Plan.
- ✔ Publish guidance from the International Public Sector Fraud Forum on leading practice on fraud in aid.
- ✔ Design and recruit a Risk, Threat and Prevention Service for public bodies.
- ✔ Pilot an approach to Tiger teaming - bringing together experts of different types to support departments.
- ✔ Design and develop a new Global Fraud Risk Assessment and High Risk Portfolio.
- ✔ Provide support to public bodies completing IFIAs.
- ✔ Deliver the National Fraud Initiative exercise for 2022/23.
- ✔ Provide data and analytics support to the Bounce Back Loan Scheme.
- ✔ Close the C-19 Fraud Hotline and disseminate the intelligence to public bodies.
- ✔ Commence the 3 year review of the Digital Economy Act provisions.
- ✔ Complete a design for an enforcement unit to improve action on cases of potential fraud across the public sector.

# Glossary

**Words relating to a specific subject, text, or dialect, with explanations**



# Glossary

| Term                                                | Definition                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Advisory Panel</b>                               | Independent Panel of recognised experts on fraud management from different sectors who have been appointed by a Cabinet Office Minister.                                                                                                                                                                                                                     |
| <b>Audited Benefits</b>                             | Prevented and recovered fraud and irregular payments which have been audited by the Government Internal Audit Agency, providing an assurance that the outcomes and methodology of benefits are sound.                                                                                                                                                        |
| <b>Bounce Back Loan Scheme</b>                      | Managed by the British Business Bank and was designed to enable businesses to access finance more quickly during the coronavirus pandemic and was available through a range of accredited lenders and partners.                                                                                                                                              |
| <b>Counter fraud flags</b>                          | Process by which we share intelligence with lenders to help them recover stolen money.                                                                                                                                                                                                                                                                       |
| <b>Data matching exercises</b>                      | Exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud.                                                                                                                                                                                                                                       |
| <b>Data sharing pilot</b>                           | Projects where we test the viability and success of comparing data between government bodies to assess possible Fraud. The pilot is then evaluated before a decision is taken on whether to continue this work.                                                                                                                                              |
| <b>FraudHub</b>                                     | Provides Local Authorities, Government Agencies and Housing Associations the ability to regularly screen their data for a range of benefits, including the prevention of errors in processing payments and reducing fraud. It provides a permanently accessible system with capabilities to enable users to perform fraud investigations and data screening. |
| <b>Fraud Landscape Report</b>                       | Report produced by the PSFA which focuses on the public sector fraud landscape in central government, and the levels of fraud and error loss outside of the tax and welfare system.                                                                                                                                                                          |
| <b>Government Counter Fraud Profession Strategy</b> | Document which outlines the strategic focus and key objectives for the Government Counter Fraud Profession for 2023-2025.                                                                                                                                                                                                                                    |
| <b>National Audit Office (NAO)</b>                  | The UK's independent public spending watchdog that supports Parliament in holding the government to account and aims to improve public services through audits.                                                                                                                                                                                              |
| <b>National Fraud Initiative</b>                    | The National Fraud Initiative (NFI) was created in 1996 to help Local Authorities find fraudulent payments. Since then, it has been further developed and moved into the Cabinet Office in 2015. When the PSFA was launched in 2022, the NFI was incorporated into its Data and Intelligence Services.                                                       |
| <b>Workforce Performance Review</b>                 | Carried out by the PSFA that evaluated departments and public bodies counter fraud risk awareness, resources and the outcomes delivered.                                                                                                                                                                                                                     |
| <b>Written Ministerial Statement</b>                | Normally used to put the day-to-day business of government on the official record and in the public domain.                                                                                                                                                                                                                                                  |





Public Sector  
Fraud Authority

