

I&S

17. Through bringing the Counter Fraud Function together during the C-19 pandemic, we have unlocked police conviction data, and intelligence from a number of sources including from banking. This data is providing insights into risks around companies bidding for government contracts - particularly around PPE and ventilators. This intelligence has led to identification and cancellation of high risk contracts, and prevented new high risk contracts being entered into. Overall, this work has led to a saving of circa **£18m** and is likely to grow further still.
18. As a Function, we do not have controls to mandate that public bodies adopt specific countermeasures - or even undertake the risk assessments. Departments are individually accountable to parliament through their Accounting Officers. We advise and use the expertise from around government to make the best case we can.

Update on Key Areas with high Fraud Risk

19. We have identified the key fraud risk areas are below. The attached slide deck provides additional detail:
 1. Universal Credit (DWP);
 2. Job Retention Scheme (HMRC);
 3. PPE and medical supplies (DHSC, NHS);
 4. Business Support Grants (BEIS);
 5. Bounce Back Loans (BEIS/British Business Bank) and
 6. Test and Trace (NHSX)
20. In areas 1 and 2, the departments have significant counter fraud capability and are taking action to reduce the risk of fraud, and deal with the high residual risk. In both departments this is having an identifiable financial impact. There are still significant challenges, and the scale of the issue is not clear (although DWP have an estimate). Ongoing work planned by both departments will make this more clear - although there may be funding challenges in the future.
21. In the other areas, departmental capability is not as strong. As such, the COVID-19 Counter Fraud Response Team is more actively assisting the departments to implement counter measures and build intelligence flows to identify potential fraud. Again, in these areas the residual risk remains high. We will be working with the departments through the Post Event Assurance activity agreed at the Ministerial Implementation Group to undertake activity to understand the extent of irregularity in the schemes and to find and recover loss where possible.