

# Strategic Intelligence Assessment 2024



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# 1. Foreword

This Strategic Intelligence Assessment (SIA) estimates the amount of NHS funding vulnerable to fraud, bribery, and corruption. It also provides intelligence around current and longer-term threats, recommendations for prevention and enforcement activity.

Between 2023 - 2024 the estimated financial vulnerability increased by £50.6 million, giving an overall total of £1.316 billion. However, as a percentage of the overall budget there has been a decrease in fraud vulnerability when compared with the NHS budget for 2022 - 2023. We believe this is partly due to increased and improved counter fraud activity, including the continued roll out of Real Time Exemption Checking (RTEC) and greater collaboration with and between stakeholders.



Despite this success, £1.316 billion could deliver so much for the NHS – doctors, nurses, ambulances, equipment – helping save lives and making a difference to people's health. We can reasonably expect fraud to increase in future reporting periods due to predicted increases in NHS expenditure, increased digitalisation, and propensity for fraud.

It is difficult for the fraud 'voice' to be heard – especially alongside the operational and financial challenges that the NHS faces. However, such predicted increases in fraud are not irreversible. We believe that by using this assessment, which is unique to us, we can ensure that all stakeholders are appropriately informed and equipped to act.

One of the actions undertaken in the past year was to target procurement and commissioning fraud, which we estimate to have the highest amount of fraud vulnerability out of the thematic areas described in the report. We set up a dedicated working group and created a toolkit as part of a Local Proactive Exercise (LPE) for our stakeholders to conduct. It is anticipated that, following completion in late 2024, we will be able to analyse the results, act and subsequently evidence substantial improvements in the understanding and prevention of procurement fraud. This will be achieved by working directly with NHS organisations across the country and responding to the data provided.

We also launched Project Athena at the beginning of 2024, which will give us the tools to tackle the threats highlighted in this SIA. Project Athena will use advanced data analytics, combined with the practical expertise and knowledge of the NHSCFA and partners to reduce potential fraud losses to the NHS.

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It has also been recognised that a co-ordinated national approach to fraud risk management is needed and this will align with the SIA to provide a more comprehensive understanding of the risks faced from fraud. The NHSCFA has led on the development and successful delivery of a health group wide Enterprise Fraud Risk Assessment (EFRA) which identifies key risk areas and, in collaboration with the SIA, can drive forward risk control and fraud prevention activity. The risks identified in the EFRA, and action taken as a result, will be reflected in future versions of the SIA and will give greater visibility of risk and efforts to mitigate them.

The SIA requires a huge amount of collaboration, analysis, and effort to complete, both from our partners across the health system as well as colleagues across the NHSCFA. I'd like to thank you all for your efforts and I look forward to using this document to counter fraud together over the coming year.

**Alex Rothwell**

*Chief Executive Officer*

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## 2. Executive summary

The NHSCFA estimates that £1.316 billion of NHS funding is vulnerable to loss through fraud, bribery, and corruption in England. This equates to 0.77% of the NHS budget for 2023 - 2024 and is therefore a percentage decrease when compared with the NHS budget for 2022 - 2023. Collaboration with stakeholders and counter fraud mechanisms such as the continued roll out of Real Time Exemption Checking (RTEC) appears to have resulted in a lesser portion of the NHS budget being vulnerable to loss.

When compared with the previous year, the allocated budget for the NHS in England has increased by almost 10% to £171.036<sup>a</sup> billion for 2023 - 2024. Although financial vulnerabilities are linked to budgets, the percentage of the budget vulnerable to fraud has remained static, which could in part demonstrate an effective counter fraud approach across the health sector.

Reports received by the NHSCFA have increased to 6,367 during 2023 - 2024. The following table breaks down the current reporting figures by thematic area and displays the financial vulnerability estimates for 2023 - 2024 compared with 2022 - 2023.

The impact of the NHS Supply Chain bringing more procurement responsibility in-house should leave fewer products managed by outside organisations on behalf of the NHS, and a reduced financial vulnerability from a fraud and error perspective.

The threat of payment diversion fraud, or mandate fraud, remains prominent with continued reporting of incidents. Proactive and collaborative work in this area has contributed to the prevention of NHS funds ending up in the hands of fraudsters.

Intelligence indicates evasion of NHS prescription charges where patients will deliberately avoid paying for services which usually require payment like prescription costs, dental treatment, and optical costs. The reduction in the financial vulnerability figure for patient exemption fraud demonstrates the impact from the rollout of RTEC.

An emerging trend has been identified in 2023 - 2024 where applicants from overseas have submitted forged and falsely obtained International English Language Testing System (IELTS), Occupational English Tests (OET) and Computer Based Test (CBT) certificates during the recruitment process to work for the NHS which highlights the need for continued due diligence in recruitment.

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<sup>a</sup> Funding total includes Health Education England (HEE) and this is the first year this funding information has been available.

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Intelligence suggests patients without exemptions will return to, or enter, the UK with the specific intent of accessing secondary care without charge, yet permanently reside abroad. This is frequently enabled through use of visitor visas and / or providing a false address.

Approximately 86% of reports this year relate to NHS staff fraud, patient exemption fraud, procurement and commissioning fraud, and fraudulent access to NHS care from overseas visitors.

Reporting has increased by over 26% when compared with 2022 - 2023. This could be attributed to the reach of the television series Fraud Squad increasing public awareness around the NHSCFA, the relaxation in COVID-19 restrictions, along with the cost-of-living crisis.

The NHSCFA Strategy has four pillars which support counter fraud activity, with the Strategic Intelligence Assessment (SIA) providing the foundation for activity within these pillars.

For strategic priority and intelligence collection areas, the SIA highlights emerging and current modus operandi and presents the future landscape through horizon scanning.

Analysis was conducted on bribery and corruption reported within the NHS between 2021 and 2024 to develop our organisational understanding. This indicated that NHS staff fraud and GP contractor fraud were the most likely areas to see reports mentioning bribery or corruption.

This past year we have expanded our working relationships within the counter fraud community, collaborating with stakeholders to further combat fraud against the NHS.

Strategic priority area	2023 – 2024 financial vulnerability estimate <sup>b</sup>	2022 – 2023 financial vulnerability estimate	Difference (£m)	2023 – 2024 direct reports to NHSCFA
Procurement and commissioning fraud	£388.3m	£391.5m	- £3.2m	723
Patient exemption fraud	£240.2m	£271.8m	- £31.6m	1,404
Data manipulation fraud	£165.1m	£155.9m	+ £9.2m	8
Community pharmaceutical contractor fraud	£130.2m	£123m	+ £7.2m	201
GP contractor fraud	£110.1m	£101m	+ £9.1m	183
Optical contractor fraud	£94m	£79.7m	+ £14.3m	28
Dental contractor fraud	£58.6m	£57m	+ £1.6m	63
NHS staff fraud	£31.9m	£31.5m	+ £0.4m	2,963
<b>Intelligence collection</b>				
Fraudulent access to NHS care from overseas visitors	£86.5m	£43.5m	+ £43m	405
Reciprocal healthcare fraud	£0.4m	£0.467m	- £0.07m	7
<b>Strategic oversight</b>				
NHS Bursary fraud	£3.2m	£3.4m	- £0.2m	54
NHS Pension fraud	£7m	£6.1m	+ £0.9m	28
<b>Total</b>	<b>£1.316bn</b>	<b>£1.264bn</b>	<b>£50.6m</b>	<b>6,067<sup>c</sup></b>

<sup>b</sup> Financial vulnerability estimates run a year in arrears to reporting data, therefore this assessment will include 2022 – 2023 financial data and 2023 – 2024 reporting data.

<sup>c</sup> There are an additional 300 reports which did not align to a thematic area, therefore the overall total is 6,367.

## 3. Introduction

As the global and economic landscapes evolve, the fraud landscape evolves alongside them and the NHSCFA has continued to produce the Strategic Intelligence Assessment (SIA) to capture these changes since 2016 - 2017. Fraudsters adapt to the current climate, recycling well established scams to fit a new narrative, or identifying loopholes to exploit new processes or policies.

The NHSCFA therefore produces the SIA to establish fraud threats and estimate the amount of funding for the NHS in England vulnerable to fraud, bribery and corruption annually on behalf of the Department of Health and Social Care (DHSC). This informs the NHSCFA and its stakeholders of the priorities for the year ahead by capturing established, emerging, and potential future threats. The SIA has, and will continue to ensure, a coordinated response to fraud and protect funding meant for patient care.

The NHSCFA has four strategic pillars<sup>d</sup> which support counter fraud activity, with the 'understand' pillar supported by the SIA. The SIA helps strategic leads formulate direction, determine intelligence collection plans, and make strategic resourcing decisions based on priorities, areas of concern, or trends. Thus, ensuring an intelligence<sup>e</sup> led response to fraud in the NHS to drive forward counter fraud activity and protect money meant for patient care.

The NHSCFA estimates that £1.316 billion of NHS funding is vulnerable to loss through fraud, bribery, and corruption. This figure equates to 0.77% of the NHS budget for 2023 - 2024 which is a percentage decrease when compared to the 2022 - 2023 NHS budget. Although it is a financial increase of £50.6 million (4%) when compared with the previous SIA, it is a smaller increase in loss than experienced between 2021 - 2022 and 2022 - 2023.

When compared with the previous year the allocated budget for the NHS in England has increased by almost 10% to £171.036<sup>f</sup> billion for 2023 - 2024. Therefore, as fraud vulnerability percentages remained relatively static it is likely that there would be a correlation between the increase in budgets and an increase in the amount vulnerable to fraud. The legacy cost of the pandemic included NHS recovery funding, for example the government invested £3.3 billion with an aim of recovering emergency, elective and primary care to pre-pandemic levels of performance for 2023 - 2024, including reducing A&E waiting and ambulance response times.

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d Understand, Prevent, Respond and Assure.

e This assessment is based on intelligence from various sources, therefore the hypothesis and inferences drawn are from the most appropriate and accessible / available information at the time of writing.

f Funding total includes Health Education England (HEE).



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Additionally, extra funding from the DHSC was provided to cover the increasing cost of the Agenda for Change pay awards, a 5.5% increase in staff numbers compared with the same period in January 2023 and an additional £200m of government funding as part of the NHS Dental recovery plan was announced in February 2024<sup>g</sup>, all of which is vulnerable to the risk of exploitation along with the rest of the NHS budget.

Financial vulnerability estimates run a year in arrears to reporting data therefore, this assessment will include 2022 - 2023 financial data and 2023 - 2024 reporting data. Reports received by the NHSCFA have increased by 1,319 reports raising the total to 6,367 during 2023 - 2024. This could be attributed to the first full financial year without any COVID-19 restrictions and the reach of the television series Fraud Squad increasing public awareness around the NHSCFA. Furthermore, the cost-of-living crisis can influence reporting patterns.

The NHSCFA continues to take a proactive strategic response to alert organisations tackling fraud to new and arising modus operandi. This is the first full year where both financial and reporting data do not separate COVID-19 as an impacting factor on the NHS, instead it has been incorporated under usual analysis. The NHS is now facing a multitude of other challenges with staff vacancies across the NHS at 8.4%, overall sickness and absence rates at 5.5%, a backlog of elective care due to COVID-19, as well as inflation and an increase in the cost of living with any one of these potentially increasing the inherent risk to fraud across the thematic areas. Additionally, within data manipulation the introduction of the Health and Care Act 2022 and the NHS Payment Scheme in 2023 consequently influenced various threats and areas of funding to evolve. Subsequently, the NHSCFA's knowledge base has changed, areas in which we previously had a high confidence have seen new policies, contracts and processes introduced. However, we have expanded our knowledge within our strategic priority, intelligence collection, and strategic oversight areas, as well as having conducted focused analysis on the impact of bribery and corruption in the NHS.

Over the past year we have expanded our working relationships within the counter fraud community, collaborating with stakeholders to further combat fraud against the NHS. Advancements have been made towards improving the organisation's knowledge base and financial vulnerability figures in some thematic areas. These improved stakeholder relations have not only increased confidence in our analysis, but also in the reliability and accuracy of the financial vulnerabilities. Sometimes collaboration can result in a reduction in the financial vulnerability for the area.

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<sup>g</sup> Which was announced in February 2024, did not commence until March 2024 and is therefore yet to have in depth analysis conducted.

## 4. How do we calculate fraud vulnerability?

The NHSCFA uses various methods to calculate how financially vulnerable each thematic area is to fraud, bribery, and corruption, in some instances methods are combined. The loss method applied to a thematic area is dependent on stakeholder engagement, available data, landscape, process, and policy, therefore methods include:

- 1. Loss measurement exercises** – These take the form of an in-depth analysis and measurement of a particular area to provide a statistically robust percentage of how much funding / reimbursement is vulnerable to fraud. This method provides the NHSCFA with the highest confidence.
- 2. Comparative loss assessments** – Where the NHSCFA has not directly measured the financial vulnerability, we are reliant on vulnerability percentages derived from partners or stakeholders. These would not be 100% comparable, however they are the most relevant without a loss measurement exercise available.
- 3. Collaboration with policy holders** – Where a percentage of fraudulent activity is established through the study of recent data, legislation, and changes to landscape.
- 4. Baseline financial vulnerability rate** – A legacy percentage of fraudulent activity which is applied due to no availability of a recent loss assessment, comparative loss assessment or guidance, from policy holders. Improvements could be made through stakeholder collaboration.

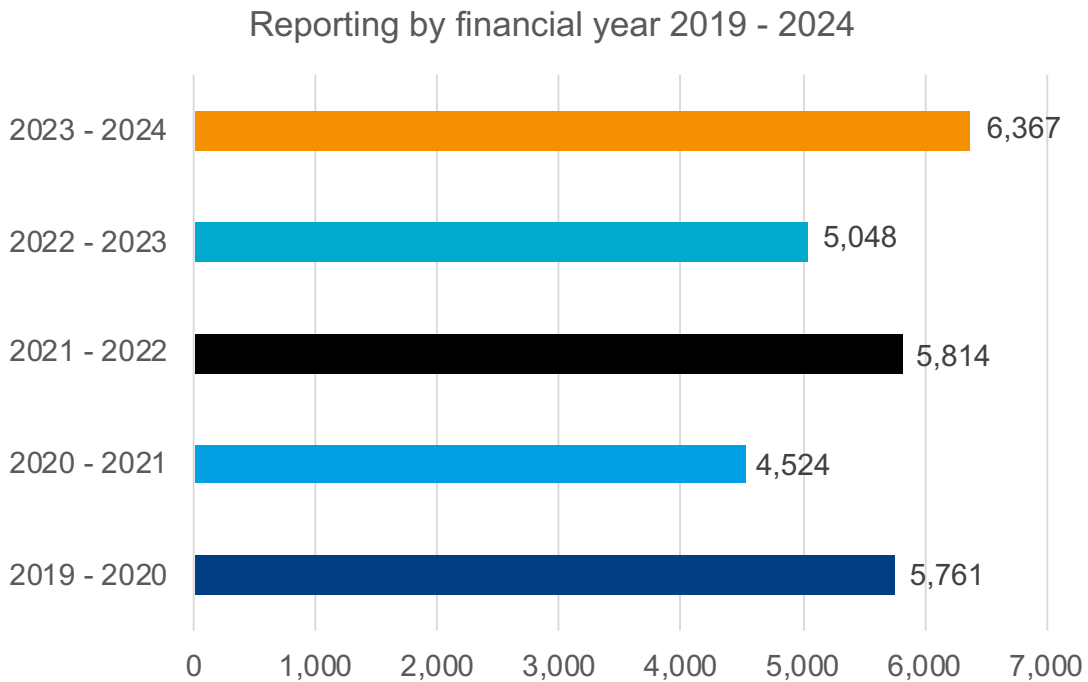
### The probability yardstick

To ensure a consistent approach to assessing the probability and / or uncertainty of reports and intelligence detailed within the Strategic Intelligence Assessment (SIA), the NHSCFA use the 'probability yardstick'. When using the measure of probability, the NHSCFA has considered the source, age, and frequency of reporting around a common theme / modus operandi.

PERCENTAGE RANGE		LIKELIHOOD OF OCCURRENCE
0% - 5%		Remote chance
10% - 20%		Highly unlikely
25% - 35%		Unlikely
40% - 50%		Realistic possibility
55% - 75%		Likely / probable
80% - 90%		Highly likely
95% - 100%		Almost certain

## 5. Reporting trends

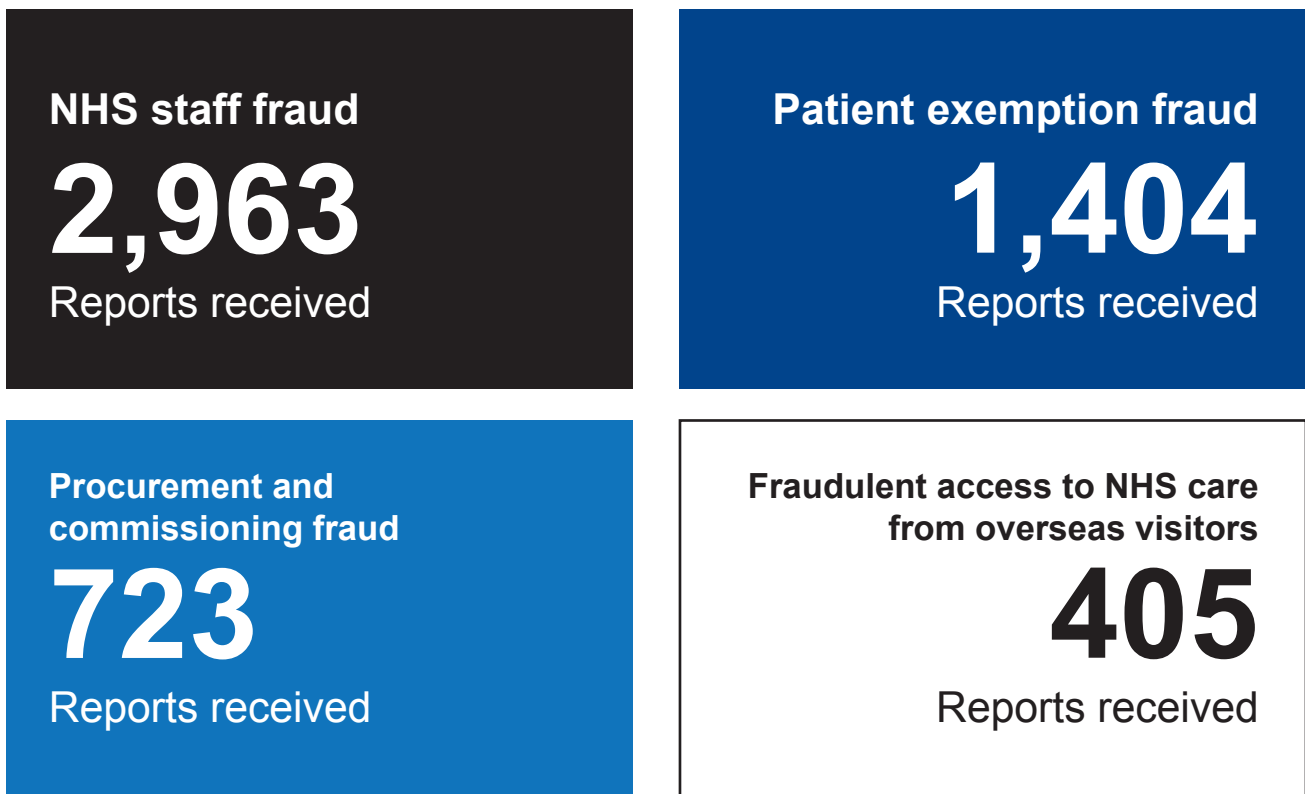
Between 2023 - 2024, the NHSCFA received a total of 6,367 reports alleging fraud, bribery, and corruption against the NHS in England. This is a significant increase when compared with the 5,048 reports received between 2022 - 2023.



The increase of 1,319 reports could be attributed to the first full financial year without COVID-19 restrictions impacting the NHSCFA's 12 thematic areas. Also, the television series *Fraud Squad* is entering its next season in the autumn of 2024, therefore the awareness around the NHSCFA is increasing with BBC One reaching an average of 55% of the UK population weekly in 2022-23. Successful prosecution cases are being showcased to the public and individuals could therefore feel more confident reporting NHS fraud to Crimestoppers, the police, or the NHSCFA. Furthermore, the cost-of-living crisis and global landscape can often influence reporting patterns.

### Top four reported areas

The NHSCFA received 6,367 reports in 2023 – 2024, of which approximately 86% related to the top four thematic areas of NHS staff fraud, patient exemption fraud, procurement and commissioning fraud and fraudulent access to NHS care from overseas visitors.



Reporting has increased by over 26% when compared with 2022 - 2023, an increase in all but three thematic areas: dental contractor fraud, NHS Bursary fraud and data manipulation. The decrease in data manipulation can most likely be attributed to the introduction of the Health and Care Act of 2022 which made Integrated Care Boards (ICBs) statutory bodies, followed by the move to the 'NHS payment scheme 2023-25' in April 2023, as it takes time for the manipulations to be established and to later be noticed or detected. Similarly, the reforms to the dental contract from July 2022 onwards and the new Bursary Scheme, which has been introduced via a transitional window since August 2018, reduced the scope of NHS bursaries.

NHS staff fraud continues to be the area with the highest reporting figures of 2,963. However, this could be a direct result of oversight from colleagues and the public / patients. Reporting equates to approximately 46% of all the reports received by the NHSCFA between 2023 - 2024. The area has continued to evolve and reporting has increased over the last three years, partly due to the pandemic and the cost-of-living crisis. For example, 64% of reports related to false income and hours, which could be an attempt to supplement income and relieve financial pressures on a household. Staff were reported to be working whilst on sick leave,

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working elsewhere during their NHS contracted hours, and inflating income by falsely claiming for hours and services not worked, in addition to false expenses claims. Further reports were received around false representation to gain employment, nepotism in recruitment by senior staff, pay band uplift for certain shifts and services, abuse of position / NHS assets, and staff collusion.

Patient exemption fraud has received the second highest level of 1,404 reports, increasing by 61% compared to the previous year. This is assessed to be a result of COVID-19 and seasonal influenza vaccination letters which were mistakenly sent to incorrect patient addresses as almost 37% of reports related to patient registration details and patient identity theft. Following this, 28% of all reports related to prescription misuse, a majority of which relate to prescriptions being obtained by another. For example, NHS medication which is obtained genuinely for a patient being provided to another, including onward trading, exchanging, or sending abroad. Additionally, evasion of prescription, dental and / or optical cost charges accounted for 13% of all reports, with prescription charge evasion being the most prevalent of the three. An increase in reporting in this area could be due to the continued expansion of Real Time Exemption Checking (RTEC) which likely resulted in an increased number of false exemptions being identified and reported accordingly.

Reporting for procurement and commissioning of services fraud has increased from 648 reports to 723, although COVID-19 scam related reporting has significantly reduced. Increased awareness through NHSCFA interventions, such as fraud reference guides and the priority project could have impacted on reporting. For example, post-contract related reports increased when compared to the previous year, as well as reporting around false invoices, phishing emails, telephone calls and office supply scams. From the reports received about procurement and commissioning, 30% related to mandate fraud, including those where funds were prevented from diversion and the scam was unsuccessful.

Fraudulent access to NHS care from overseas visitors equates to approximately 6% of all the reports received by the NHSCFA between 2023 - 2024. The area has experienced an increase of 36% when compared to the previous annum. As this is the first full year since the 2019-20 Strategic Intelligence Assessment (SIA) to not have travel restrictions factored into the analysis reporting no longer encompasses the downward trajectory in travel. Overseas visitors entering the UK is now much closer to pre-pandemic levels than it was between 2020 and 2021, with international tourist visits estimated to reach 86% of pre-pandemic levels during 2023.

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## 6. Bribery and corruption

'Corruption' is described in the UK's Anti-Corruption Strategy as involving 'the abuse of office and position to benefit a third party in return for payment or other reward' by HM Government and therefore, is applicable to the NHS. The Home Office based Joint Anti-Corruption Unit provides a coordinated approach to tackling corruption and the NHSCFA has focused its analysis on reports from 2021 to 2024 where the keywords 'corruption' and 'bribery' are mentioned. It was found that corruption is more likely to appear in reports received by the NHSCFA than bribery. This is potentially due to bribery being a more discreet act which would normally occur between two parties within a closed environment. Whereas corruption could be alleged if an individual disagrees, disputes, or misunderstands a decision.

Staff fraud is the highest form of corruption reported relating to 69% of the reports. Staff fraud accounts for most of the corruption reports received by the NHSCFA. These reports include allegations relating to insider issues, employee declarations, and income / hours.

Reports received within procurement and commissioning of services were also specifically analysed to determine prevalent modus operandi. Approximately 46% of all the reports relating to procurement and commissioning were linked to staff collusion, including breaches in procurement rules, tender rigging, false quotes and tenders, as well as bribery specific reports. Contractor collusion related to 3% of these reports. Lower reporting in this area could in some cases be attributed to criminal behaviour being committed in the corporate world and not as easily witnessed in the healthcare sector.

## 7. Procurement and commissioning of services fraud

Procurement and commissioning of services fraud is a term used to describe pre-tender activity, the commissioning process, post-tender activity and mandate fraud.

Following the pandemic procurement spend decreased due to a reduction in rental costs because of the implementation of International Financial Reporting Standard (IFRS) 16, and lower spend on the COVID-19 response compared to 2021 – 2022. Thus, resulting in a decrease in cumulative financial vulnerability to fraud.



**£388.3m**  
vulnerable from an  
expenditure of  
**£34.1 billion**

Those in decision-making positions within the procurement process, such as during the pre-tender phase, could become susceptible to bribery and corruption from commercial entities. This could ensue through favouring one supplier using single tender waivers, failing to declare a conflict of interest, contract splitting, and falsifying quotes and tenders. Such behaviour could be enabled through the introduction of the Provider Selection Regime (PSR).

It is a realistic possibility that inappropriate and fraudulent practices within both tender phases are enabled through a closed decision-making process which can be an exclusive environment. This is believed to reduce oversight and provide very few opportunities for suspicious behaviour to be witnessed and reported on.

Pre-tender fraud can also exist by contractors colluding and manipulating the bidding process through a variety of practices, such as bid rotation, bid suppression, and kickbacks. This results in the NHS paying more than necessary or receiving lower quality products and services. However, this type of collusion occurs outside of the NHS so there will be few opportunities for suspicious behaviour to be witnessed and reported on by the NHS or members of the public.

Exceeding procurement threshold limits and purchasing off framework, whether disaggregate spend, or purchase order spend is possible. A lack of oversight and contract management is believed to enable spend to exceed the threshold.

The threat of payment diversion fraud, or mandate fraud, remains prominent with continued reporting of incidents. Instances of cyber enabled fraud, such as phishing email communications purporting to be from NHS staff and suppliers to change bank account details, the hacking of supplier email accounts or the spoofing of genuine email addresses, are all used by criminals to divert genuine payments or falsify payments. However, the collaborative and proactive activity from an NHSCFA



project resulted in the prevention of NHS funds ending up in the hands of fraudsters due to mandate fraud.

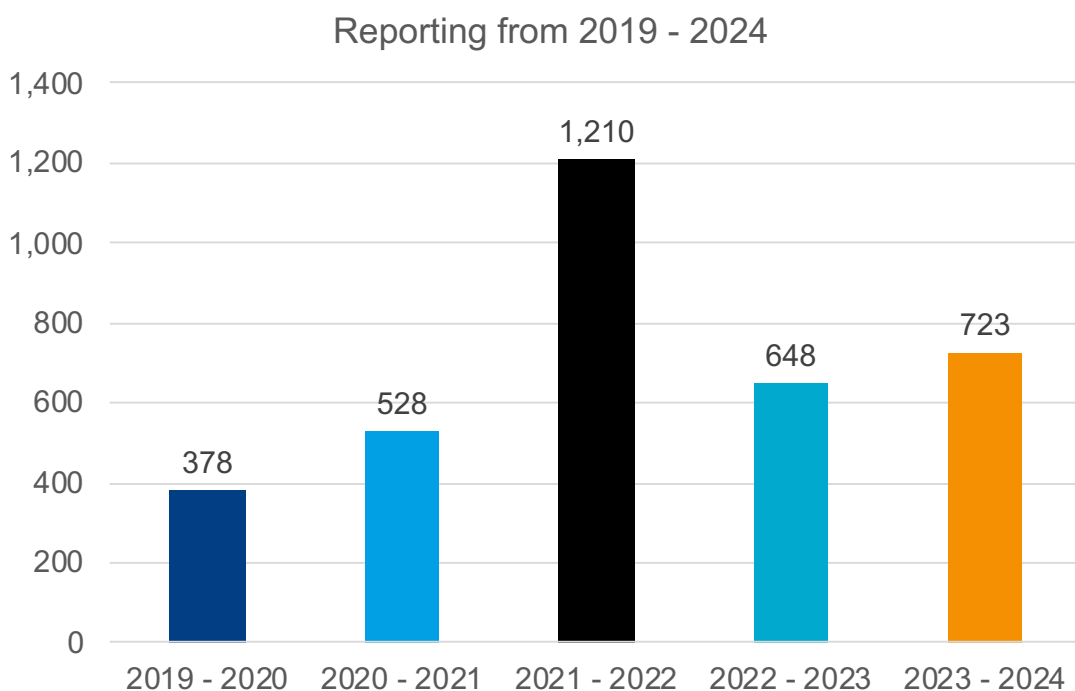
Post-tender fraud extends to unsolicited requests where criminals use office supply scams to contact NHS organisations. This type of fraud occurs via false invoices, phishing emails, and telephone calls.

The threat of commissioning of services fraud remains likely, especially due to the necessity for NHS organisations to provide sufficient staffing levels through the procurement of agency staff. There may be ongoing collusion between employment agencies and non-framework agencies to fill vacant shifts and charge a significantly inflated rate. Fraud may extend to agencies sending staff into the NHS who are inadequately trained, under qualified, or who lack specialist knowledge for the role.

Despite price caps in place, there is still flexibility for trusts to take the 'break glass' option and procure off-framework for agency staff as the NHS will prioritise patient safety over cost. As such, there may be ongoing collusion to fill vacant shifts and charge the NHS a significantly inflated rate.

### Information reports received for procurement and commissioning of services fraud

The change in the number of fraud reports received in relation to procurement and commissioning fraud from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

The 2023 - 2024 financial year was the first to see the potential impact of Integrated Care Boards (ICBs) through the implementation of the Health and Care Act in July 2022. In encouraging collaboration and moving away from competition and silo working, the new structure of the ICBs could increase the potential for abuse of positions and collusion within procurement. Also, the New Hospital Programme (NHP) may provide opportunities for further pre-tender procurement fraud.

The new Procurement Act 2023 and Provider Selection Regime (PSR) will change the landscape of procurement and commissioning within the NHS. Additionally, the NHS Supply Chain bringing more procurement responsibility in-house should leave fewer products managed by outside organisations on behalf of the NHS. This could also result in a reduced financial vulnerability from a fraud and error perspective.

## 8. Patient exemption fraud

Patient exemption fraud covers a range of abuses within main NHS services that require payment upfront in return for access, including within prescriptions, dentistry, and ophthalmology. It also encompasses the onward sale or supply of prescribed medication.

Although expenditure in this area increased overall, the financial vulnerability decreased. This correlates with the successful widespread use of Real Time Exemption Checking (RTEC) in pharmacies instantly validating exemptions at the point they are dispensed.

Obtaining prescription or other controlled medication with the intention of onward trading for profit remains highly likely, particularly around pain-relieving medication which can be recreationally misused. These items are commonly obtained through deception with the direct intention of onward trade, or through trading unused, or unwanted prescriptions. They often end up in the hands of criminal groups and further sold in lucrative markets in the UK and abroad.

Evading NHS charges, particularly prescription charges, is also prominent within this thematic area. Although genuine errors can occur, the expansion and widespread use of RTEC in pharmacies is helping to reduce erroneous or incorrect claiming, with a majority of pharmacies actively using the system in England. It is a realistic possibility that offenders will exploit the NHS Low Income Scheme (LIS), a means tested certificate allowing exemption from NHS charges, by providing false information to obtain an exemption.

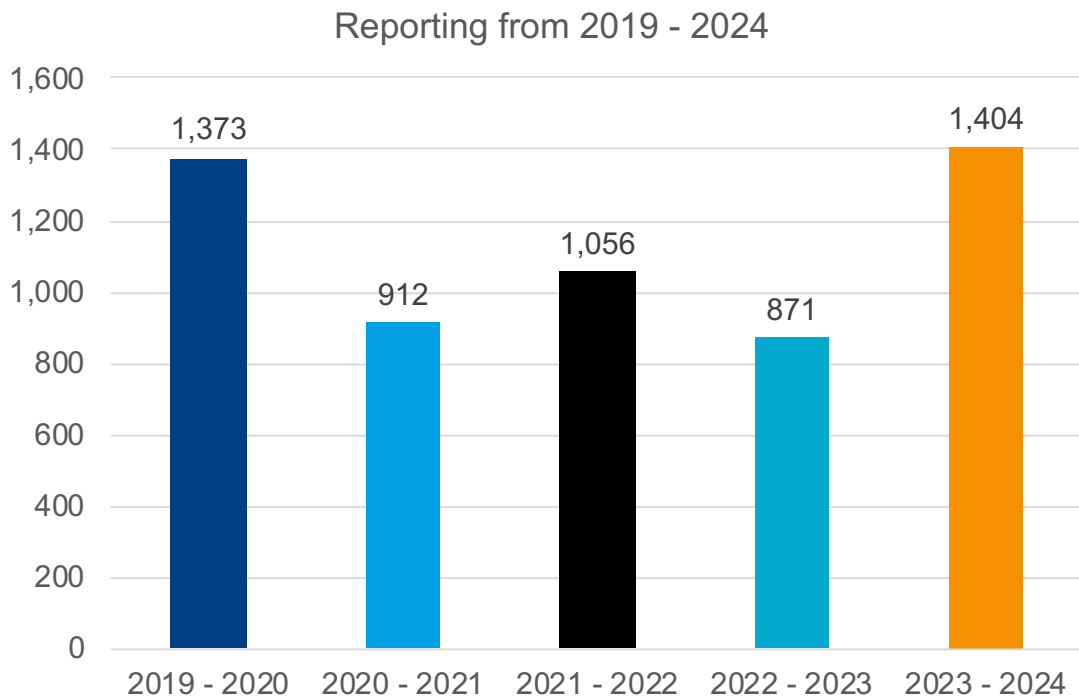
The use of another patient's identity or address to access NHS services, particularly medication or to evade charges, is assessed as a threat in this area. Individuals who may be in the country illegally will likely do this to avoid detection from other authorities, or because of the common misconception they are not entitled to primary care in the NHS, which further enables this type of fraud.

**£240.2m**

**vulnerable from an  
expenditure of  
£12.1 billion**

### Information reports received for patient exemption fraud

The change in the number of fraud reports received in relation to patient exemption fraud from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

In October 2023, a media group reported that thousands of COVID-19 and seasonal influenza vaccination letters were reported to have been erroneously sent to incorrect patient addresses. As a result, personal information could be harvested or identities stolen to access NHS services.

## 9. Data manipulation fraud

Data manipulation includes falsifying data to meet targets, increasing revenue or hiding undesirable outcomes, including within A&E. It encompasses the '2023 - 2025 NHS Payment Scheme (NHSPS)' and the four different payment mechanisms it governs within secondary care.

It is possible for appointments to be cancelled at an NHS Trust and then retrospectively booked back onto the system, potentially resulting in funding for services which were not actually provided or to avoid surpassing waiting list time limits.

There is the potential for data to be falsified to appear as if services are continuing to run. Trusts could continue to accept funding for contracted services which they are failing to provide.

The reliance of coding departments on patient notes has the potential to incentivise abuse as coders are restricted to what a clinician has recorded or the information medical staff provide when queried. It is therefore a realistic possibility for treatments to be recorded on patient notes without an appointment taking place. For example, medical staff can record treatments which did not occur, record a different treatment to what has taken place, or genuinely provide unnecessary medical practices to increase revenue.

It is likely for data to be falsified to meet targets or hide undesirable outcomes in secondary care, including to avoid breaching waiting time targets. Alternatively, coders could be instructed or pressured to use a code which incurs a financial return, instead of the actual care pathway which does not.

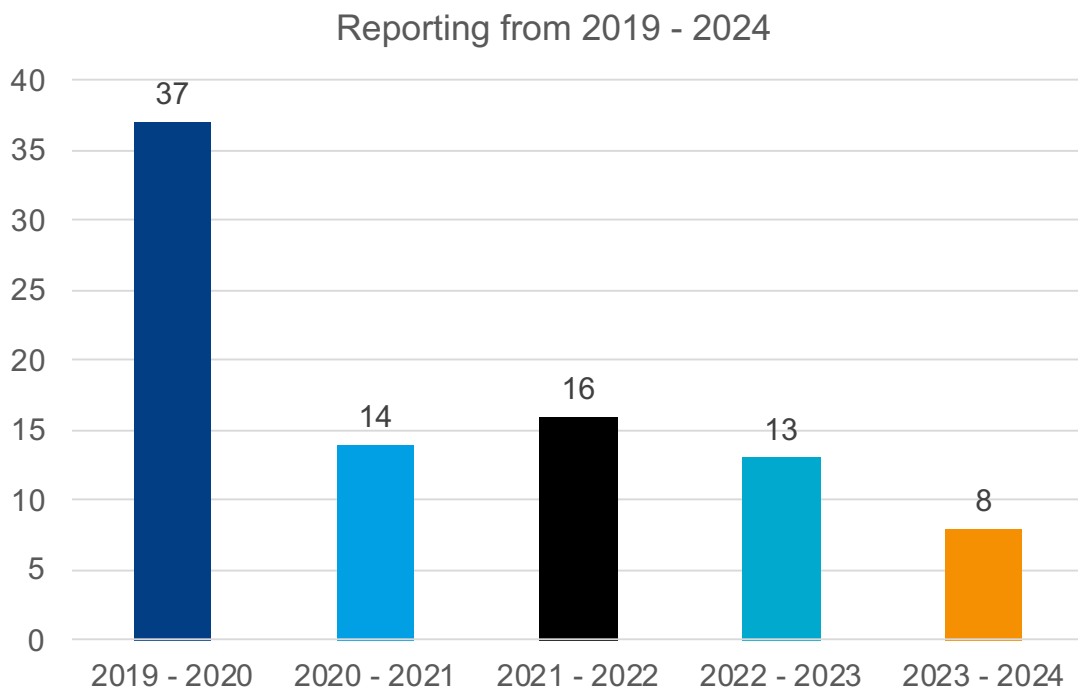


**£165.1m**

**vulnerable from an  
expenditure of  
£55 billion**

### Information reports received for data manipulation fraud

The change in the number of fraud reports received in relation to data manipulation fraud from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

The NHSPS has now been in place for a little over a year and is expected to remain until at least 2025. Also, amendments to the NHSPS were introduced for 2024 - 25 following the NHS England (NHSE) consultation on the NHSPS in December 2023 and January 2024. Therefore, the landscape of fraud may evolve further with additional modus operandi emerging.

## 10. Community pharmaceutical contractor fraud

Pharmaceutical contractor fraud involves the falsification or exaggeration of services as well as collusion.

The increase in financial vulnerability can be attributed to an increase in expenditure. Additionally, pharmaceutical contractors are receiving additional funding for expanded patient services, such as the delivery of vaccinations and blood pressure tests.

It is possible for pharmacists to misrepresent activity and inflate funding as they have a good understanding of the essential and advanced services they are required to deliver, the process for reimbursement, and the vulnerabilities present for submitting claims. The current cost-of-living crisis and increased pressure on pharmacists to deliver more services may also impact the threat of fraud.

There is a realistic possibility that some pharmacists are claiming for items which have not been dispensed or claiming for items which the patient has stated are no longer required. Inappropriate claiming of prescription items may extend to some pharmacists charging the NHS for items when a patient has a pre-paid account, when they have already paid the prescription charge, when they are deceased, or when they are exempt. This may also include some exempt patients being charged by the pharmacist, not having all their prescription dispensed, or the pharmacist ordering cheaper products, but claiming for the more expensive option.

Inappropriate claiming can also exist within delivery of patient services, such as COVID-19 and flu vaccinations, where some pharmacists may have claimed despite the patient not receiving the intervention. It is a realistic possibility this method now extends to the hypertension case-finding service where blood pressure tests, which did not occur or were unnecessary, could be claimed for by some pharmacists. There is also the possibility for multiple patient services to be claimed for at the same time for the same patient, such as a vaccination and an accompanying blood pressure test.

It is a realistic possibility that pharmacists may manipulate claims to achieve monetary incentivised targets, such as in the New Medicines Service (NMS) and the hypertension case-finding service. These patient services may encourage activities such as falsifying legitimate patient details or inventing ghost patients. Adopting a target-driven approach to generate profit and hit monetary incentives could also result in staff being encouraged to apply pressure on

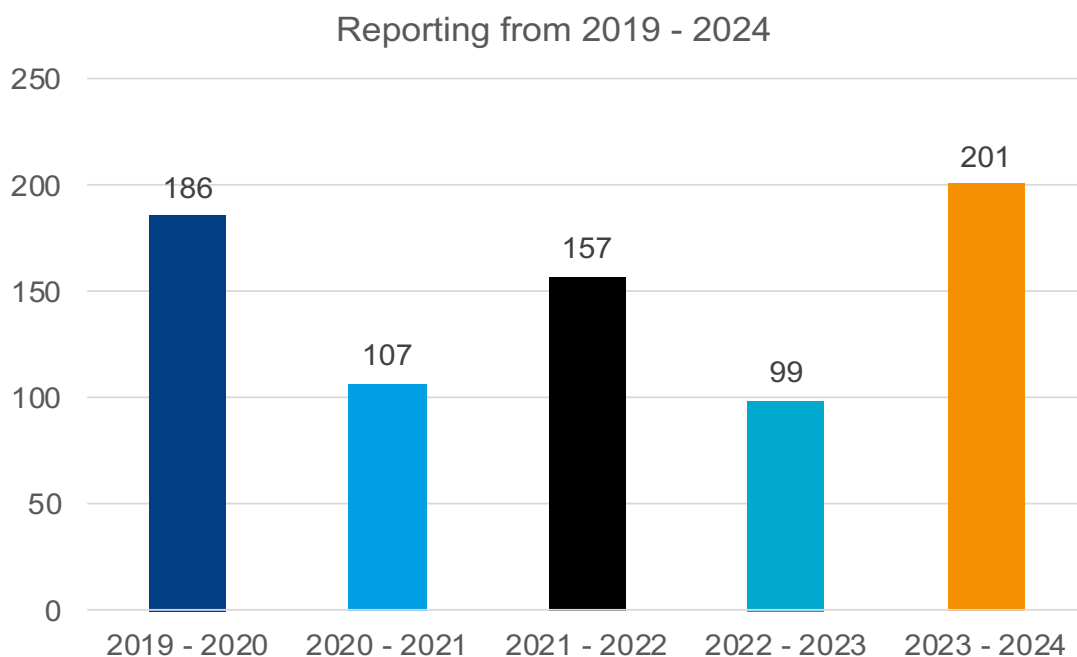


patients to deliver fee payable services.

There is a realistic possibility that pharmacists and manufacturers have the ability to collude and split profit through collusion of specific medicines, such as 'specials', or in patient service areas, such as Out of Pocket Expenses. In such scenarios, the manufacturer or supplier will make 'kickback' payments to pharmacists to order products from them with the associated charge reclaimed by the pharmacist from the NHS.

### Information reports received for pharmaceutical contractor fraud

The change in the number of fraud reports received in relation to pharmaceutical contractor fraud from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

The Community Pharmacy Contractual Framework (CPCF) five-year framework concludes at the end of the 2023 - 2024 financial year, allowing the Department of Health and Social Care (DHSC), NHS England (NHSE) and Community Pharmacy England to consider next steps. Although details of a new framework are yet to emerge, all three organisations agree that the best utilisation of the knowledge and skills within community pharmacies whilst expanding clinical services, should be part of any future agreement.



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Also, from winter 2023 - 2024 a major expansion to primary care access in community pharmacy will be funded. This includes expanding the pharmaceutical remit so patients can obtain prescription medication for seven common conditions<sup>h</sup> under the Pharmacy First initiative. There has also been a significant upscaling in ambition and targets for pharmacists to deliver blood pressure checks through the hypertension case-finding service. As contractors will have to provide all three services<sup>i</sup> by the end of 2024 - 2025 to receive the amalgamated payment, the threat could increase.

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h Acute otitis media, sore throat, sinusitis, infected insect bites, impetigo and uncomplicated urinary tract infections.

i Pharmacy First, Pharmacy Contraception Service, hypertension case-finding service.

## 11. General Practice (GP) contractor fraud

Fraud relating to the manipulation of income streams or activities that violate contractual terms perpetrated by either GPs or practice staff.

The diversion of practice funds involving the manipulation of salaries and payroll is a realistic possibility. Senior members of staff at practices have significant authority within their workplace enabling them to siphon funds from practice accounts directly into their own personal accounts - funds that have been provided by the NHS to offer GP services in the community. This can include staff members or practice partners colluding to increase their own salaries by purporting to work overtime shifts or offer additional services.

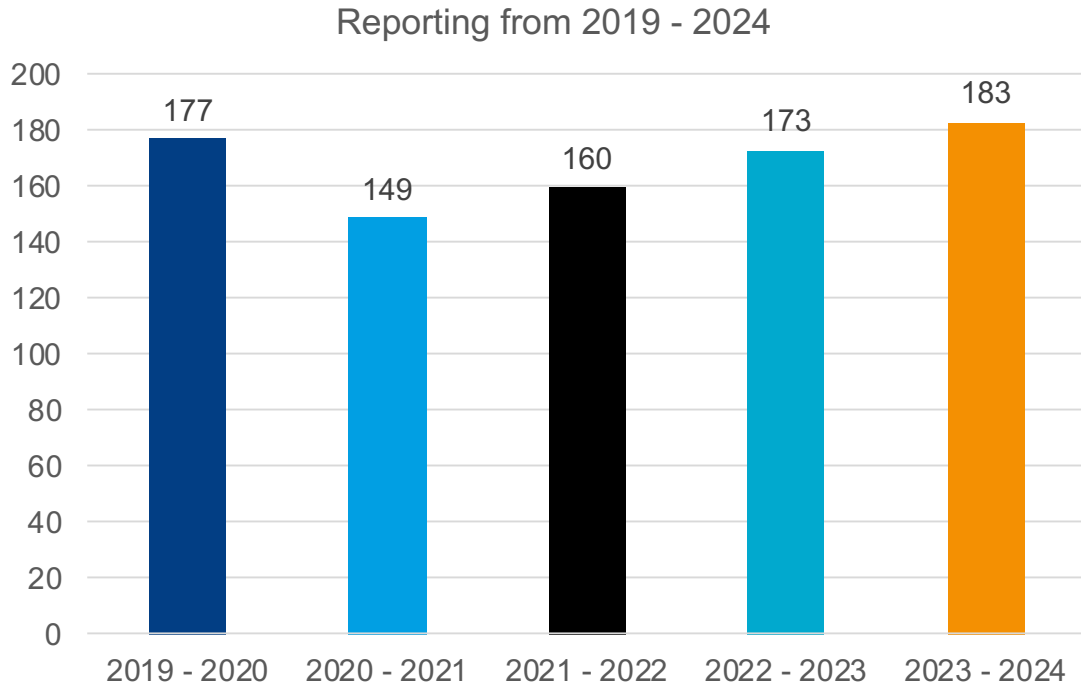
Some staff members could be capable of abusing their position by exploiting their access to prescription or other controlled medication. There is intelligence to suggest some instances of false or self-prescribing for personal misuse of these controlled drugs, as well as to stockpile and trade with criminal groups in more lucrative markets. This can include using the details of ex-patients to conceal a falsified prescription and obtain controlled medication, for example those who have moved from the area or who are deceased.

Some GPs and practice staff may collude to boost revenue for the practice. It is a realistic possibility for contracts to be manipulated to achieve higher levels of funding from the NHS through practices claiming for services and treatments which were not provided, known as manipulation of Quality of Outcome Framework (QOF). Also, potentially achieved through the manipulation of Global Sum Payments via the deliberate inaccurate supply of patient lists and treatments, known as 'ghost patients'.



### Information reports received for General Practice contractor fraud

The change in the number of fraud reports received in relation to GP contractor fraud from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

NHS England (NHSE) released arrangements for the 2024 - 2025 GP contract in February 2024 including an overall pay growth assumption of 2%, which could result in an increase of GPs taking opportunities to increase cash flow through fraudulent means to make up for funding perceived as insufficient.

A 'taskforce' is to be launched by the Department of Health and Social Care (DHSC) to hear from stakeholders within the general practice remit around priorities for change and the future of general practice.

## 12. Optical contractor fraud

Optical contractor fraud involves submitting claims to the NHS for optical treatments, services, or enhancements not delivered or clinically required.

The increase in the amount financially vulnerable to fraud, bribery and corruption can be attributed to an increase in expenditure.

It is a realistic possibility for some contractors to manipulate records to support an inflated or false claim. It is also possible for opticians to continue to make false claims through submitting false General Ophthalmic Services (GOS) vouchers whilst suspended. Some colleagues may assist with the fraud through co-operation or coercion, whilst others who lack professional knowledge may comply with instructions, and unknowingly submit false claims.

It is likely that some contractors have forged patient signatures on GOS vouchers enabling them to submit false, inflated invoices and misleading or exaggerated claims for treatments not provided or clinically needed. Some contractors continue to exploit GOS activity and influence other individuals through persuasion or compulsion.

It is possible for contractors to also be exploiting patient eyesight tests by recalling patients earlier than clinically necessary. Some contractors have the ability to conduct unnecessary sight tests on patients in their own homes by offering unauthorised free home visiting services on the NHS, alongside unnecessary tests on vulnerable patients.

It is likely double income is occurring where claims to the NHS are submitted for patients who already paid for private sight tests or glasses.

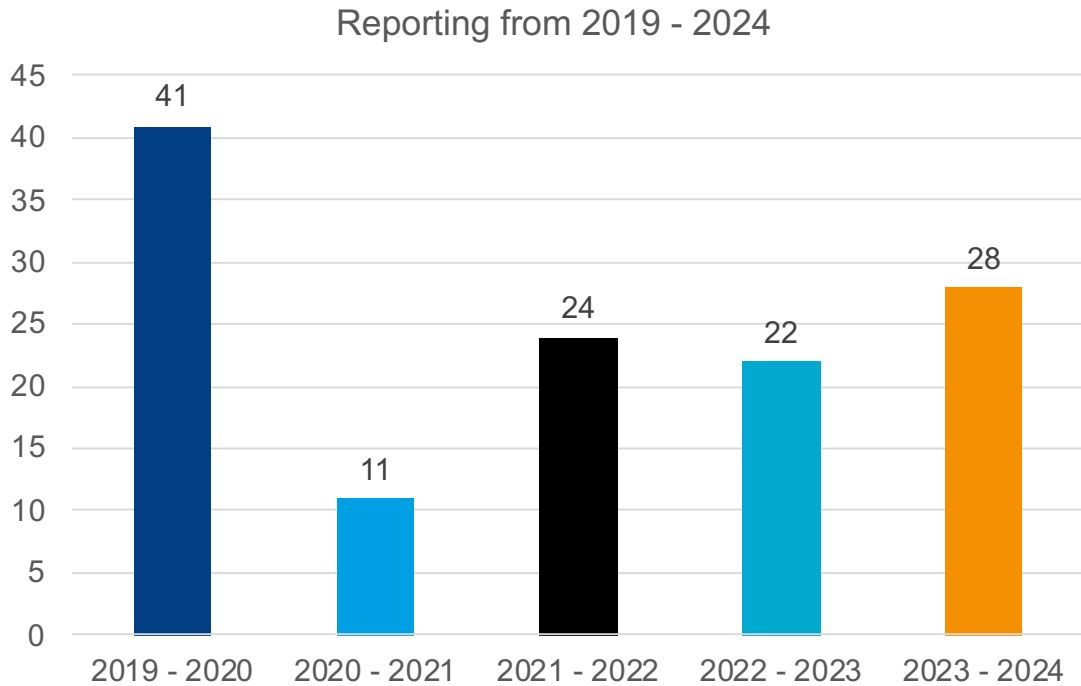
It is probable that fraudulent practices will be magnified within commercial chains as they are popular and used by more people due to their accessibility.

It is a realistic possibility for optical contractors to invoice multiple Integrated Care Boards (ICBs) until they receive reimbursement, including through manipulating data to appear as if patients were treated within the system of the ICB they are invoicing.



### Information reports received for optical contractor fraud

The change in the number of fraud reports received in relation to optical contractor fraud from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

In January 2024 it became a contractual requirement that all GOS claims should be submitted electronically to Primary Care Support England (PCSE) via the contractor practice management system (PMS). It is likely that this mandatory requirement will deter the number of fraudulent claims being submitted and make it easier for fraudulent claims to be detected.

## 13. Dental contractor fraud

NHS dental services in England are provided by dental practitioners under contract to deliver general care and treatment. Dental contractor fraud concerns the fraudulent claims submitted to the NHS by dentists and their staff members for a range of NHS services provided to patients.

Dental contractors have unique knowledge and understanding of service contracts and repayment mechanisms. This gives them an advantage of understanding the vulnerabilities within the current claims process. Contractors often have complete authority in knowing what treatments a patient needs, and this empowers them to manipulate records either with the cooperation or coercion of staff before invoices are submitted for payment.

It is likely that some contractors will change patient treatment data and manipulate patient lists to claim extra funding. Claims can be inflated to secure a higher level of Units of Dental Activity (UDAs) than delivered. This process could be completed solely by the dental practitioner and / or with the collusion of other staff members.

It is likely that some staff unknowingly submit false claims by following the instructions of practitioners or practice managers. These claims can be for treatments or services not delivered or clinically needed.

It is also possible for dentists to receive a double income by submitting false claims to the NHS for patients who have already paid for private treatment or claim that a fee-paying patient is exempt.

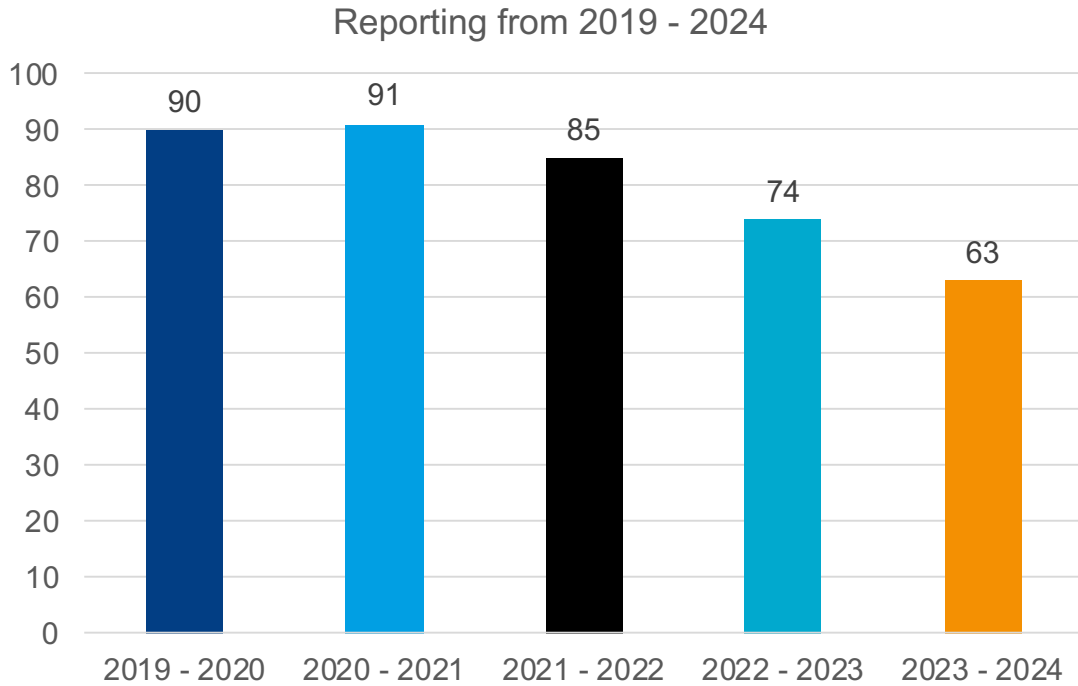
It is assessed as likely that some contractors are employing overseas non-UK registered staff to provide certain treatments to patients. Similarly, there are some untrained dental technicians who are being employed to manufacture dental products in non-compliant premises.



**£58.6m**  
vulnerable from an  
expenditure of  
**£3.124 billion**

### Information reports received for dental contractor fraud

The change in the number of fraud reports received in relation to dental contractor fraud from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

In February 2024 the government announced the introduction of the Dental Recovery Reform which included a £200m support package. This includes increasing the minimum value of dental treatment, launching a 'new patient' payment to treat around 1 million additional patients, who in the previous 12 months have not seen an NHS dentist, and 2.5 million extra dental appointments over the next year.

## 14. NHS staff fraud

NHS staff fraud encompasses staff manipulating income and hours, insider abuses, and false representation during application processes.

The increase in financial vulnerability during 2023 - 2024 can be attributed to increases in expenditure and recruitment of staff, coinciding with the NHS Long Term Plan to recruit more staff within the NHS.

Working elsewhere whilst on sickness leave is a known threat within the NHS. Intelligence suggests staff could be falsifying sickness to receive both sick pay and extended leave, with some alleged to be working for other employer(s) or their own private work or business during their sickness period. Multi-employment / dual employment is also likely, where staff work simultaneously at another NHS trust whilst on short / long term sickness absence.

It is also a possibility that inflation of income and hours, including claiming for hours, shifts, overtime and patient care services, which were not worked is occurring, as staff can manipulate their timesheets and e-rostering systems to inflate their income. NHS staff may also retrospectively electronically book bank shifts on the rostering system with the intent to fraudulently claim for payment having not worked.

It is likely some NHS staff are working elsewhere during contracted times. For example, staff are alleged to be working for another NHS Trust or employer suggesting dual or multi-employment and / or working privately during their substantive contracted post or hours. Additionally, intelligence suggests clinical staff are completing privately paid practices, services, and / or treatment of private patients during NHS contracted hours.

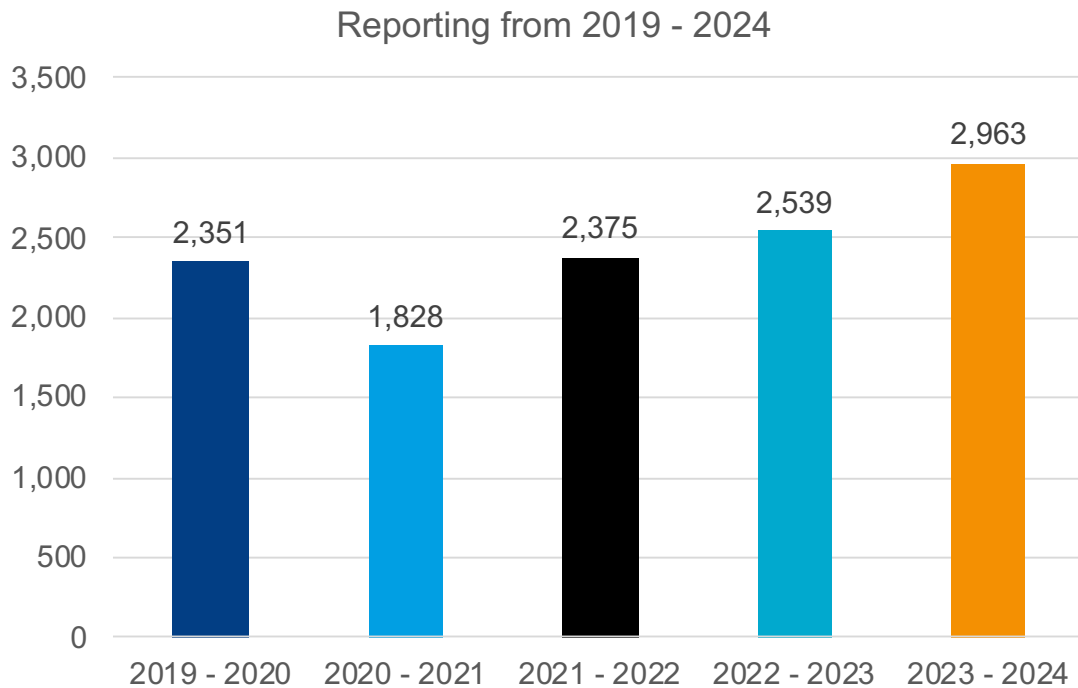
Falsification of English Language Test result certification has been identified as highly likely. Intelligence suggests applicants from overseas have submitted forged and falsely obtained International English Language Testing System (IELTS), Occupational English Tests (OET) and Computer Based Test (CBT) certificates during the recruitment process. Test certificates are also known as a 'Test Results Form' (TRF).





### Information reports received for NHS staff fraud

The change in the number of fraud reports received in relation to NHS staff fraud from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

Reforms have been introduced to restrict care workers from bringing dependents to the UK as part of the government's plan to reduce legal migration. These changes do not affect those employed on a Health and Care Worker visa. However, overseas workers requiring a general Skilled Worker visa (such as data analysts, IT and finance professionals, etc) but sponsored by an NHS organisation would be subject to these changes.

Although there is a staffing gap in the NHS which could potentially widen, it has reduced recently, and this could continue with the publication of the NHS Long Term Workforce Plan. It sets out direction locally, regionally, and nationally to tackle NHS workforce challenges in England. The Plan includes a series of actions to 'train, retain and reform' the workforce, thus improving patient care and increasing staffing numbers through investing in training facilities. The increase in staffing across the NHS should lessen the number of shifts which require cover, ultimately reducing the threat posed by manipulation from bank staff and agency workers.

## 15. Fraudulent access to NHS care from overseas-visitors

The term 'fraudulent access to the NHS' refers to when a patient falsely represents themselves as entitled to NHS care without charge, fails to disclose they are chargeable, or an NHS staff member who has abused their position to facilitate the fraudulent access.

The financial vulnerability estimate has been improved through a continued collaborative approach with policy holders to maintain a more accurate and up-to-date figure. Furthermore, travel is almost back to pre-pandemic levels as this is the first full financial year in which COVID-19 travel restrictions have not been in place<sup>j</sup>.

It is likely that patients without exemptions will return to or enter the UK with the specific intent of accessing secondary care without charge, yet permanently reside abroad. It is a realistic possibility for overseas visitors to use a visitor visa and a legitimate NHS number to gain access. Intelligence suggests access to maternity care, chemotherapy treatment, and surgery have been facilitated without charge, sometimes ongoing for over a decade.

An individual falsely representing themselves to avoid legacy debts owed to the NHS whilst attempting to incur further charges is a realistic possibility. It is likely patients will use a false address, false documentation, or the identity of another individual who is ordinarily a resident in the UK to avoid charges for secondary care.

It is highly likely that some patients will abuse primary care in the NHS by continuing to receive repeat prescriptions whilst permanently residing abroad. Primary care is free at the point of delivery, including for overseas visitors, however it is possible for an organised approach to be taken to collect prescriptions on behalf of people who have left the UK.

**£86.5m**

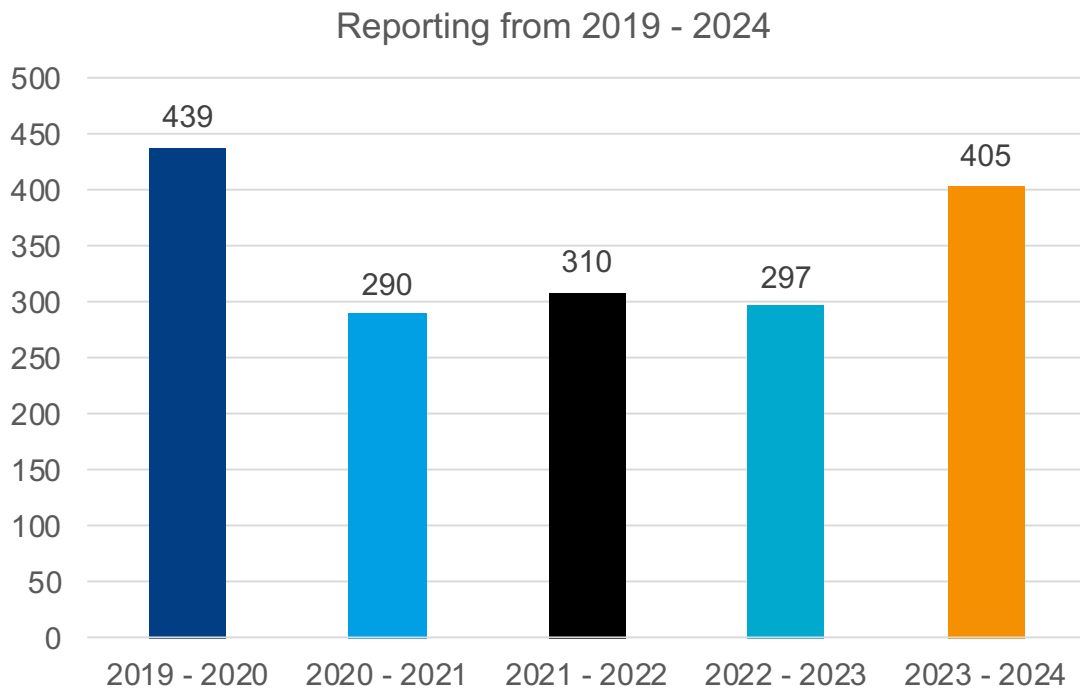
**vulnerable from an  
expenditure of  
£2 billion**

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j On 18/03/22 all COVID-19 travel restrictions were lifted.

### Information reports received for fraudulent access

The change in the number of fraud reports received in relation to fraudulent access from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

COVID-19 travel restrictions in the UK were lifted in 2022, although on 05/01/2023 certain restrictions were briefly re-introduced. The amount financially vulnerable to fraudulent access could increase as the upward trajectory in travel continues.

## 16. Reciprocal healthcare fraud

Reciprocal healthcare encompasses fraudulent use of European Health Insurance Cards (EHICs), Global Health Insurance Cards (GHICs), Provisional Replacement Certificates (PRCs) and various other reciprocal healthcare arrangements. Also, false representation during the application stage for a card or certificate.

The financial vulnerability estimate has been improved through a continued collaborative approach with policy holders to maintain a more accurate and up-to-date figure. Furthermore, the estimate only encompasses EHIC, GHIC and PRC expenditure, it does not include the S1<sup>k</sup> scheme, the smaller S2<sup>l</sup> scheme or other reciprocal healthcare agreements.



It is possible for an individual without exemptions to be provided with UK insured healthcare through an EHIC / GHIC (instead of through an S1) whilst permanently residing outside the UK. It is a realistic possibility that some applicants may use a false UK address and request associates forward the card on to them.

It is also likely that some individuals, although eligible at the time of application, will fail to declare their change in circumstances when they move abroad permanently and will continue to use their UK issued EHIC / GHIC, including for planned care, instead of applying for an S1, or upon refusal of an S2.

When the UK claims for the costs of the NHS treating European Union (EU) / European Free Trade Association (EFTA) insured individuals, it is highly likely that some invoices will be rejected by a member state due to fraud or error. For example, the rejection of an invoice based on a patient not being insured for any or all of the treatment they received. This is reported to occur when an individual retrospectively applies for a card once care has begun instead of a PRC, therefore the invoice may not be rejected until the claim is reviewed.

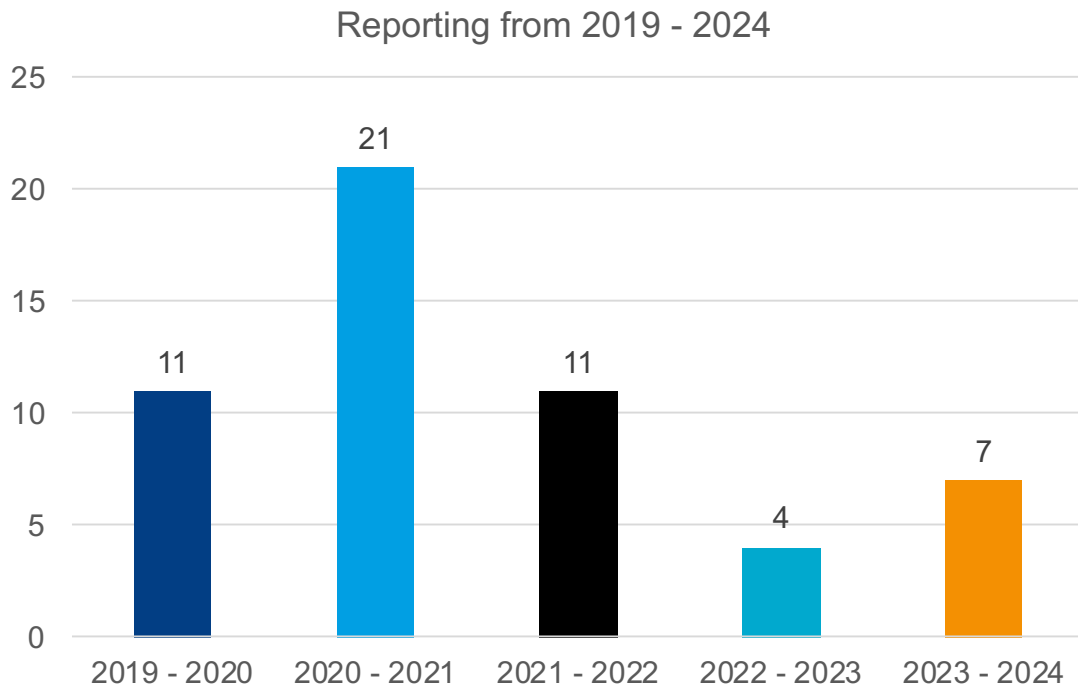
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<sup>k</sup> Provides healthcare to eligible individuals living in an EU or EFTA country and constitutes the majority of reciprocal healthcare expenditure.

<sup>l</sup> Provides planned treatment in EU or EFTA countries for UK residents.

### Information reports received for reciprocal healthcare fraud

The change in the number of fraud reports received in relation to reciprocal healthcare from 2019 - 2020 to 2023 - 2024 is illustrated in the chart below:



### Horizon scanning

In January 2024 the UK-European Economic Area (EEA) EFTA Social Security Coordination Convention came into force and in October 2023 the UK-Switzerland Social Security Coordination Convention was fully introduced. These changes have not yet been implemented for a full year and therefore it is possible that fraud reporting and the amount financially vulnerable would likely increase.

## NHS Counter Fraud Authority

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Working together to **find, report and stop** NHS fraud