

Annual Report

2024 to 2025



Working together to find, report and stop NHS fraud

HC 1188

NHS Counter Fraud Authority

Annual Report and Accounts 2024 to 2025.

For the period 1 April 2024 to 31 March 2025.

Presented to Parliament pursuant to the NHS Counter Fraud Authority
(Establishment, Constitution and Other Transfer Provisions) Order 2017.

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HC 1188



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Foreword

The Annual Report and Accounts 2024 to 2025 shows:

- how we performed over the year
- how we remained accountable to the Department of Health and Social Care (DHSC)

It provides a detailed picture of the NHS Counter Fraud Authority's spending and income.

It also summarises our performance in the financial year 2024 to 2025 with information about our:

- management
- board
- structure
- objectives
- achievements
- operating models
- risk environment



Performance Report



Performance report overview

Our vision is “Working together to understand, find and prevent fraud, bribery and corruption in the NHS”.

As part of our three-year Strategy [NHSCFA Strategy 2023-26 | corporate publications | NHS Counter Fraud Authority](#), which commenced in 2023, we set out four counter fraud pillars.



Understand



Prevent



Respond

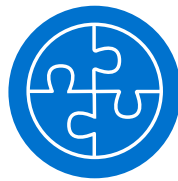


Assure

These are underpinned by two additional pillars.



People



Resources

More detailed information concerning specific areas of our business can be found in the Performance Analysis section of the report.



Message from the Chair

Welcome to the NHSCFA's Annual Report and Accounts for 2024 to 2025. I took the helm as Interim Chair at the start of 2025 and have seen first-hand the real and lasting impact, as well as the achievements, that the NHSCFA has had over the last year. This includes hosting our Counter Fraud Conference, our ongoing innovative work with Project Athena, as well as our performance results which exceed £195million. You can read more about these in the performance analysis section.

The CFA is positioned to support the government's growth and rationalisation agenda. Identifying and supporting the implementation of efficient fraud prevention measures that use technology will assist in benefits realisation reducing loss from fraud and error. The NHSCFA enables effective and efficient processes that underpin the work of all arm's length bodies, and we are proud to be working closely with government to ensure efficiencies are fully realised.

Over the coming year we will continue to build on the vital role of the CFA in leading the counter fraud community. Looking ahead, we are planning to:

- further develop fraud prevention, fraud deterrence, fraud enforcement and fraud response strategies
- lead in a programme of engagement and drive a programme of disruption and culture change to reduce fraud vulnerability across the NHS
- work with our stakeholders and partners to develop our 2026 to 2029 Strategy

Finally, I want to say thank you to our colleagues for all their incredible work over the past year. The future will undoubtedly bring changes as well as opportunities, and the NHSCFA, and our incredible staff are well-placed to continue to thrive in the counter fraud sector for many years to come.



Gaon Hart
Interim Chair

Message from the Chief Executive Officer

As we enter the final year of our 2023-2026 Strategy, I'm pleased to reflect on significant progress, particularly the establishment of Project Athena, our data analytical capability designed to detect fraud through pattern recognition. In an era where every NHS transaction leaves a digital footprint, it is essential that our counter fraud capabilities evolve alongside NHS technology transformation.

Support from counter fraud professionals throughout the system, in the Department of Health and Social Care (DHSC), NHS England (NHSE), NHS Business Services Authority (NHSBSA), and NHS Resolution (NHSR), has been instrumental in our journey and I'm proud to report that we remain on course to achieve the objectives we set at the beginning of this three-year cycle. We stand ready to adapt our structure and processes while identifying efficiencies and extracting greater value through our work.

Our new government has set ambitious plans for the NHS that align perfectly with our capabilities. The three major shifts in healthcare provision - moving more care into communities, expanding digital transformation, and focusing on prevention rather than treatment are areas where NHSCFA can make meaningful contributions. Our ongoing contribution to the NHS 10-Year Health Plan and large capital infrastructure projects demonstrate our commitment to supporting the broader healthcare agenda.

This past year, a sound threat assessment delivered by our Intelligence Team has enabled us to work with stakeholders to reduce fraud risks, an example of which is risks associated with overseas employment and qualifications, a critical factor in patient safety. Meanwhile, our investigation teams have worked tirelessly to bring those who do commit fraud to justice whilst continuing to navigate the operational challenges presented by court delays, a situation likely to persist in the coming year.

Knowledge gained through criminal investigations has also enabled us to produce and disseminate learning reports reflecting a range of lessons learnt from these investigations. These provide information on preventative action and investigation case management and is an initiative we are keen to build upon.

While we've made substantial progress on data access, information governance with data holders continues to present challenges, a situation that is reflected widely in healthcare not just in fraud. Our new operating model will help overcome hurdles and meet necessary governance requirements.

We recorded a budget underspend, primarily related to Project Athena, this reflected our adherence to DHSC guidance on the use of professional services and consultancy. We've also strengthened our cyber security capabilities, a critical priority for all public sector bodies.



Our team's excellence was recognised with six finalists at this year's Public Sector Counter Fraud Awards. I was personally honoured to receive an award, though this recognition truly belongs to the entire health counter fraud sector. NHSCFA remains the only organisation assessed so far to achieve 'good' or better in every aspect of the Cabinet Office-led continuous improvement framework, a remarkable testament to our collective efforts.

We've welcomed many talented new colleagues this year whose impact has already been significant, blending fresh thinking with our experienced people. A key factor has been our flexible working policy which has expanded our recruitment reach. Our commitment to colleagues is also reflected in our well-received engagement events and positive results from our independent people survey demonstrate the strength of our organisational culture.

I would like to acknowledge our previous Chair, Tom Taylor, with whom I thoroughly enjoyed working. The organisation benefitted greatly from Tom's expertise. I'm also delighted to welcome our two new non-executive directors, Jon Hayes and Angela Dragone, who are already making a valuable contribution.

We value greatly the contribution we make as an arm's length body enabling us to discharge our expert response with impartiality. Large scale transformation has the potential to increase fraud risk, and we are ready to respond.



Alex Rothwell
Chief Executive Officer

Background to the NHSCFA

The NHSCFA is a special health authority directly accountable to the DHSC. It is responsible for preventing, detecting and investigating fraud, corruption or other unlawful activities, carried out against or otherwise affecting the NHS and the wider health sector in England.

The NHSCFA's departmental sponsor is the DHSC Anti-Fraud Unit (DHSC AFU), which holds the NHSCFA to account for the realisation of its strategy.

[Statutory Instrument 2017 No 958](#) sets out the establishment and constitution of the organisation. Schedule 2, parts 1 and 2, detail the requirements for specific roles which make up our Board. To find out more about the role of the NHSCFA Board and its members, please see the [NHSCFA Board of Directors section on our website](#).

We also provide specialist counter fraud support functions to the Welsh Government under section 83 of the Government of Wales Act 2006. Please see the [NHS Counter Fraud Service Wales](#) page for more details.

Our vision and purpose

Our vision is **“Working together to understand, find and prevent fraud, bribery and corruption in the NHS”**. This was set out in our 2023 to 2026 Strategy. This report concerns the second year of that Strategy.



Working together to understand, find and prevent fraud, bribery and corruption in the NHS



Putting the interests of the NHS and its patients first

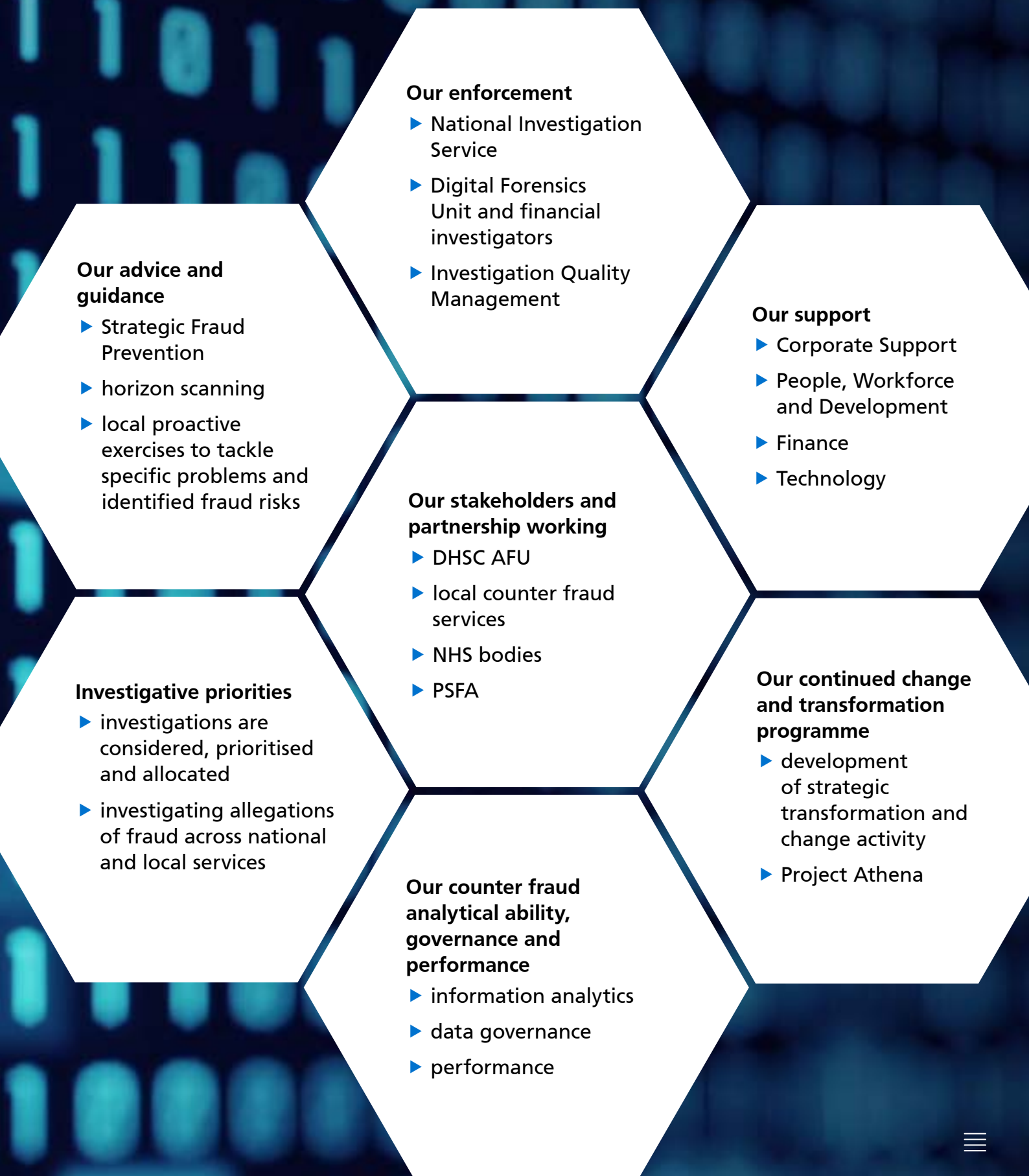


Leading the NHS response



Being experts and leaders in our field

NHSCFA operating model



Fraud Hub

- ▶ developing system-wide counter fraud networks of stakeholders
- ▶ maintaining and developing a counter fraud culture
- ▶ guidance and toolkits within the NHS network
- ▶ Fraud Investigation Model support, advice and guidance
- ▶ local fraud prevention activity
- ▶ case management system

Compliance

- ▶ evaluation and assurance of compliance with Counter Fraud Functional Standards across the health sector
- ▶ evaluation and assurance of our own compliance with Counter Fraud Functional Standards

Identifying, analysing and informing

- ▶ collating information against fraud threats
- ▶ determining thematic counter fraud priorities
- ▶ intelligence and analytical capability
- ▶ Strategic Intelligence Assessment (SIA)



Board and high level structure



Gaon Hart
Interim Chair



Alex Rothwell
Chief Executive Officer



Matthew Jordan-Boyd
Director of Finance and Corporate Resources



Tricia Morrison
Director of Performance and Improvement



Alyson Coates
Non-Exective Director



Angela Dragone
Non-Exective Director



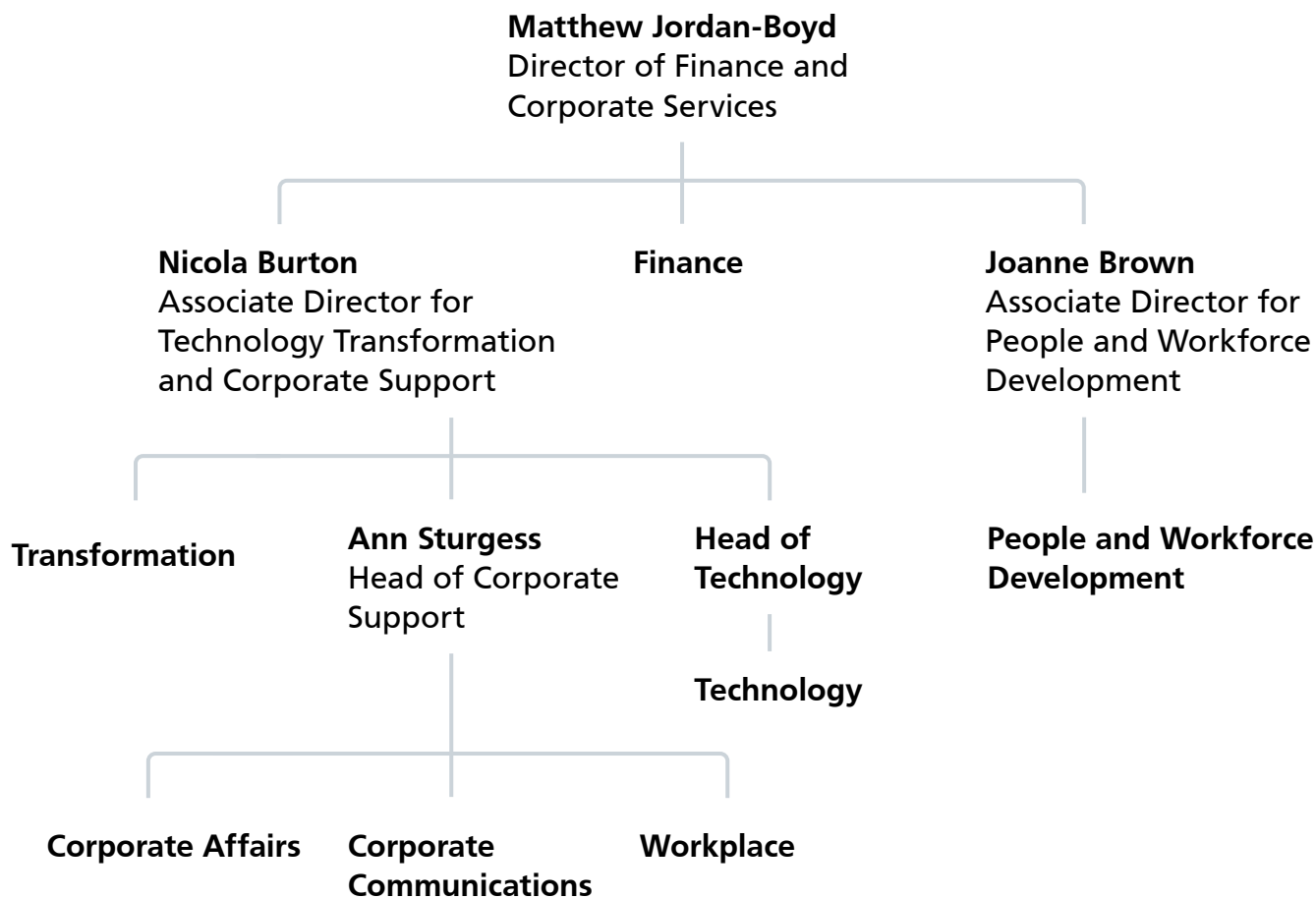
Andrew Flanagan
Non-Exective Director



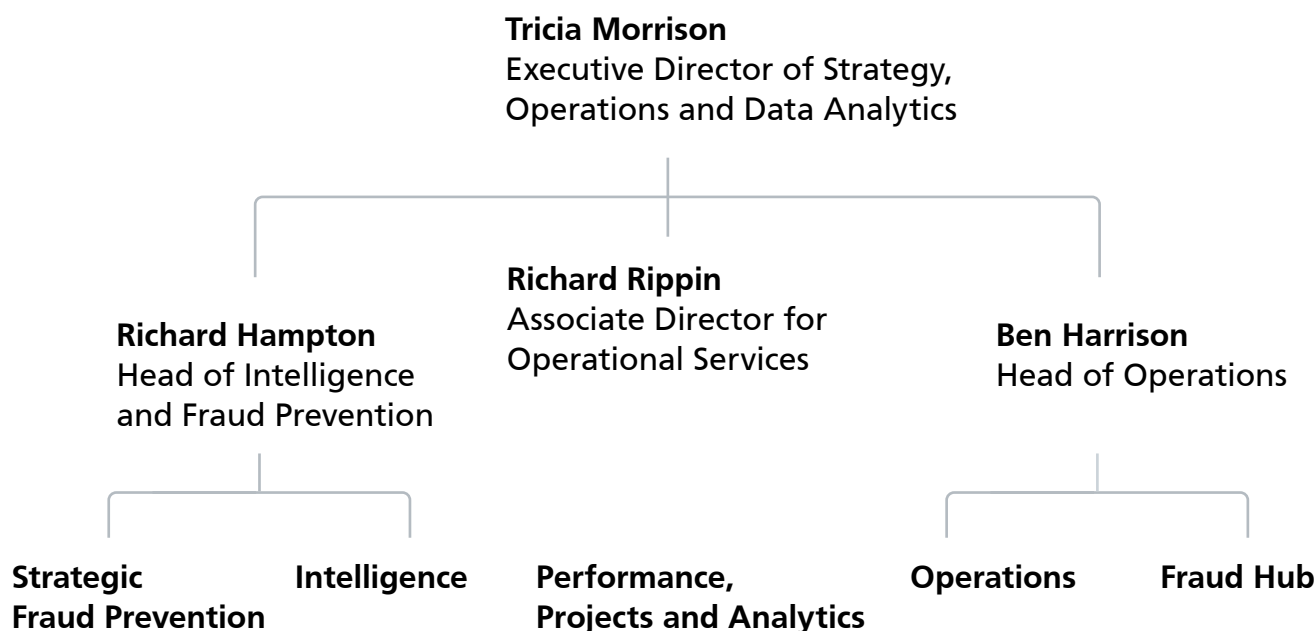
Jon Hayes
Non-Exective Director



Finance and Corporate Services



Performance and Improvement



Business unit structure



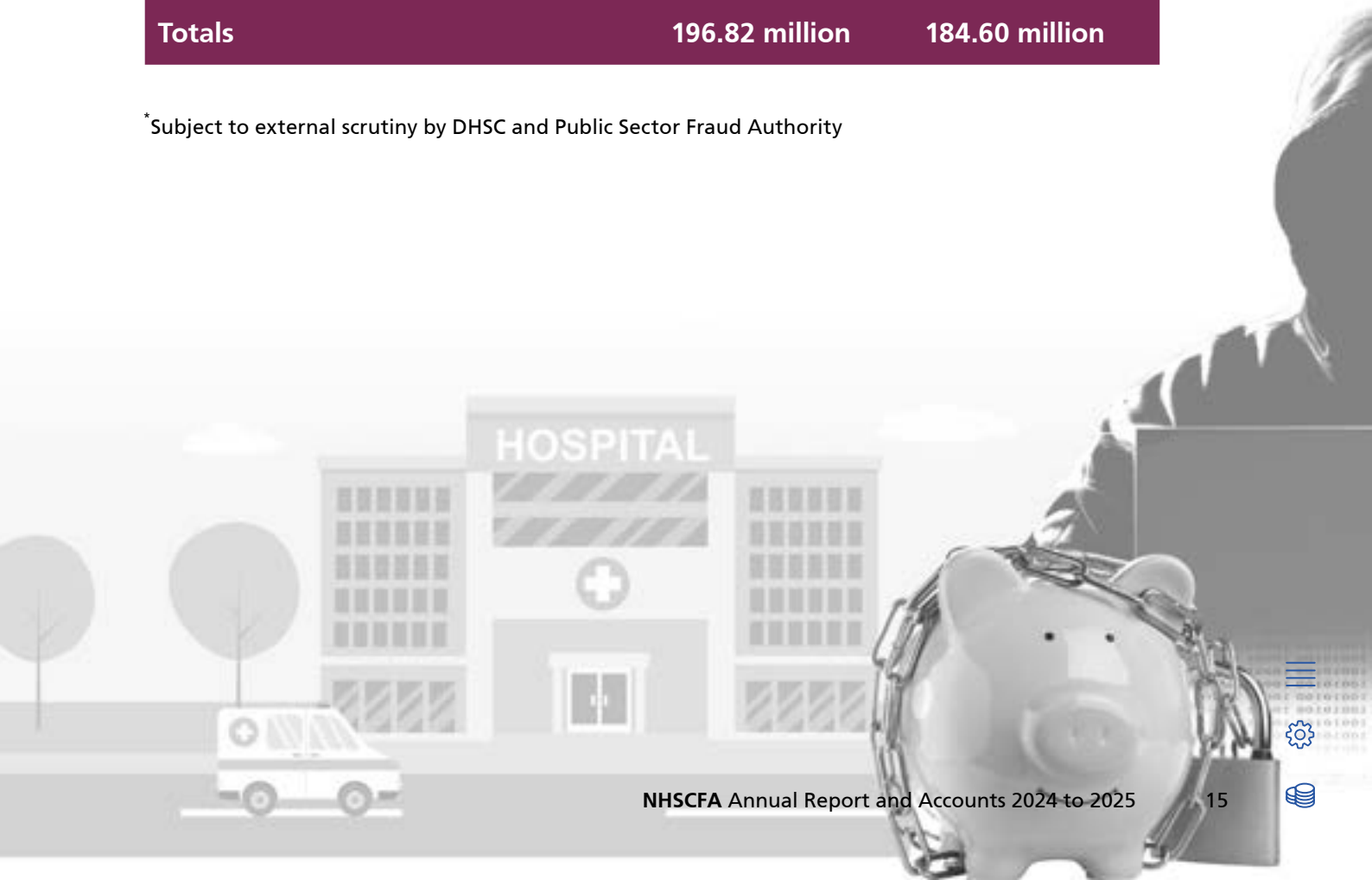
Significant achievements in 2024 to 2025

The NHSCFA and wider health group achieved an overall target of £145.1 million for 2024 to 2025. The combined results of the first two years of our 2023 to 2026 strategy represents 76% of our strategic target of £500 million. We remain on track to achieve this by the end of the next financial year.

Our achievements against our principal targets for the reporting year are set out below, together with a comparison to last year's results.

Financial summary	2024 to 2025 £m	2023 to 2024 £m
Direct Enforcement	6.21	12.42
LCFS Function	15.16	14.83
DHSC Core and Arm's-Length Bodies	82.22*	99.15
Other (RTEC)	64.75	58.20
Athena	28.48	New workstream
Totals	196.82 million	184.60 million

*Subject to external scrutiny by DHSC and Public Sector Fraud Authority



Risk areas

Risks which we have assessed as being of the greatest concern at a strategic level, in that they posed a threat to achieving our performance objectives, were:

- those relating to cyber risks to our organisation and those faced by the rest of the NHS and wider health sector
- the potential failure to deliver our strategic objectives
- lack of agility to accommodate and prioritise change

Cyber risks and cyber security

The frequency and sophistication of cyber-attacks in general pose a continuing risk to the NHSCFA and the rest of the NHS. We are identifying new vulnerabilities as they arise and taking action to defend our organisation from them. We did not fall victim to any significant cyber incidents during the reporting year. We experienced a small number of low-level information security breaches, emails sent to the wrong recipient, were reported. However, none required any further internal or external action.

Thousands of probes and potential attacks, ranging from spam and phishing emails to web-site SQL-injection and cross-site scripting, were detected and blocked by the NHSCFA security infrastructure. A small number of phishing emails did get through the mail filters but were either reported or simply deleted by a well-educated and cyber-aware workforce.

We disseminate tactical, operational, and strategic intelligence on cyber enabled threats to the NHS and other stakeholders. We work with:

- partners in the NHS
- in the banking and financial services sector
- law enforcement agencies

to improve the breadth and depth of our intelligence. We are currently working to formalise arrangements for data sharing with the Cyber Security Operations Centre, currently part of NHS England. There remain shortfalls in our ability to harness AI and other emerging technology to effectively counter cyber fraud. These are being addressed by upskilling our people to use machine learning and the formation of a dedicated group to explore how we might use AI to this end.

Failure to deliver our strategic objectives as set out in our 2023 to 2026 Strategy

This risk was identified following the introduction of our revised business model in April 2023. It was not certain at that stage whether the model would enable us



to meet the strategic objectives set out in our 2023 to 2026 Strategy. This risk was mitigated by the introduction of multi-tiered performance monitoring mechanisms at senior management level with oversight by the DHSC. Having achieved our strategic objectives in the first two years of the Strategy and, being confident of meeting our objectives for the third year, the risk was closed.

Lack of agility to accommodate and prioritise change

We recognised that our current operating model may not have given us the desired capacity to respond quickly and effectively to change. We addressed this by incorporating greater oversight in our business planning design, using representatives from business units across the organisation to:

- select options for development of new programmes of work
- identify and manage interdependencies
- set out return on investment rates
- decide on which additional programmes of work would be most beneficial
- deploy our resources effectively

The risk relating to lack of agility was also closed following satisfactory reductions in the level of threat they carried. However, both lack of agility and failure to meet our strategic objective, or similar risks, are likely to resurface in the coming year. Recent announcements regarding the abolition of NHS England and the review of arm's length bodies including the NHSCFA are likely to alter both the fraud landscape and the stakeholder relationships we have built over several years.

The organisation's overall approach to risk management and its risk appetite are explained at pages 67 to 68 in the accountability section of the report.

Our finances

Overview of financial performance 2024 to 2025

As a special health authority, we receive funding from the DHSC to deliver the services outlined in our Establishment Order and Directions. Increases in our operating expenditure were funded by additional allocation from DHSC. The table below shows our performance against the financial targets set by DHSC.

Financial obligations						
Target	2024 to 2025			2023 to 2024		
	Limit £'000	Outturn £'000	Achieved	Limit £'000	Outturn £'000	Achieved
Capital resource limit does not exceed target set by DHSC (excludes IFRS16)	700	506	✓	2,086	1,949	✓
Capital resource limit does not exceed target set by DHSC (IFRS16 only)	-	561	x	-	200	x
Non-Ring-Fenced Revenue resource expenditure does not exceed the limit set by DHSC (excludes depreciation and amortisation)	20,793	17,055	✓	14,618	14,070	✓
Depreciation and amortisation resource limit does not exceed target set by DHSC	1,850	1,970	x	2,234	2,276	x

In 2024 to 2025, the NHS Counter Fraud Authority reported a revenue underspend against its Resource Departmental Expenditure Limit (RDEL), excluding depreciation and amortisation. This position reflects the Authority's adherence to DHSC guidance on the use of professional services and consultancy. In line with this guidance, the Authority undertook a review of the Project Athena structure and delivery model, resulting in significant efficiency savings compared to the project's original cost projections. In addition, a proactive review of uncommitted expenditure further supported in-year savings and reinforced the Authority's commitment to strong financial stewardship.

In relation to capital expenditure, NHSCFA's total capital programme resulted in an overspend position. However, the £700k capital resource limit reported overspend was solely due to non-cash adjustments made under IFRS 16. These adjustments arose from the recognition of a new lease agreement and the remeasurement of



existing leases. The IFRS16 adjustments are also the reason the Authority exceeded the depreciation and amortisation resource limit. During 2024 to 2025, total expenditure comprised:

- £14,061k on salaries and wages
- £2,830k on administration costs, and
- £356k on estates and facilities

Income for the year totalled £285k, of which £281k related to contracts for services delivered by the Authority.

Financial Planning

Following the successful delivery of efficiencies in 2024 to 2025, the Authority's financial plan for 2025 to 2026 has been shaped by the need to secure the financial resources necessary to sustainably deliver its mandated services and realise associated counter fraud savings for the wider health system.

Revenue and capital funding has been agreed with the Department and is sufficient to meet the Authority's planned net expenditure during 2025 to 2026. The Authority remains committed to upholding high standards of financial governance and ensuring value for money across all areas of its operations.

Better Payment Practice Code performance

The Better Payment Practice Code requires the NHSFCA to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later. The target percentage to be reached is 95% and in 2024 to 2025, the NHSCFA achieved this target.

BPPC performance				
	2024 to 2025		2023 to 2024	
	Number	£'000	Number	£'000
Non-NHS Payables				
Non-NHS Payables	1,106	7,207	1,227	8,345
Total Non-NHS invoices paid within target	1,061	6,986	1,213	7,200
Percentage of Non-NHSCFA invoices paid within target	96%	97%	99%	86%
NHS Payables				
NHS Payables	54	2,477	43	588
Total NHS invoices paid within target	46	2,434	43	588
Percentage of NHSCFA invoices paid within target	85%	98%	100%	100%
Total CFA invoices paid	1,160	9,684	1,270	8,934
Total CFA invoices paid within target	1,107	9,419	1,256	7,788
Percentage of Total CFA invoices paid within target	95%	97%	99%	87%



Performance analysis

The purpose of this section of our annual report is to provide more detailed information about what the NHSCFA has achieved over the reporting period, examining the work done by individual business units.

It begins with a look at what we do in terms of understanding fraud with the innovative work undertaken in data analytics within Project Athena. We also look at how we process and disseminate the thousands of fraud referrals we receive.

We report on our efforts to engage with our stakeholders and to forge and maintain alliances across the NHS and beyond.

Intelligence informs our actions to prevent and respond to fraud. Much of the work falls to our partners and stakeholders in the NHS and we provide them with support and guidance. Our programme of strategic fraud prevention in procurement and contract management is explored in detail.

We go on to set out the work done in enforcement by our own National Investigation Service in respect of serious and complex fraud investigations and the support our fraud hub provides to local investigations.

How we communicate our counter fraud message is important and we outline the work done by our communications team across mixed media.

Our people are at our core and their development and wellbeing is uppermost. How we support and resource them also features in this part of the report.

We also explain our stance on sustainability in the light of the Greening Government Commitments (GGC).

Project Athena



Understand



Prevent



Respond

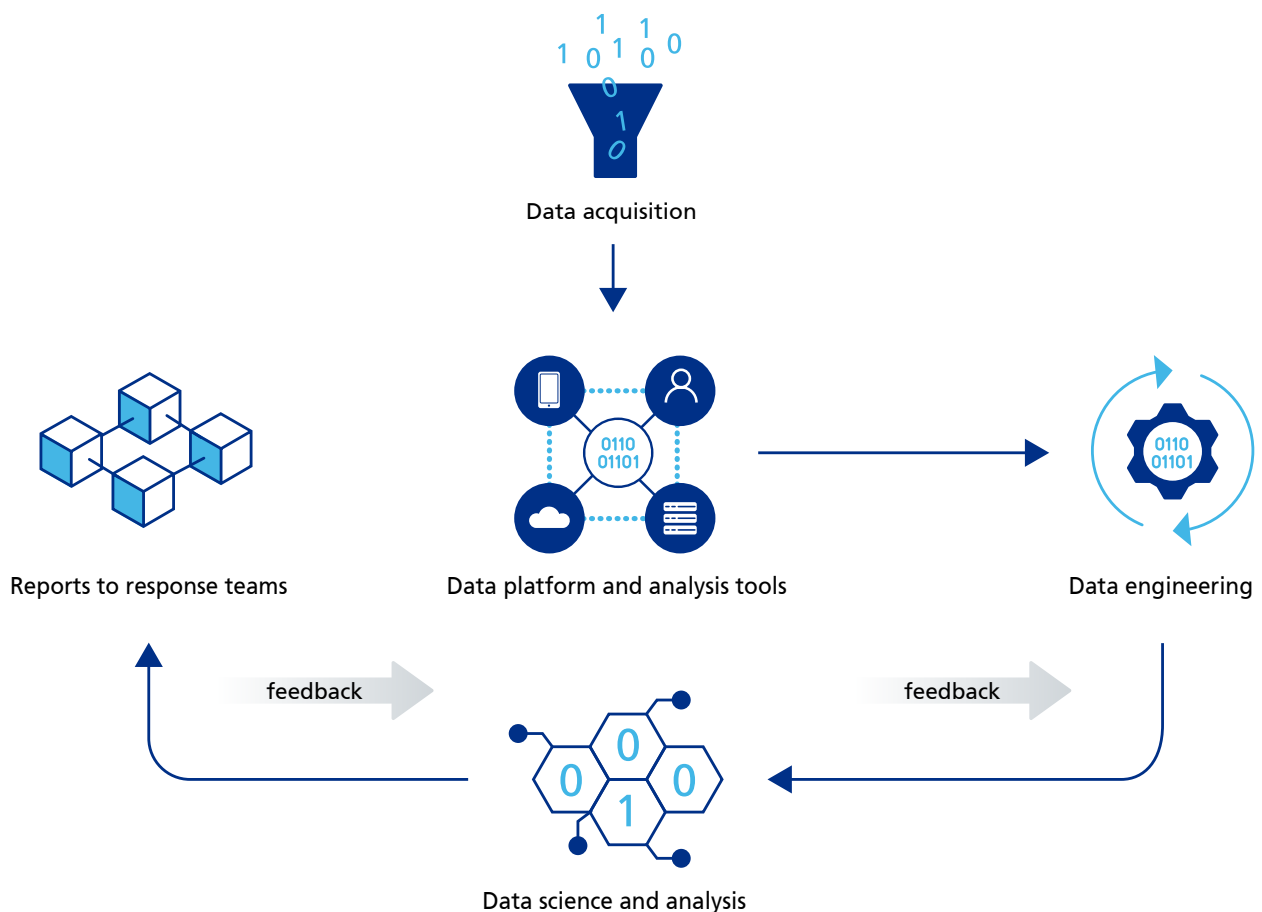
Project Athena's purpose is to detect large-scale NHS fraud using advanced data science techniques. These include machine learning and data analytics. Athena attempts to identify fraud at an early stage to identify suitable fraud prevention or enforcement initiatives from emerging results.

The Project Athena process

The Athena process is divided into four separate but linked stages:

- data acquisition
- data engineering
- data analysis
- response

Once data has been acquired it is prepared and structured. Data scientists apply machine learning, and analysts interpret the findings and provide material on which a counter fraud response can be devised. A more detailed description of the process and the individual stages can be found below.



Acquisition

Working with partners we reach agreements on how data can be transferred securely to enable it to be extracted and analysed. This is a continuous process which ensures that the data we analyse is current and useable. All data acquisition is undertaken within a formal process which determines the extent of the governance arrangements required. Some data is open source or otherwise has no wider considerations, but other datasets may concern personal data or have other wider considerations that concern its content, potential use or the way NHSCFA can access or use it. In such cases we, together with the data provider, determine the need for data sharing agreements and/or Data Protection Impact Assessments for each data share.

These are formal documents which cover:

- ethical considerations
- data security
- confidentiality safeguards

These are maintained and updated as required and cover the full extent of the Athena process and are formally submitted and signed off by NHSCFA's Information Governance and Risk Management Lead.

NHSCFA has a range of supporting data protection policies which set out how we manage data.

We seek guidance from the NHSCFA Data Strategy Group and Data Practitioner Forum which exercise oversight and provide advice on data issues. We currently have acquired several datasets including:

- Secondary Uses Service (SUS), the single, comprehensive repository for healthcare data in England
- Companies House
- Civil Registrations of Death.

Datasets are carefully selected to align with the fraud risks we are seeking to substantiate using proactive data analysis.

Engineering

The implementation of enhanced technology, designed to manage data within the NHSCFA, has significantly improved the speed and precision of detecting fraud patterns and anomalies. This innovation strengthens our ability to identify fraudulent activity in real time.



The data we acquire is often inconsistent. Engineers restructure it so it can be used effectively.

For example, dates and other unique identifying information may be set down in different formats. These may need to be reformatted to ensure consistency. Engineers also determine how to deal with missing values and ethically manage unexpected data.

Analysis

Data scientists use machine learning to uncover patterns and identify potential fraud. Machine learning tools are used to develop and refine models based on historical data.

Once patterns are identified, data scientists using other tools can produce reports which present findings from the analysis of high volumes of complex data in a clear format. There is scope for analysts to request further refinements from engineers, and this allows them to continuously fine-tune models based on live feedback.

These technological improvements provide a powerful, flexible framework for managing and analysing data. Their effectiveness relies on the expertise of those involved in using them, which in turn is reliant upon counter fraud expertise across the NHSCFA.

Response

The Response Team uses the findings as an intelligence product. Anomalies, which have been identified through analysis are assessed for potential criminality. If an issue is identified, the team follows the Fraud Investigation Model (FIM), to determine an appropriate course of action. The FIM poses questions for the holder of the data at the very outset of an enquiry:

- what enabled the suspected fraud to take place
- who else may be at risk
- what could have been done to remove or reduce the risks
- how can we use what we have learned to prevent others becoming victims of a similar fraud?

The answers to the questions above will be used to determine the appropriate response. These may include:

- immediate disruption
- enforcement action
- long-term prevention
- further investigation



Not all the data produced will provide sufficient evidence to justify opening a criminal investigation. It may still have value as it can be used as intelligence to help identify patterns and develop effective responses. Early results are encouraging and have already assisted in providing effective responses to identified threats. Athena has already achieved a return of over £28 million against its first annual target of £20 million principally by devising methodologies to identify and assess fraud values.

Athena: Risk management and governance



Assure

Strategic risks concerned:

- late notice of continued funding
- recruitment of suitably qualified data specialists

These risks were intertwined.

Both are now closed following the confirmation of funding which enabled us to recruit.

Risk management coming under the Athena umbrella follows our general policies on risk.

The Board's Audit Risk and Assurance Committee (ARAC), are provided with regular risk reports. The Government Internal Audit Agency (GIAA), were satisfied with our risk management processes, they made one recommendation regarding risk-grading. We have implemented this.



What is a Local Counter Fraud Specialists (LCFS)?

We refer to Local Counter Fraud Specialists (LCFSs) throughout this report. They are the main recipients of the intelligence we receive. All NHS organisations are required to have one or more LCFS. The LCFS is an accredited counter fraud professional who undertakes fraud prevention and deterrence activities as well as investigations of suspected fraud offences.

LCFSs may be employed internally, shared with neighbouring NHS bodies or employed through an external contractor. The achievements of the LCFS form part of our overall results achieving £15.11 million.

They work on the frontline in the NHS and are responsible for delivering a comprehensive counter fraud service to their NHS body. As an essential part of the NHS counter fraud community, they work closely with Counter Fraud Champions, Audit Committee Chairs and Directors of Finance/Chief Financial Officers (DOFs/ CFOs). They are also required to work and act in accordance with NHSCFA guidance and relevant legislation.



Responding to reported fraud



Understand

We operate a Fraud and Corruption Reporting Online (FCROL) website which acts as a direct channel for allegations or suspicions of fraud. People who wish to provide information may also contact us by telephone and can choose to either identify themselves or remain anonymous. More details about how to report fraud in the NHS can be found on our public website. [Report NHS Fraud | Home | NHSCFA](#)

All reports are assessed and triaged by our Central Intelligence Team. The number of referrals received from 2022 to 2023 to 2024 to 2025 are set out below.

Total received			
	2022-2023	2023-2024	2024-2025
Total received	3,170	4,022	4,294
Disseminated elsewhere	1,255	2,709	2,946
No further action	1,915	1,313	1,318

Notes: There was a decrease in the number of reports where no further action was taken due to a policy change in 2023 to disseminate reports which would previously not have been disseminated further. There were also fluctuations in the figures caused by single issue reports, for example referrals concerning misuse of address data.

The most reported fraud allegations in 2023 to 2024 are set out below.

Fraud type	
	Number of referrals
NHS Staff fraud	2,963
Patient exemption fraud	1,404
Procurement and commissioning	723
Fraudulent access to NHS care from overseas visitors	405

Source: 2023-2024 Strategic Intelligence Assessment [Reporting trends | Strategic Intelligence Assessment 2024 | NHSCFA](#)

The table below shows where the reports received in 2024 to 2025 were disseminated.

Dissemination of 2024-2025 referrals	
Total received	4,294
Disseminated elsewhere	2,946
To	
LCFS	2,677
Regulatory body	75
Care Quality Commission	44
Police	44
Government organisation	32
Counter Fraud Scotland	24
Project Athena	12
Action Fraud	10
DHSC Anti Fraud Unit	6
HCS Northern Ireland	6
MHRA	4
Trust Audit Chair	4
NHSCFA National Investigation Service	1
Other	3
Trading standards	2
Adult safeguarding team	1
Competitions and Markets Authority	1

Strategic Intelligence



Understand

The Strategic Intelligence Team (SIT), is tasked with publishing an annual Strategic Intelligence Assessment (SIA), detailing the threats, vulnerabilities, and enablers to fraud within the NHS.

The 2024 SIA estimates that £1.316 billion of NHS funding is vulnerable to loss through fraud, bribery, and corruption in England.

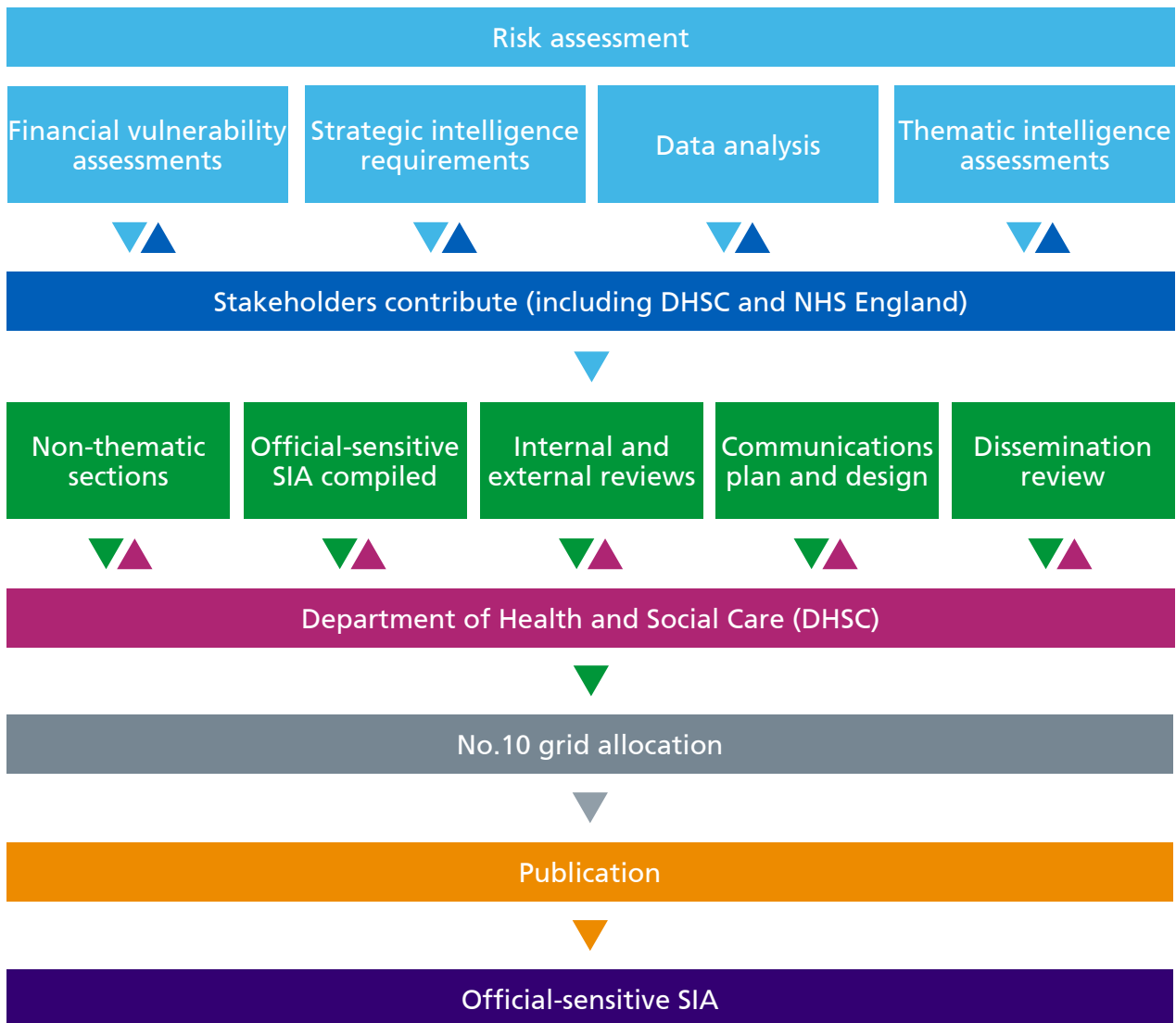
There are four methods we use to calculate financial vulnerability:

- loss measurement exercises conducted by the NHSCFA, considered to be the most reliable method
- comparative loss assessments not directly measured by the NHSCFA and may not directly relate to the NHS

- collaboration with policy holders includes study of recent data, legislation, and changes to landscape
- baseline financial vulnerability rate, a legacy percentage of fraudulent activity which is applied due to the unavailability of other methods

More detail on how we calculate vulnerability can be found here: [How do we calculate fraud vulnerability? Strategic Intelligence Assessment 2024 | NHSCFA](#). We are currently compiling our SIA for 2024 to 2025.

The process we follow can be found below.



The SIT also produces Quarterly Threat Assessments which provide regular updates on any pertinent, new, or emerging trends in fraudulent activity or reporting. In 2024 to 2025 specific intelligence assessments were produced on:

- dental contractor fraud
- community pharmaceutical contractor fraud
- NHS Bursary fraud
- general practice contractor fraud

To improve understanding and address intelligence gaps, intelligence assessments were commissioned in:

- NHS rostering systems
- fraudulent access to NHS care by overseas visitors
- commissioning fraud
- NHS Pension fraud

In conjunction with the SIA, quarterly assessments help the health group to:

- understand the fraud landscape
- decide their approach to fraud
- prepare a targeted response

Loss measurement



Understand

We made efforts to measure loss in areas vulnerable to fraud identified in our strategic intelligence assessment to:

- improve our understanding
- coordinate effective counter fraud measures

We will continue with this task in 2025 to 2026 together with members of the Control Strategy, Strategic Tasking and Coordination Group (CSSTCG).

The CSSTCG is comprised of several health sector arm's length bodies, the DHSC AFU, and NHSCFA. Its members agree priorities and areas for counter fraud activity.

The Fraud Hub Engagement Team: Stakeholder engagement



Understand



Prevent

The Fraud Hub Engagement Team frequently engages with our stakeholders to:

- ensure that they are fully informed of developments in the fraud landscape
- explain the services we can offer to them
- conduct training and offer forums for discussion
- obtain feedback and ideas as to how we can improve

Feedback received from a recent stakeholder survey revealed the following:

- an interest in continuing and expanding our programme of webinars
- criticism regarding some of our messaging in terms of its detail and technicality
- difficulties in locating and accessing information
- regularity and timing of content

We intend to address these points over the next year by:

- concentrating on those topics of greatest interest to stakeholders
- altering our approach to messaging

We are putting together a strategy that will explicitly state how we will use our platforms to reach our stakeholders, as well as where stakeholders can expect to find information, and how often we will be in touch.

During the year we conducted three full-day sessions with private sector providers of local counter fraud services to the NHS. We also held several shorter sessions either remotely, for example webinars, or face to face with:

- LCFs from private and public sector providers
- Counter Fraud Service Wales
- Counter Fraud Service Scotland
- NHS Business Services Authority
- NHS Employers



We also carried out fourteen tailored visits to different health bodies. Many of these were combined efforts from different business units within NHSCFA and the subject we concentrated on included:

- system weaknesses
- prevention planning
- staff fraud risk
- payment diversion fraud

Client Relationship Management system: developing an organisational memory

The Fraud Hub Stakeholder team are developing a client relationship management (CRM) system to support our work with external stakeholders.

The CRM will allow us to compile a complete history of our engagement with other bodies, for example:

- operational visits
- workshops
- forums

It will provide NHSCFA with an ‘organisational memory’. It will be our single source for stakeholder details. It will allow us to build profiles for each organisation based on previous activity.

The CRM will incorporate calendar views to ensure that users are aware of upcoming activities. This will help make our messaging clearer and more consistent. We will also be able to enhance our knowledge by using available information from open sources, like annual reports and accounts.

The CRM will also assist in measuring the effectiveness of our engagement by holding performance data such as counter fraud returns submitted by stakeholders.

The Counter Fraud Conference

In January 2025 we hosted an NHS Counter Fraud Conference in Leeds. Over 130 delegates, mostly LCFs, took part. The conference heard from subject experts from organisations across the counter fraud community including the:

- Counter Fraud Service Wales
- Public Sector Fraud Authority
- Crown Prosecution Service



- National Anti-Fraud Network
- NHSCFA data analysts, specialist trainer and financial investigators

Feedback from those who attended was extremely positive:

"It was great that the NHSCFA held this conference. It's so useful to meet NHSCFA staff and other LCFs to discuss the joint challenges we face on subjects such as salary overpayments. Having such events makes the organisation much more approachable."

"I think the day was an overwhelming success. The speakers, the venue, the flow of the day all just seemed to work, and I know that is not by chance, but by hard work."



Specialist Learning



Understand

We have always considered the provision of high-quality specialist counter fraud training a priority function. Our students include:

- NHSCFA employees in non-investigation roles
- NHSCFA investigators, senior investigators and their managers either as inductees or for continuing professional development purposes
- LCFs
- employees in the wider health sector

In the first part of the year, we delivered training courses using a variety of media to almost 200 students across England and Wales.



Standards for Investigators, Intelligence officers and those involved in Counter Fraud (Risk, Prevention and Management), were published by the Public Sector Fraud Authority (PSFA). These are the standards required for all those operating in the fraud arena. In response, we began the process of revising our learning and development products so that they would be aligned to the newly issued Government Counter Fraud Profession (GCFP), curriculum and professional standards.

Information about the GCFP and the PSFA can be found here. [Government Counter Fraud Function and Profession - GOV.UK](#)

The standards mark a centralised approach to staff competence and a move away from solely course attendance to a system where knowledge and skills must be demonstrated and assessed to achieve compliance.

Since then, we have created a new **Centre of Specialist Learning**. The status of the Centre has been elevated by becoming registered with The Office of Qualifications and Examinations Regulation (OFQUAL). This means we can design, deliver, and assess formal academic qualifications.

We have redesigned the previous learning products to form pathways and career progression routes not just to comply with the GCFP curriculum, but also to achieve academic recognition.

We are also on the path to becoming one of the first organisations within the public sector authorised to deliver government produced training material on behalf of the PSFA and provide a conduit for those attending courses to achieve professional accreditation.

The concentration of effort over the last six months has been centred around developing the learning products, services, and accreditation processes to meet academic scrutiny.

With that work now ending, the Specialist Learning Centre will begin to pilot courses, reflect on and refine these as necessary, ready for a formal launch in mid-2025.

Strategic Fraud Prevention



Prevent



Respond

Procurement and contract management

The Strategic Fraud Prevention Unit devised a Local Proactive Exercise (LPE) to explore what improvements could be made across the health sector in due diligence and contract management.





What is a Local Fraud Exercise (LPE)?

LPE's are conducted by LCFs and are designed to reduce opportunities to commit fraud. They do this by:

- evaluating existing controls
- testing compliance with those controls
- devising ways in which controls may be tightened and compliance increased

They may involve:

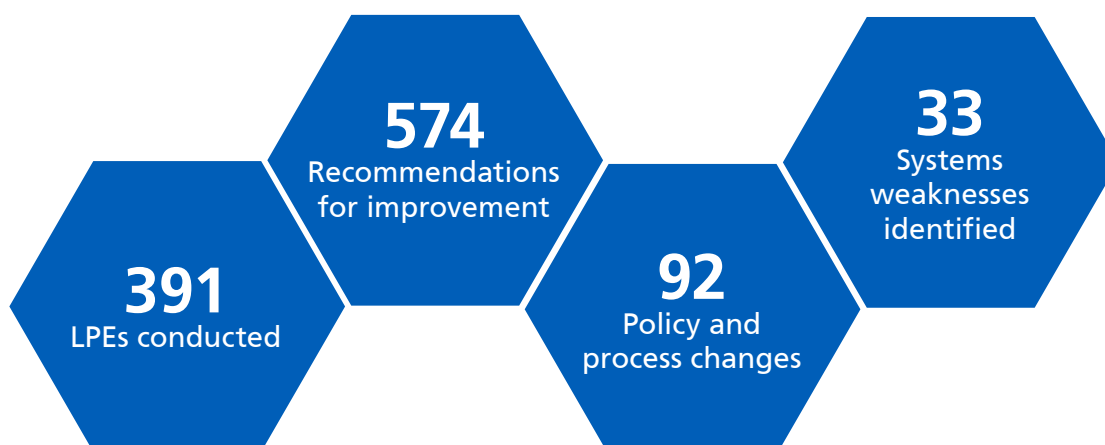
- critically reviewing records
- scrutinising systems/processes
- identifying patterns or unusual transactions

They may also include interviews with staff members and other stakeholders to gather additional information on the fraud risk area being reviewed.

This LPE involved the production of guidance materials for LCFs to use to evaluate their health body's controls to reduce fraud risk within the procurement process.

We continued to engage with the sector inviting LCFs to share their best practice and problem solve issues to ensure successful outcomes from this exercise.

As a result, 391 procurement LPEs were conducted in England by LCFs locally and reported via our case management system, CLUE. Sixty percent of NHS organisations conducted LPEs in both due diligence contract management.



This demonstrates the extensive proactive work conducted by LCFs to reduce fraud vulnerabilities locally, under the guidance of the Strategic Fraud Prevention Unit. The LCFs were also given the opportunity, by way of interactive events, to discuss the planning of their LPEs with us and amongst themselves.

The LPE has not finished yet. We will publish a report of the findings in 2025 to 2026.

Working together with the DHSC and NHS England we have developed a due diligence risk marker. The risk marker is now part of an NHS e-commercial system, Atamis, used across the NHS and by the DHSC and emphasises the need for due diligence throughout the lifetime of the purchaser/vendor relationship. Following on from this we created a fraud prevention statement for users of the system as well as NHSCFA Procurement Fraud Quick Guides. The risk marker is designed to raise awareness to NHS buyers of potential fraud risks with registered suppliers throughout the procurement process and support further due diligence checks when taking on new suppliers.

Learning Reports

The Strategic Fraud Prevention Unit and the Fraud Hub Prevention Team together with the National Investigation Service (NIS), published three Learning Reports. The purpose of these is to identify, understand and share learning outcomes from real investigations to improve practices and mitigate the risk of future fraudulent activity.

These reports share learning outcomes to:

- improve local processes
- demonstrate how the fraud was enabled
- reduce the risk of future fraud

They concentrated on:

- dual working, which is working in more than one healthcare role at the same time
- working, either at another health body or elsewhere, whilst claiming sick pay from their substantive NHS employer
- private health care coding, where treatment may be deliberately misdescribed as more expensive than the service provided

The reports provided an opportunity for our stakeholders to question their own prevention measures and to inform future LPEs where risks have been identified. We will continue to work alongside investigators to ensure that fraud prevention measures are considered from the outset of their investigations.



Twenty-two locally led LPEs were undertaken across NHS organisations once the learning reports were made available to LCFs.

Enforcement activity



Prevent



Respond

The National Investigation Service

The National Investigation Service (NIS) is responsible for conducting criminal investigations into the most serious and complex economic crime against the NHS.

The financial values reported this year have arisen from criminal investigations undertaken. The service achieved a total value of £6.23 million fraud against a target of £6 million. This is broken down as:



This compares to £12.42 million achieved last year. In last year's annual report we highlighted that this total was derived from much of our caseload at that time and that this year's performance figures would depend on the influx of new cases. New investigations have measured up to the levels in terms of number, size and complexity we anticipated, expressed as our target for this year of £6 million.

In common with other law enforcement agencies, we continue to be adversely affected by delays in the criminal justice system. For example, one case which was successfully transferred to the Crown Court in late 2024, will not come to trial until March 2028. As we reported last year, we continue to monitor this situation, but we are unable to remedy it. Here is a snapshot of the year in terms of investigative processes by the NIS.





The NIS is comprised of three teams:

- Digital Forensics Unit (DFU)
- Financial Investigation and Intelligence (FI&I)
- Fraud Investigation

Digital Forensics Unit (DFU)

The widespread use of digital devices (mobiles, laptops, computers etc.) across the NHS means that almost all fraud investigations will rely on digital evidence. In most cases this will require expert assistance to locate, extract and produce material in a manner that can be used in a prosecution.

The DFU supports criminal investigations across the health sector by enabling the collection and analysis of digital investigation material. Projected enhancements to this service in terms of case management and analysis platforms are expected to further improve efficiency.

Our DFU Newcastle laboratory is accredited by the United Kingdom Accreditation Service (UKAS) as testing laboratory, No. 9707. Full details can be found here [9707Testing Single \(ukas.com\)](https://www.ukas.com/9707TestingSingle). UKAS is recognised by government, to assess against nationally and internationally agreed standards. The DFU maintained this accreditation following a thorough, independent inspection of its work and procedures by UKAS. Accreditation is mandated by the Forensic Science Regulator to provide assurance to the criminal justice system on the reliability of a forensic unit's work.

The DFU embarked on a major upgrade of the equipment and infrastructure it uses to undertake its essential work. This involves a significant revision of the unit's operating procedures and may lead to delays in processing devices over the Summer of 2025.



Until the new equipment and procedures are accredited the DFU will continue to operate both the current accredited service and the new unaccredited service. It is hoped that the new service will be accredited by the end of 2025 following the scheduled UKAS inspection in October.

In the last year, the DFU carried out analysis of 129 electronic devices. See figure 1 below.

Figure 1

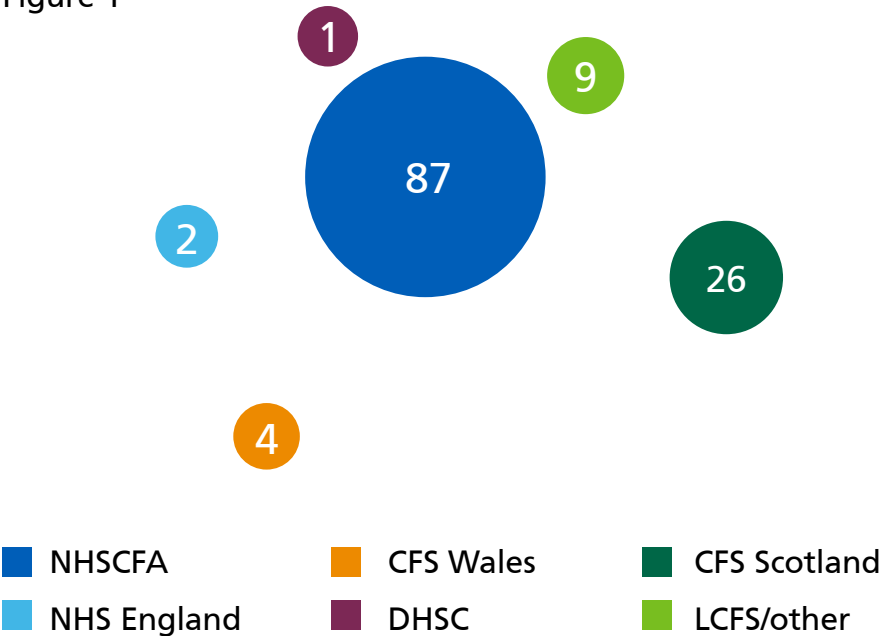
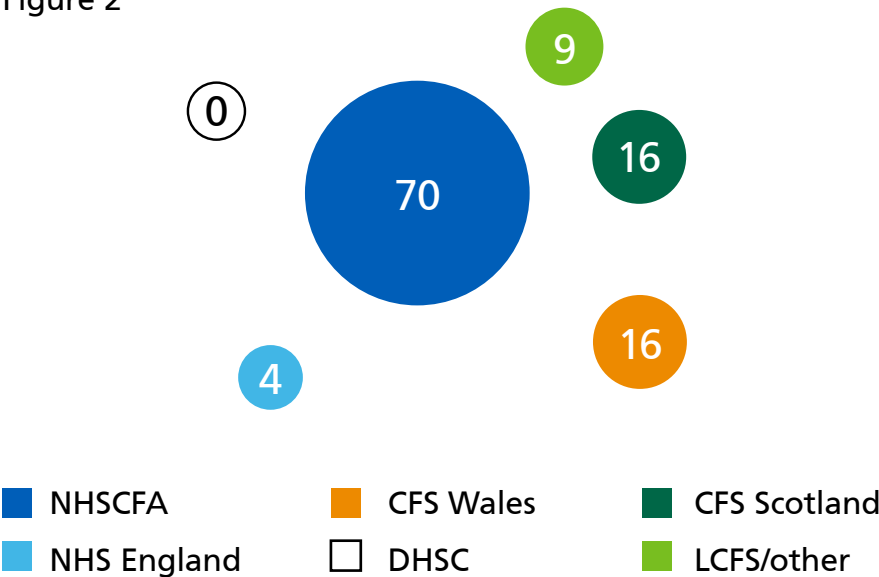


Figure 2 demonstrates the volume of products (evidential reports, exports and witness statements), generated from examination of data captured from exhibits and produced in response to CPS, defence solicitors and judges' requests.

Figure 2



The DFU undertake work for both Wales’ and Scotland’s counter fraud services for which they charge.

Financial Investigation and Intelligence

The Financial Investigation and Intelligence Unit (FI&I), using powers under the Proceeds of Crime Act 2002 (POCA), has continued to ensure that monies obtained fraudulently are subject to restraint to prevent dissipation, and where appropriate, recovered and returned to patient care:

- there are currently 10 restraint orders in place across NIS investigations, with a combined restrained asset value of just over one million pounds
- the team have directly assisted the NHSBSA to recover over £230,000 arising from suspected fraudulently obtained payments made from the NHS Adult Social Care fund
- further confiscation proceedings are expected to conclude with the recovery of substantial funds for the NHS

FI&I have continued to use their powers under POCA to assist in the investigation of criminal offences across both NIS and LCFS. Similarly, they have conducted financial intelligence work and submitted intelligence reports numbering in the hundreds to support and enhance investigations.

Fraud Investigation

Our three investigation teams provide an investigative response across England using a range of investigative tools and powers. The figure below demonstrates the current throughput of cases handled by the teams.

During the year no NIS investigations reached the trial stage. We currently have trial dates fixed for five cases, and two further cases awaiting fixtures. Investigations currently underway include a series of cases being undertaken in association with colleagues in NHS England. These have benefitted from the assistance of our clinical dental adviser.

Quality management and performance review



Assure

The NIS have in place a quality management framework and performance review mechanism to assure senior management and ultimately the board that investigations are conducted:

- in compliance with legislation
- ethically
- expeditiously



The NIS work closely with the Crown Prosecution Service Serious Economic Organised Crime and International Directorate (SEOCD) to:

- progress charging decisions
- standardise and improve case submissions
- exchange information and expertise and effective practice

We will further build on our relationship with them by agreeing a memorandum of understanding.

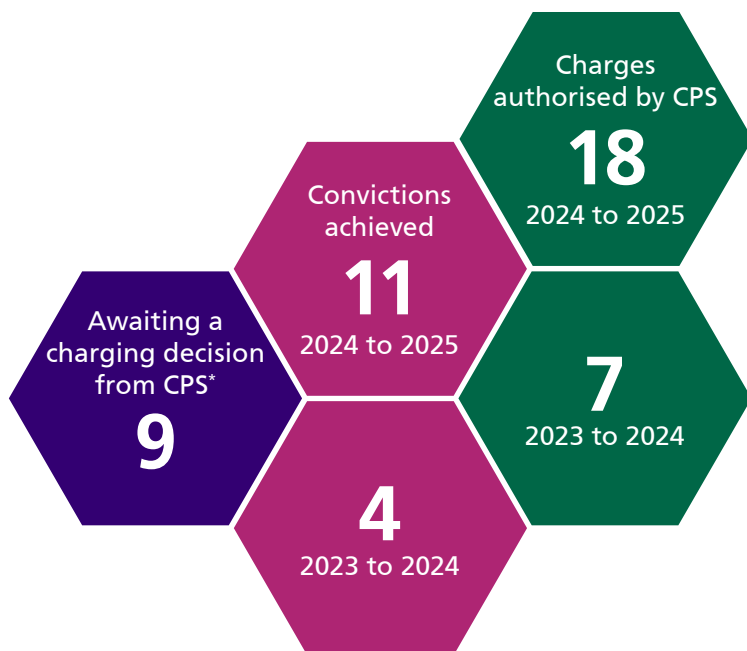
The Fraud Hub Enforcement Team



Respond

The Fraud Hub Enforcement Team supports counter fraud professionals, mainly LCFs, in preparing investigation files to meet the requirements of the CPS.

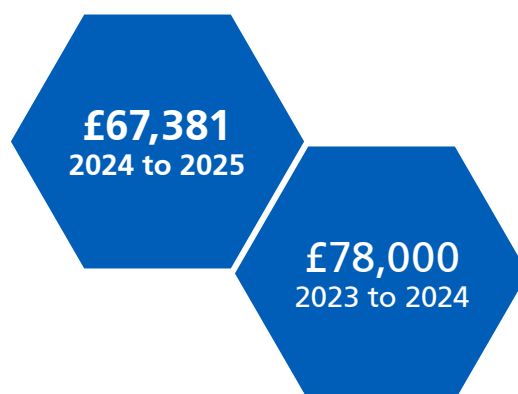
They provide prompt advice to investigators during their investigations. Counter fraud professionals are encouraged to engage with them at the earliest opportunity so that the team can offer them the necessary support and guidance. The team also act as gatekeepers to ensure that cases intended for submission to the CPS for investigative advice or charging decisions are only submitted when they meet the required standards.



*We anticipate positive outcomes from the majority of the 19 LCFs files still with CPS awaiting charging decision.



Financial recoveries made under POCA



(The lower recovery figure for 2024 to 2025 is attributable to delays in sentencing in respect of five convictions). Confiscations under POCA totalling around £90,000 are sought from three of these convictions.

LCFS prosecutions are also subject to delays in the criminal justice system with delays in sentencing following conviction. In three cases sentencing hearings have been fixed between 16 and 23 months following a not guilty plea.

Prosecutions have also been delayed by defendants failing to attend court and delays in locating and arresting absconders.

In addition to prosecutions the team have arranged police cautions in five LCFS investigations under the terms of an agreement with the City of London Police. Police have agreed in principle to issue cautions in three further cases. Notable among these cases was the first occasion police have issued a conditional caution on our behalf where the condition was to attend a fraud awareness course (similar in principle to a speed awareness course but which is a criminal sanction).

Case study 1

The defendant was an experienced senior sister in a hospital emergency department. She held administrative rights to the electronic health roster system. She created 50 bogus shifts for herself on the roster. Many of these were for night, weekend and Bank Holiday working and attracted enhanced rates of payment. The defendant made a gain of £19,575.41. The LCFS's investigation identified social media posts which showed the defendant abroad during the offending period. These were produced in evidence. In September 2024, the defendant pleaded guilty to fraud by abuse of position. The FI&I team are seeking compensation.

Case study 2

The defendant, a staff nurse, took a period of sickness absence from her primary employer. During this period, she worked 17 shifts in an identical role at a neighbouring hospital. She gained £1,734.20 through sick pay when she was demonstrably fit for work. However, the CPS accepted that the actual cost to the

NHS trust was £4,255.80 when the cost of backfilling the offender's post to cover her absence was included. The Trust incurred investigation costs of £6,850 making a total loss to the trust of £11,105.80. The defendant was charged with fraud by false representation. Compensation was sought in respect of the full loss to the Trust. Between the first and second court hearings she repaid £4,255.80 to her employer. After entering a guilty plea at the second hearing the court sentenced her to a three-year conditional discharge. The court also made a compensation order in respect of the £6,850 investigation costs. This meant that the Trust recovered all its losses.

Chris Lawrence, Fraud Hub Enforcement Lead said, ***"This case illustrates why it is important to evidence the full financial loss to a health body through fraud, not just focus on the gain made by the offender."***

Communications



Understand

Our communications team played a major role in organising the counter fraud conference (pages 31 & 32), They also play a leading role in getting our counter fraud message across to as wide an audience as possible.

Corporate documents

The Communication Team also played a significant role in producing a number of corporate documents, including:

- [2024 Strategic Intelligence Assessment](#)
- [2023 to 2026 Strategy](#)
- [2025 to 2026 Business Plan](#)

All these documents can be found in the following section of our website [Corporate publications | About | NHSCFA](#)

Campaigns

Over the last year we marked International Fraud Awareness Week (IFAW) 2024 by producing a range of social media assets, materials and video assets for our stakeholders to use. The videos highlighted the different types of fraud, and gave a short visual representation of how fraud can occur in the NHS. We also ran a 12 Frauds of the 2024 Festive Season campaign – a campaign which raised awareness of 12 fraud types and how to report them.



We also supported the project on procurement LPEs described at pages 33 & 34 above, by ensuring extensive coverage across the LCFS sector.

We continue to work with external stakeholders on a range of fraud campaigns across the public sector such as the City of London Police's Multi-Agency Campaign Group. This includes working with a range of public and private sector organisations, allowing us to take a co-ordinated approach to fighting fraud.

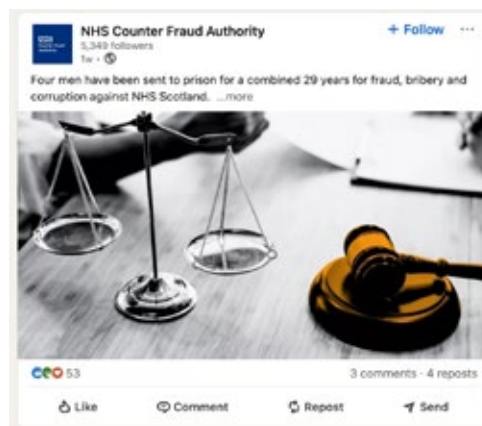
Mainstream media

The communications team work to ensure that coverage of trials and convictions, like those described at page 41 & 42 above, receive the maximum reach possible, including through national, regional and professional body media outlets.

Social media

During 2024 to 2025, the NHSCFA has significantly increased both the volume and quality of its social media content.

We have made 1,190 postings on social media over the reporting period against a target of 500.



Notable initiatives include the promotion of Project Athena updates and successful recruitment drives that have helped attract a stronger, more diverse pool of applicants to key roles. In addition, the NHSCFA has provided consistent support for external campaigns led by government departments and healthcare bodies, including Action Fraud and other national counter fraud partners.

In a strategic move to future-proof our social media presence, the NHSCFA has also begun building its presence on BlueSky. This development ensures continued visibility and resilience in the face of platform instability and strengthens our ability to share counter fraud messages with a growing audience.

Throughout the year, our strengthened social media approach has also helped celebrate staff success stories, from internal achievements to award nominations -



such as at the Tackling Economic Crime Awards (TECAs). Our updates on NHS fraud cases - both from NHSCFA investigations and those of our partners - have been key in maintaining public confidence, promoting transparency, and strengthening our reputation as an effective authority.

People



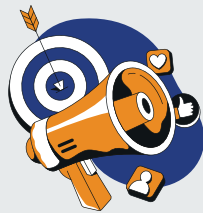
People

Supporting our people in an innovative and agile way to underpin and deliver counter fraud activity within the NHS

As we set out in our 2023 to 2026 Strategy, our people are our greatest asset. They provide the foundation for all the work we undertake to counter fraud. We seek to ensure our people have the right skills now and are supported to develop to meet future challenges. Our LIFE values underpin our organisational culture. They are:



Leading



Influence and
Empowerment



Fairness



Expertise

We are continuing with several workstreams to ensure that our people remain satisfied with their employment and the work they undertake and are allowed opportunities to develop their skills and retain a sense of wellbeing at work.

Recruitment

The first occasion potential employees will encounter us as an employer is at the recruitment stage. We believe it is important that our recruitment method is thorough, but also conducted as swiftly as possible. Our target for the year was to be able to make an offer to 90% of suitable candidates within 30 days of a job advert closing. We have achieved a level of 100%.



People satisfaction

This year's survey was conducted by an independent provider on a comparison basis with other public bodies. The survey was anonymised up to business unit level. We scored highly against other public sector bodies in respect of the way our people engaged with their work including:

- motivation and sense of achievement
- having a clear vision of our overall direction
- support for health and well being
- freedom to speak and influence

Areas where the survey response was less strong included:

- our engagement with stakeholders
- sense of inclusion

All functional units were subsequently tasked to reflect on the outcomes and have undertaken review and engagement meetings within their teams to identify and implement action plans.

HR advisory

We brought HR functions in-house a little under four years ago. The service provides support to colleagues across the organisation by:

- developing and refining policies and guidance
- assisting with recruitment procedures
- offering consistent and accurate advice on HR issues
- running face to face drop-in sessions at our offices

The HR advisory service is subject to staff survey to monitor performance.

Counter fraud, bribery and corruption



Assure

The NHSCFA annual Counter Fraud Action Plan sets out our planned counter fraud activities. It is risk-based and conforms to standard Govs013. Progress against the plan is reported to the ARAC.

Our performance was assessed as part of the PSFA's Continuous Improvement Assessment Framework in 2023 to 2024. We received the outcome of this assessment during this reporting year and we either met or exceeded the assessment criteria.

New employees get counter fraud, bribery and corruption training during their induction. This is reinforced with fraud awareness messages, which include activities based on known risks and emerging threats, such as cyber enabled fraud.

We conducted surveys to measure the effectiveness of our messaging.

Results showed that 80% of staff knew how to report their concerns, up 24% on last year's results. 79% of staff knew who our Local Counter Fraud Specialist was.

Workforce development

Our training

We continued to provide developmental opportunities to all our staff. Mandatory training in health and safety, information governance, and diversity and inclusion is provided on a rolling basis.

Our approach to health and safety at work is dealt with in greater detail at page 88 of the Accountability Report.

This year we launched our Learn portal on our intranet Go2 where our people can access the training they need.

Training available through the Learn portal include the following:

- aspiring leaders
- change management and leadership
- challenging bias
- communicating to influence
- presentations
- giving and receiving feedback



We undertook a programme of management and leadership training to 94% of our managers within their first year with us.

We also delivered finance training to all budget holders and managers.

Resources

Ensuring we use our resources in an innovative and agile way to support and deliver counter fraud activity within the NHS.

Digital resources

IT security

Our commitment to information security and IT service management remains steadfast. We are compliant with ISO standards 27001 and 20000. We frequently assess our capabilities to ensure we maintain high levels of security and service.

In common with all organisations that deal with sensitive personal and commercial information we are subject to frequent cyber-attacks.

Building upon earlier initiatives we have conducted further penetration exercises and educational campaigns to reinforce vigilance in identifying and mitigating threats. We have implemented an IT security validation tool, enabling us to identify vulnerabilities more effectively and validate security controls.

IT performance and improvements

The organisation's IT infrastructure and service delivery model continues to evolve, providing enhanced flexibility and support in achieving our strategic objectives. A newly established infrastructure team has played a pivotal role in optimising operations and implementing improvements.

Significant developments

NHSCFA has embraced a cloud native posture recently for its main technology services. This approach has brought many new tools and capabilities, and we have been working to use these to optimise our build, release and deployment procedures.

We have developed the new CRM system to provide easy access to business records and metrics related to stakeholder organisations and individuals. The introduction of the CRM system has streamlined many business processes related to stakeholder



engagement and management. CRM will be an important platform as we explore optimisation and appropriate automation of business processes. (See page 31 above for more details on the CRM).

We have developed a solution for our workspace team to help collate various documents to support health and safety requirements. Audit documentation can be completed with ease and stored in one place for analysis and processing. The solution provides previously missing functionality around accident and near miss reporting.

Sustainability

We continue to make efforts to meet the Greening Government Commitments (GGCs). Obtaining data in all the GGC’s categories remains challenging.

The location of our offices and staff means that it is difficult to take independent action in response to the GGCs. Our offices are leased in multi-occupancy buildings and many of our staff are either fully or partially home based.

We cannot provide figures for employees’ domestic energy use, nor for reduced emissions from less commuting.

We have developed mini sustainability awareness sessions for our staff which we will roll out in 2025 to 2026.

Greenhouse gas emissions

Scope 1 emissions

The NHSCFA does not own or control any sources for scope 1 greenhouse gas emissions in its offices. Details of scope 1 emissions in relation to vehicles and travel are contained in the table below.

Scope 2 emissions

Building management across all our offices now provides more detailed data on scope 2 greenhouse gas emissions, allowing for a clearer understanding of our energy consumption. We will endeavour to obtain better data to:

- track progress
- identify trends
- inform sustainability initiatives.

All our offices have sensor operated lighting.

Scope 3 emissions

Figures for our scope 3 emissions in relation to business travel are provided in the table below.

Emissions generated by business travel are still below pre-pandemic figures. This is mainly due to our transition to a hybrid working model.
63% of the workforce are fully home based, with an expectation that they will attend regular and ad-hoc in-person meetings as required.
37% of the workforce are office based and work a minimum of three days per week in the office.

Home based workers who live more than five miles from their nearest office may claim business travel to the office when required to attend.

Most of our posts offer hybrid or home working. This has:

- enlarged the pool of available potential employees
- enhanced staff work/life balance
- made more opportunities available to rural communities who may otherwise have not considered employment with us

Air travel

Our air travel went down from 25,492 kilometres in 2023 to 2024 to 5,641 kilometres in 2024 to 2025. The figure for 2023 to 2024 came about when staff attended events to build partnerships and share knowledge and experience across the international counter fraud landscape.

Air travel					
Flight type	Haul	Class	Total distance (kilometres)		
			2022-23	2023-24	2024-25
Domestic	n/a	Economy	1,612	10,239	4,677
International	Short	Economy	-	-	964
International	Long	Economy	-	15,253	-

We encourage our staff to use public transport and if this is not feasible, electric or hybrid vehicles to reduce emissions.

Greenhouse gas emissions

		2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	Movement from 2019-2020 baseline
Scope 1 emissions ¹ (tCO ₂ e) ⁵	Emissions from organisation owned fleet vehicles	2.81	2.19	3.23	2.13	1.08	0.57	
	Gas		-	-	-	-	7.48	
	Total scope 1 emissions		2.81	2.19	3.23	2.13	1.08	187%
Scope 2 emissions ² (tCO ₂ e)	Electricity		-	-	-	-	81.16	
	Total Scope 2 emissions		-	-	-	-	81.16	-%
Scope 3 emissions ³ (tCO ₂ e)	Road travel	8.11	0.34	2.46	3.29	4.03	18.80	
	Rail travel	31.81	0.09	2.33	10.01	14.05	20.52	
	Domestic air travel		-	-	0.44	2.79	1.36	
	International air travel		-	-	-	3.05	0.18	
	Total Scope 3 emissions	39.92	0.43	4.79	13.74	23.92	40.86	-22%
	Total tCO₂e	42.73	2.62	8.02	15.87	25.00	130.06	136%

Related use and cost⁴

Scope 1 emissions (tCO ₂ e)	Scope 1 business travel	Miles	46,654	37,816	53,957	33,988	16,171	8,600
		£	6,532	5,294	7,554	4,758	2,264	1,204
	Gas	kWh	-	-	-	-	-	40,924
		£	-	-	-	-	-	2,861
Scope 2 emissions (tCO ₂ e)	Electricity	kWh	-	-	-	-	-	360,161
		£	-	-	-	-	-	97,352
Scope 3 emissions (tCO ₂ e)	Road travel	Miles	101,452	4,182	30,659	41,665	50,110	93,081
		£	25,055	949	8,438	17,524	22,172	43,545
	Rail travel	Miles	454,056	1,410	35,612	163,024	246,564	360,397
		£	192,250	598	13,877	72,914	128,167	194,914
	Domestic air travel	Miles	-	-	-	1,002	6,362	2,906
		£	-	-	-	336	1,129	1,270
	International air travel	Miles	-	-	-	-	9,478	599
		£	-	-	-	-	946	393
Total miles (Scope 1 and 3)			602,162	43,408	120,228	239,679	328,685	465,583
Total cost of business travel £'000 (Scope 1 and 3)			223,837	6,841	29,869	95,532	154,678	241,326
Total cost of all related use £'000 (all scopes)			223,837	6,841	29,869	95,532	154,678	341,538

¹ Scope 1 emissions arise from organisation owned and operated vehicles, plant and machinery

² Scope 2 emissions arise from the consumption of purchased electricity, heat, steam and cooling

³ Scope 3 emissions arise from official business travel by vehicles not owned by the organisation

⁴ Miles and £ rounded to nearest whole number

⁵ tCO₂e stands for tonnes of carbon dioxide equivalent, a standard unit for counting greenhouse gas emissions



Infrastructure and estates

We relocated our Coventry office from Earlsdon Park to Cheylesmore House. This has reduced our estate space and contributed to lowering our carbon footprint. As part of the relocation, a minor refurbishment was carried out at Cheylesmore House to accommodate an evidence store.

We have a preliminary agreement in place for a five-year lease for our Citygate office in Newcastle.

Our London office remains at 10 South Colonnade, Canary Wharf which is a government hub building.

The DFU laboratory at 10 South Colonnade has been decommissioned for the foreseeable future. While this may lead to a reduction in overall office space, it is unlikely to reduce the carbon footprint. The space may be repurposed.

We will continue to assess the optimal approach to how we use our available space. No other construction or refurbishment projects were undertaken.

The organisation does not own any property or land and has not conducted any land recovery or biodiversity activities.

Waste

As both 10 South Colonnade and Cheylesmore House are managed by the GPA, they now provide waste data for the following areas:

- apportioned general waste
- apportioned composted waste
- apportioned single-use plastic

We do not have agreements with other tenants which attribute a share of the overall waste recycling data for each building so we cannot provide an analysis of our waste. All our offices have recycling schemes in place so staff can separate any waste into recyclable and non-recyclable. NHSCFA does not produce any waste that could be considered hazardous or require separate disposal.

Additionally, our furniture supplier, DAMS Furniture Ltd, operates a waste packaging recycling and reuse scheme, which recycles any damaged or unwanted furniture returned to them.

Paper use

We have ordered 130 reams of paper over the course of the reporting period. Confidential printed information is disposed of via confidential waste bins which are

available at each office or, if not, confidentially recycled at recycling points. We encourage our staff to work in as paper-free environment as possible. Where necessary we have invested in energy efficient printers. Many staff benefit from using multiple large monitors to enable them to view several documents simultaneously.

Water use

Building management at all our offices are now able to provide disaggregated figures in relation to water use by individual tenants.

All our offices have automatic taps for handwashing and instant hot water taps for making hot drinks which help reduce unnecessary water use.

Sustainable procurement

Sustainable procurement involves taking environmental and social considerations, such as the Social Value Act 2010, into account alongside financial factors when deciding which product or service to buy. It also involves looking at the costs over the whole life, considering running costs, product lifespan and disposal as well as the acquisition costs.

Addressing sustainable development in our commercial activity is consistent with best commercial practice, given that economic sustainability is reliant upon environmental and social sustainability.

As a public sector body, we have a duty to take a leading role in promoting and embedding sustainable procurement. The inclusion of sustainability in our procurement policy addresses sustainability within procurement activity but also ensures the Authority contributes to helping the wider public sector meet its targets.

All procurements should include sustainability requirements to ensure we contribute to environmental targets set by the government. In support of this we have provided contract management training that includes social values awareness and the use of social value awareness questions. Examples of these include:

- seeking information on suppliers' approach to sustainability, environmental considerations
- how these considerations are integrated into working practices
- obtaining evidence of awards or certifications held

These questions are used in procurement exercises exceeding £10,000. However, we are exploring options to expand this approach to lower value purchases.



Our main sustainable objectives are to ensure:

- that sustainable procurement principles are considered in commercial decisions based on whole life costs including value for money, resulting in a reduced impact, and ideally a positive impact
- that procurements follow sustainable best practice
- that procurement of electrical equipment will be selected considering life cycle costing analysis

Due to the nature of our estate the NHSCFA does not directly procure energy supplies.

Catering services are offered at our London and Coventry offices. In London, these services are provided by ISS, while in Coventry, they are managed by Gather & Gather. Both companies are dedicated to minimizing the environmental impact of their operations and supporting the UN Sustainable Development Goals.

[Our approach - ISS World](#)

[CSR - Gather And Gather](#)

Climate change adaptation

We are not required to report on activity spent in respect of the task force on climate-related financial disclosures. The nature of our estate means that we are very limited in taking direct action in relation to climate change adaptation. Our Workplace Team actively supports environmental initiatives and supports our landlords in the promotion of sustainability and greening government commitments.

The NHSCFA promotes and supports environmental volunteering initiatives including the offer of two special days annual leave for volunteering events.

Reducing environmental impacts from ICT and Digital

All end-of-life IT equipment is disposed of appropriately as part of a wider contract which is managed by the NHS Business Services Authority to which we are a third party. Disposal includes recycling items and parts and disposal of electrical appliances in accordance with regulations. This includes working alongside suppliers to review technology related waste and assets, and opportunities to create improvements in this.

We have recognised Project Athena will require additional power to undertake data analytical work as the workstreams come online. Consideration has been given to reducing the environmental impact of Project Athena, including shared resourcing of off-site data storage.



Next steps

We will look to develop our own sustainability strategy to support the DHSC's strategy to reflect our commitment to the Greening Government Commitment.

Our Workplace Team are members of the Civil Service Environmental Network and will continue to provide quarterly building-based data to the Head of Sustainability at DHSC to inform overall reporting. At present this information is not detailed enough to enable us to report accurately on our performance in relation to energy, water and waste.

We believe we have resolved the issue for our London office and will have accurate information for the next reporting period. We are discussing a similar option for Coventry. Where we are unable to obtain information directly, our Workplace Team will seek to engage with building management and other tenants with a view to reaching an agreement on apportioning figures for each tenant on energy, water and waste for the next reporting period.

Signed:



Alex Rothwell
Chief Executive Officer

Date: 27 June 2025



Accountability Report



Overview

This Accountability report contains three sections: combined they contribute to demonstrating accountability to Parliament and compliance with corporate governance requirements.

1. The Corporate Governance Report: which explains our governance structure, is set out in three parts:

- Directors' Report: setting out statutory disclosures not covered elsewhere
- Statement of Accounting Officer Responsibilities: setting out the requirements placed upon the Accounting Officer and the legislative basis for these
- Governance Statement: setting out the composition of the NHSCFA and the governance framework

2. The Remuneration and Staff Report. This sets out remuneration and staffing details.

3. The Parliamentary Accountability and Audit Report. Disclosures required by Parliament. Taken together, these contribute to demonstrating compliance with all our statutory obligations and accounting requirements by providing a clear description of our governance arrangements; how they support achievement of our objectives, and how they enable effective scrutiny and challenge of our internal controls and risk assessment and management measures.

Taken together, these contribute to demonstrating compliance with all our statutory obligations and accounting requirements by providing a clear description of our governance arrangements; how they support achievement of our objectives, and how they enable effective scrutiny and challenge of our internal controls and risk assessment and management measures.



Corporate Governance Report

Directors' report

The NHSCFA is the special health authority responsible for discharging the Secretary of State for Health and Social Care's counter fraud functions in relation to the health service. These functions are set out at s.195 (2) of the 2006 National Health Service Act.

The NHSCFA, accountable to the Secretary of State, supports the policies of the Secretary of State and complies with statute and any directions given by the Secretary of State. The NHSCFA presents our report and audited financial statement for the year ending 31 March 2025 in the form directed. The Accounting Officer has authorised these financial statements for issue on the date of certification by the Comptroller and Auditor General.

[Statutory Instrument 2017 No 958](#) sets out the requirements for the constitution and membership of the Board.

From 1 April 2024 to 30 December 2024 the Board comprised of our chair, Tom Taylor, three Non-Executive Directors (NEDs) and three Executive Directors, including our CEO, Alex Rothwell. Following the departure of Tom Taylor, from 01 January 2025 to 31 March 2025, Gaon Hart was appointed as interim Chair and our NED membership increased to four with the recruitment of two additional appointees on 01 January 2025 and 01 February 2025. The current composition of the Board can be found in the Performance Report at page 11 & 12.

Biographies of all our Board members and their declarations of interest are found on our website.

[The Board of directors | NHS Counter Fraud Authority | NHSCFA](#)
[NHSCFA Board - register of interests | NHS Counter Fraud Authority](#)

Potential conflicts of interests are considered pre-appointment and reviewed at the beginning of each meeting of the Board and its committees.

The Board has two committees: an Audit and Risk Assurance Committee (ARAC) and a People, Remuneration and Nominations Committee (PREMCO). Together these provide strategic direction and oversight of assurance on risk management, governance, and internal control.

The composition and terms of reference for these committees can be found at [NHSCFA Board and Committees Terms of Reference](#).

The Board supports the Accounting Officer in ensuring that the NHSCFA exercises proper stewardship of public funds, including compliance with the principles laid



out in “Managing Public Money”¹. The relevant sections of HM Treasury’s Corporate Governance Code² are also taken into consideration. There was a material departure from the requirement to have an independent effectiveness evaluation within the last three years, which is dealt with at page 75 & 76.

The Accounting Officer is responsible for maintaining a system of internal controls which support the achieving of the NHSCFA objectives in accordance with the above legislation. The effectiveness of these controls is described in our Governance Statement from page 66, which explores aspects such as:

- Integrated planning
- Risk management
- Performance assurance
- Data breaches
- Counter fraud and anti-bribery arrangements and complaints

The Comptroller and Auditor General is the statutory auditor of the NHSCFA. The fee for 2024 to 2025 is £81,000 compared with £78,000 in 2023 to 2024. No fees for non-audit work have been charged by the Comptroller and Auditor General.

¹<https://www.gov.uk/government/publications/managing-public-money>

²[Corporate governance code for central government departments 2017 - GOV.UK](#)



Statement of Accounting Officers Responsibilities

Under the requirements of the National Health Service Act 2006, and under 6(1) of the NHS Counter Fraud Authority Directions, with Supplemental Directions to the NHS Business Service Authority 20173, the Secretary of State has directed the NHS Counter Fraud Authority (NHSCFA) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the NHSCFA and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis,
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

The Secretary of State has appointed the CEO as Accounting Officer of NHSCFA. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the NHSCFA's assets, are set out in *Managing Public Money* published by the HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the NHSCFA's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Signed:



Alex Rothwell
Chief Executive Officer

Date: 27 June 2025

³The NHS Counter Fraud Authority (Establishment, Constitution and Staff and Other Transfer Provision) (Amendments) Order 2020 came into force 30 October 2020, extending the tenure of the organisation to 30 October 2023. The Health and Care Act 2022, removed the requirement to obtain Parliamentary approval to renew special health authorities, allowing the lifespan of the NHSCFA to continue.

Governance Statement

Introduction

The Accounting Officer for the NHSCFA is our Chief Executive Officer, Alex Rothwell. The governance arrangements summarised in this statement describe how the Board and Accounting Officer gain assurance. It includes information relating to the effectiveness of:

- our Board and its Committees
- our risk management including identification of emerging risks
- internal controls which include our assurance framework and assurance
- mapping process

The Accounting Officer confirms the assurances provided in this Governance Statement are in line with the HM Treasury guidance. As explained in the Directors' report, details of the legislation which established the organisation are available via the [Corporate publications | About | NHSCFA](#).

Sponsor oversight

[The Framework Agreement](#) between the DHSC and the NHSCFA details the governance arrangements between the two.

Finance, performance and accountability meetings are held regularly under the agreement, and these provide opportunities throughout the year to discuss and inform:

- financial and budgetary status and resourcing
- performance in respect of financial and non-financial targets
- high level strategic decision making and planning

Regular working level meetings enable comprehensive and accurate planning at an operational level, through exchanges of information, horizon scanning and problem solving.

NHSCFA Board

This year the Board has overseen work to evolve the direction of NHSCFA including:

- development of the 2025 to 2026 NHSCFA Business Plan
- transition and strategic approach plan on measures of success for Project Athena



- crisis planning arrangements
- cyber security report (ARAC)
- risk appetite for Innovation/Pursuit of Opportunities/Business Development
- culture statement on hybrid working
- Increased emphasis on the integrity of our people in our People Strategy
- risk mitigation and management if fraud identified is not prosecuted

This year detailed areas of scrutiny by the Board included the oversight of contingency planning linked to anticipated changes in government spending; work to develop our 2025 to 2026 Business Plan, and oversight of the NHSCFA transformational programme of work against this backdrop.

No Board development and briefing days were held during the year, this will be an area of focus for next year when our Board returns to full complement following recruitment.

The Board received updates during the year on the progress of the internal audit plan, and the follow-up of recommendations agreed for implementation. The Board noted the observations of the ARAC concerning a number of internal audit reports and in particular had discussion on the areas listed on the next page.

Audit title	Assurance rating	Number and priority of actions	Nature of discussion and improvements agreed
Health and Safety	Moderate	4 medium, 1 low	Improvements intended to progress to the next maturity model level of 'Excellent'
Portfolio and Transformation change management	Moderate	6 medium	Building maturity and optimising
Purchase to Pay	Moderate	4 medium, 1 low	Improvements will focus on monitoring of approvers' permissions, annual policy and process review schedules, robust enforcement of No PO no Pay policy, to minimise risk further
Contract Management	Limited	3 high, 5 medium	Improved contract management guidance, contract risk tiering, and enhanced contract lifecycle oversight with specialist support are being implemented
Functional Standards	Compliance	3 medium	We will identify the ambition and set out timescales to complete and review self-assessments for each Standard to improve management of the Standards and increase assurance



In addition, the Board noted the observations of the ARAC on the following audit engagements

- Data Security and Protection Toolkit – moderate assurance
- Governance and Assurance Strategy (advisory)
- Investigation Case Review Process (advisory)
- IT Strategy (advisory)

A range of suggested improvements will be introduced next year as a result of the insight provided from audits, these can be found in the respective areas under internal controls and risk management and are summarised in the overall statement of effectiveness of internal controls at page 75.

The Board noted the observations of the ARAC reflecting the continued improvement in timeliness of implementation of audit recommendations.

The Board reflected and provided feedback during the year on the standard of Board papers, reports and presentations by subject matter experts.

Overall, the Board remained satisfied with the quality of papers received, the standard of accompanying narratives, and confirmed that the information they were provided with carried sufficient detail and was both balanced and accurate. The Board provided feedback on areas to consider for further enhancements. The Board welcomed the improvements in the clarity of the Board Performance Report received for the quarter three reporting period reflecting this.

During 2024 to 2025 the Board members engaged with the workforce through an informal written update provided for staff via a virtual platform by a member of our internal Communications Team, following each board meeting. Engagement by the Board continues to take place periodically at workplaces. Our new Board Apprentice started in December 2024 following open competition and has been actively engaged with the Board since.

A review of the effectiveness of Board and sub-committee meetings is routinely conducted at the end of each meeting. All Board members' performance is appraised annually. This year the Board agreed that, in respect of both the ARAC and PREMCO, formal effectiveness reviews would be deferred until recruitment to the vacant NED roles is completed and the membership established and stabilised. Whilst quoracy has been maintained, the reduced number of NEDs has presented challenges in terms of achieving this while recruitment remained ongoing.

A Board effectiveness self-evaluation survey completed early in 2024 to 2025, identified actions to be taken following the recruitment of the full Board, including prioritising in-person meetings and use of the Insights Discovery psychometric tools to support establishment of team dynamics. An independent review of the effectiveness of the Board, with agreed areas of focus by internal audit was planned, but rescheduled to next year, when our new Board team will be in place.

NHSCFA Audit and Risk Assurance Committee (ARAC)

The ARAC is comprised of three Non-Executive Board members. It is chaired by Andrew Flanagan who has recent and relevant financial experience. The ARAC reviews our internal control arrangements and the adequacy of all aspects of our risk management, governance and assurance and audit mechanisms. This includes the review and appraisal of:

- financial management
- the annual internal audit plan
- reports made by our external and internal auditors
- reports made by our internal governance and assurance function
- the implementation of audit recommendations
- assurance maps
- the maintenance of our risk register
- the annual report and accounts

This year detailed areas of oversight and scrutiny noted by the ARAC included:

- our annual Declaration of Interests exercise
- guidance to our people on our Standards of Business Conduct policy
- Government Functional Standards adoption report
- cyber security reports

The ARAC has regularly scrutinised corporate risks and issues, including ratings and the adequacy of mitigating actions and control measures. The ARAC continued to receive enhanced Summary Strategic Risk Reporting with the provision of detailed supplementary risk appendix reports. The committee reviewed the NHSCFA risk appetite statement in the context of the wider environment and risk landscape, and considered the NHSCFA fraud risk appetite and internal counter fraud arrangements.

The ARAC considered in detail the findings of all internal audit reports, noting the assurance levels. The ARAC considered the management response to these and plans to implement recommended improvements. The ARAC received updates on the progress of the final internal audit engagement of the year in respect of the advisory review of our IT Strategy, which was tabled at the meeting on 23 June 2025.

The ARAC presented an annual report to the Board on 27 June 2025.



NHSCFA People, Remuneration and Nominations Committee (PREMCO)

The PREMCO is also comprised of three Non-Executive Board members. It is chaired by Alyson Coates. The PREMCO oversees contractual and remuneration issues concerning the CEO and Executive Directors and provides assurance to the Board on NHSCFA people and workforce development arrangements. During the year 2024 to 2025, the PREMCO received assurances on the monitoring of the CEO's personal objectives, those of the Director of Finance and Corporate Resources and Director of Performance and Improvement, as well as those of the Board Chair and NEDs. The committee has also discussed and challenged reports in the following important areas of our work, including:

- progress of the People and Workforce Development (PWD) Strategy
- our equality, diversity and inclusion aspirations
- significant findings from the workforce Spotlight survey and follow-up action
- areas to note from people workforce data and analysis, recruitment and retention strategies, and succession planning

The committee provided valuable feedback on:

- the workforce data report dashboard
- annual report on the Freedom to Speak Up initiative
- analysis of workforce leavers by category
- review of people risks
- detailed breakdown of statutory and mandatory training
- plans for our new learning management system LEARN
- recruitment policies and plans, and arrangement for skills development planning for business-critical posts
- development of a Board skills matrix
- Board development programme and arrangements for assessment of values and behaviours at board level



NHSCFA Board and Committee Member Appointments and attendance records 2024 to 2025

Board member and appointment date	Title	Board	ARAC	PREMCO	Notes
Tom Taylor 01.08.2018	Board Chair – Non-Executive Director	5/5	N/A	N/A	Tenure ended 30.12.2024
Gaon Hart 01.04.2021	Interim Board Chair - Non-Executive Director	8/9	3/4*	2/3*	*Interim Board Chair from 01.01.2025
Andrew Flanagan 01.04.2021	ARAC Chair – Non-Executive Director	8/9	6/6	N/a	
Alyson Coates 01.04.2021	PREMCO Chair –Non-Executive Director	8/9	2/6***	3/3	
Angela Dragone 01.01.2025	Non-Executive Director	3/3	2/2	1/1	
Jon Hayes 01.02.2025	Non-Executive Director	2/2	1/1	N/A	
Alex Rothwell 01.11.2021	Chief Executive	8/9	6/6	3/3**	
Matthew Jordan-Boyd 30.01.2018	Director of Finance and Corporate Services	8/9	6/6	2/3**	
Tricia Morrison 15.06.2020	Director of Performance and Improvement	8/9	5/6	N/A	

Notes :

*From 01.01.2025 Gaon Hart became interim Board Chair so his attendance at ARAC and PREMCO ceased.

** Alex Rothwell and Matthew Jordan-Boyd are not PREMCO members, only attendees.

*** Alyson Coates attended some ARAC meetings to provide quoracy.



Internal Controls

The NHSCFA has reviewed its existing internal controls and the ways in which these controls interact to provide a framework within the control environment. These systems have been in place for the year under review and up to the date of approval of the Annual Report and Accounts.

The elements that form these controls include:



Together these underpin our organisational culture and integrity, support the meeting of objectives and inform our leaders and managers on strategic and operational risks.

A description of risks that have or will affect meeting of objectives is set out in the performance report. Our response to these challenges during the year, the effect on service delivery, and how we will approach mitigating these risks are discussed in the Performance Analysis section pages 16 & 17.

A description of the organisation’s process for review and the main features which support regular monitoring are described under each feature below. Planned enhancement to our internal control arrangements are described throughout this section and summarised in our overall review of effectiveness of controls.

Risk Management

Our approach to managing risk, including tools and methodologies for identifying, assessing, documenting and reporting risks to our organisational success and the meeting of our objectives is described here, along with arrangements to strengthen our approach in year;

- risk management is conducted in line with HM Government's - The Orange Book – Management of Risk – Principles and Concepts¹. Risk management practices comply with the requirements of the Orange Book's five principles
- managers identify, evaluate and manage the operational, principal and emerging risks faced by the organisation and raise these for discussion at Performance and Assurance Panels (PAPs)
- operational risk escalation and time critical decision making occurs via escalation to senior or executive management where necessary
- management review of performance trajectories against targets and emerging risks and formally report quarterly to the Performance and Assurance Panels (PAPs)
- the Risk Register Review Group (RRRG) actively review and monitor corporate and emerging risks and issues throughout the year, considering discussions at PAPs, gap analysis and external factors identified by the Horizon Scanning Working Group and strategic stakeholder engagement
- integrated risk management approach, all emerging risks and issues are raised and discussed at the RRRG where decisions are taken on whether to monitor, escalate to ARAC/Board or refer to the DHSC

The overall risk profile of the organisation is considered when the risk appetite statement is reviewed. This statement was monitored throughout the year and amended when appropriate to ensure it reflects any changes in the operating environment, including geopolitical events or shifting political priorities, that may pose risks to the organisation's strategic objectives.

During the year we implemented improvements to enhance the effectiveness of our risk management framework, including:

- we conducted a comprehensive review of our risk management framework to improve the maturity of the organisation's risk management culture
- clarifying the roles and responsibilities of designated risk personnel, supported by a new Risk Assessment Flow Chart
- implementing changes to the frequency of maximum review periods commensurate with the level of residual risk
- consistently challenged managers during PAPs and RRRG meetings, which led to greater clarity around ownership responsibilities, and improvements in the consistency of escalation, tracking, and recording of emerging risks

¹<https://www.gov.uk/government/publications/orange-book>



Enhancements continue to be made to the reporting format for strategic, corporate, and emerging risks to ensure that relevant data is effectively captured and communicated, thereby providing the necessary assurance to the ARAC.

The Horizon Scanning Working Group and Risk Team collaboratively identify and evaluate emerging risks and opportunities that could impact the organisation. This proactive approach enhances our ability to anticipate change and supports informed strategic decision-making and long-term planning.

Principal Strategic Risks

As referenced in the performance report the reporting period began with a risk relating to the potential failure to deliver our strategic objectives as outlined in our 2023–2026 strategy. This risk was closed after the target score was achieved, following the successful embedding of the new business model implemented in April 2023, and a high level of confidence in our ability to meet the strategic objectives in the third year.

The risk relating to our organisational agility to accommodate and prioritise change was also closed upon reaching its target score, following the implementation of key improvements, including enhanced oversight within our business planning and design processes.

During the reporting year the following principal strategic risks were raised:

- a recognised and ongoing risk to the organisation's information technology infrastructure
- a failure to maintain a sufficient level of cyber resilience, processes and awareness could result in a compromise of confidentiality, integrity and/or availability of systems and the information held within
- a risk the organisation will not be able to respond effectively to prevent, detect or investigate cyber enabled fraud, including making use of artificial intelligence (AI) and other technological innovations to commit fraud
- a risk relating to the organisation's ability to effectively leverage emerging technologies such as AI, to enhance its cyber security and technology development efforts, including the timely adoption of advanced digital tools

We continue to assess the potential impact of climate change on our organisation. Currently, neither our operating model nor the threat of economic crime against the NHS is location or climate dependent. As such, climate change is not considered a principal risk to our core objectives and deliverables. Nonetheless, we remain committed to monitoring climate-related impacts through our business continuity planning and to taking action to reduce our environmental footprint.



Corporate performance assurance, project management, integrated planning

Operation of our performance management arrangements with oversight by the Board continued in 2024 to 2025. Managers meet regularly to review performance trajectories against targets and emerging risks and formally report quarterly to the Performance and Assurance Panels (PAPs), where clear pathways exist for the escalation of risk.

The organisation operates bespoke project governance frameworks for corporate projects, with simplified arrangements for smaller 'lite' projects. Corporate project boards and established project management roles continue to shape implementation of flexible project management practices, tools and resources across this work.

Bespoke governance arrangements have been implemented to oversee the organisation's transformational portfolio of work, with a Sponsor Group, Programme Boards, and a Transformation Governance and Risk Group (TGRG), ensuring the effective oversight and management of risk arising from NHSCFA Transformation Programme Boards where there is a cross organisational effect on core strategic aims, operational or support functions. The TGRG and RRRG consider, evaluate and escalate governance and risk issues ensuring they are highlighted via the Summary Strategic Risk Report to the ARAC.

Our integrated business planning process initiates corporate projects, which are governed by a combination of project boards, highlight reports and strategic updates during the performance cycle and accountability process. Accountability and visibility are ensured via the organisation's performance, programmes, and portfolio management system.

This year we have assessed our arrangements aligned to Government Functional Standard Govs02: Project Delivery. We have developed a prioritisation scoring matrix for project proposals and will be putting further arrangements in place to assure the health of all project boards.

Integrated data assurance framework

Our integrated data assurance and control framework aligns our data strategy and data quality management arrangements. Robust methodologies ensure the integrity of our performance and operational management data. Our expert reference forum, the Data Strategy Group (DSG), reviews procedures and escalates issues and risks around access to data. The Board receives progress reports on the operation of the DSG, including data acquisition and data-related opportunities for joint-working and engagement across government and between arm's length bodies and insights from the Control Strategy and Strategic Tasking and Co-ordination Group (CSSTCG) where appropriate. Each year a self-review forms part



of the DSG scheduled activities, and during 2024 to 2025 this has included assessment against Government Functional Standard Govs10: Analysis to ensure analytical best practice will be embedded across all our activities.

Financial control framework

Our financial control framework supports the organisation in meeting its commitments in a sustainable manner while ensuring value for money across all areas of expenditure. This framework encompasses a comprehensive set of policies, procedures and internal controls designed to safeguard assets, mitigate risks, and promote transparency and accountability in our financial operations. The main elements of the framework are:

- internal control environment: including clear delineation of roles and responsibilities, segregation of duties and a range of policies, procedures and practices designed to ensure the accuracy, completeness and reliability of financial reporting
- Standing Financial Instructions, Standing Orders, and Scheme of Delegation, which form part of our control environment
- opportunities to secure additional funding are identified to achieve best financial outcomes
- financial balance is achieved by aligning financial and workforce planning
- monitoring and review: we continuously monitor and review our financial control environment and financial position to assess its effectiveness and identify opportunities for improvement. This includes monthly finance assurance meetings to review and assess the risk of the financial position with accountable budget holders
- service line reporting, aligned to the delivery of our business functions via our new operating model and corporate projects, support planning, effective cost analysis, and control
- communication: we maintain effective channels of communication to ensure timely dissemination of financial information to relevant stakeholders, including management, the Board, ARAC and external auditors
- risk assessment: we conduct regular risk assessments to identify and evaluate potential risks that may impact our financial objectives. These assessments inform our control activities and help us prioritise funding allocation to mitigate the most significant risks effectively and are reported to ARAC

During the year, we reviewed the operation of our financial control framework through internal audits, finance assurance meetings, and engagement with external auditors. As a result, we have improved the clarity of reporting dashboards to support more informed and timely decision-making. We also refined our financial risk assessment processes to align more closely with changes in service delivery and organisational priorities. These improvements have contributed to better resource



allocation and improved assurance that public funds are being used efficiently and delivering value for money.

Looking ahead, we plan to further automate key financial processes and expand training for budget holders and finance staff to increase compliance, value-conscious decision-making, and control awareness across the organisation.

Procurement governance

Our governance arrangements around procurement and contract management are an area where we continue to strive for greater maturity.

Procedural guidance documents clearly link to our Standing Orders (SOs), Standing Financial Instructions (SFIs) and contract amounts requiring Board approval.

We have reviewed these during the year and improved contract management guidance, contract risk tiering, and enhanced contract lifecycle oversight with specialist support will be implemented during 2025 to 2026. This will support managers' confidence in recognising and managing risks and ensuring value for money is achieved.

Managing conflicts of interests, gifts and hospitality

Integrity and impartiality are paramount to us. Declarations of interest, gifts, hospitality or outside engagements, including nil returns, are requested annually as detailed within the NHSCFA Standards of Business Conduct policy which applies across the organisation. Declarations made by members of the Board are published externally. Each board and committee meeting has a standard agenda item to note any changes.

During the year we strengthened our control environment by introducing declarations of interests for prospective employees at offer stage and following up on this through our induction processes to ensure awareness and compliance by our people.

Declarations are reviewed to confirm there is no conflict of interest, and considered as part of our procurement procedures, including for procurements under £10K. Declarations of loyalty conflicts and recusal from decision making are integral to our arrangements.

Assurance mapping

The NHSCFA operates an assurance mapping approach, following the three lines of defence model set out in HM Government's - The Orange Book – Management of Risk – Principles and Concepts.



Our assurance mapping and governance and management frameworks are aligned to our organisation structure, and provide for ongoing alignment to the government functional standards and continuous improvement approach. Detailed ratings guidance issued to our leadership team supports the consistent application, moderation and challenge of assurance ratings.

Periodic review of the assurance map, as well as internal audit findings, are used to identify any assurance gaps, providing the basis for additional internal assurance work to be commissioned and informing conversations around our annual internal audit plan.

During the year, we have reflected on our assurance mapping arrangements given the increased maturity in our governance approaches across all areas of operation. We will be undertaking a phased re-design of the map and supporting processes during 2025 to 2026 to reflect this maturity, taking account of effective practice seen across the wider public sector.

Data protection and freedom of information

As a special health authority, the NHSCFA is subject to the requirements of the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act (DPA) 2018. Appropriate notifications have been filed with the ICO. This means that all Data Subject Access Requests are responded to within the requirements of UK Data Protection legislation, typically within a calendar month. During 2024 to 2025 we dealt with:

8 Data Subject Access Requests – all were responded to within the required timeframe, once the requestor had provided proof of their identity.

The NHSCFA is also subject to the requirements of the Freedom of Information Act (FOI) 2000. This means that all requests for information are responded to within the provisions of the Act, typically within 20 working days. During 2024 to 2025 we dealt with:

23 FOI requests – all were responded to within the required timeframe.

There was no significant change in our performance in responding to requests this year compared to previous year, when all requests also met required timescales.

Information governance framework, including data breaches

The NHSCFA has maintained a robust Information Governance Framework, including established policies, to ensure effective processes and procedures are in place to protect both confidential personal data and sensitive business information. All data breaches are tracked and escalated if required.



Issues relating to information security within the NHSCFA are coordinated by the Information Security Forum which is attended by our Senior Information Risk Owner (SIRO). The remit of the SIRO is to take ownership of the NHSCFA's information security policy, act as advocate for information risk to the Board and provide written advice to the Accounting Officer on the content of the Governance Statement with regard to information risk.

During 2024 to 2025 there were eleven information governance personal data related incidents reported and recorded. One incident was reported to the Information Commissioner's Office (ICO) who took no action; and we issued advice on adherence to the data minimisation principle and the need for advanced liaison with Information Governance when commissioning third party data processing.

Each year, the NHSCFA completes the NHS-wide Data Security & Protection Toolkit (DSPT) review which is based on the National Data Guardian's ten data security standards. Our return was submitted at the end of June 2024, and independently audited by Government Internal Audit Agency (GIAA). Compliance updates are provided to the ARAC and Board under our audit implementation arrangements.

In response to previous internal audit, business units' standard operating procedures for records management were assured during 2024 to 2025.

Counter fraud and anti-bribery arrangements

Our internal policies and procedures explain how to report allegations of suspected fraud, bribery or corruption. We continue to develop and enhance our internal prevention controls using approved fraud risk assessment methodologies.

The NHSCFA has a Counter Fraud Action Plan that sets out risk-based delivery of counter fraud activity for the year, in alignment with the Govs013 Counter Fraud Standard. We reported progress against our plan to the ARAC during the year.

New employees receive anti-fraud, bribery and corruption training during onboarding. This is reinforced with fraud awareness communications during the year, with activities based on identified risks and emerging threats, such as cyber enabled fraud.

During 2024 to 2025, one referral was received and investigated, and no fraud was found. There was one unrelated instance of non-fraudulent fruitless payment as detailed in the Parliamentary accountability and audit report.

Whistleblowing/Freedom to Speak Up

During 2024 to 2025 our Freedom to Speak Up Guardian took forward the approach outlined in our 'Freedom to Speak Up' policy, which also aligns with our LIFE Values and Behaviours Framework. Significant investment was made in establishing the service and raising the profile of the role in the organisation during the year. We



encourage our people to raise concerns openly wherever possible and provide a number of safe routes to do so. Staff and managers are supported in raising, listening to and following through when issues are raised.

During 2024 to 2025 two internal concerns were raised with our Guardian and were resolved.

Complaints

Our NHSCFA Complaints Policy outlines our approach to handling and responding to complaints against our organisation, including routes for escalation. This policy can be found at [Making a Complaint | Corporate and information governance | NHS Counter Fraud Authority](#).

Complaints provide us with a valuable opportunity for the NHSCFA to identify areas for continuous improvement to enhance our service to the public and our stakeholders. During 2024 to 2025 we received four formal Stage 1 complaints, which were resolved within an average of 14 working days; well within our policy limit of 25 working days. One complaint was escalated to Stage 2 of our process, with no known referrals to the Parliamentary Health Service Ombudsman (PHSO) during 2024 to 2025. Additionally, 19 enquiries outside our complaints remit were received and handled, offering signposting and guidance to the public.

We remain committed to using the insights and feedback from complaints to streamline and improve our internal processes.

Public Interest Disclosure Act

The NHSCFA is classified as a 'Prescribed Person' under Public Interest Disclosure legislation. Our annual report, detailing relevant activity in respect of this responsibility can be accessed here on our website.

[Prescribed person 2024-25 | Corporate and information governance | NHS Counter Fraud Authority](#)

Internal audit

A range of audits have been completed between 2024 to 2025 by the Government Internal Audit Agency (GIAA). The team providing the service operates in accordance with the prescribed Public Sector Internal Audit Standards and complies with procedures and standards set by the GIAA. The implementation of all recommendations made by GIAA are tracked and their status reported to the ARAC. Following completion of planned audit work for the NHSCFA during 2024 to 2025, the Head of Internal Audit, GIAA has objectively considered the adequacy and effectiveness of the NHSCFA's systems of risk management, governance and internal control throughout the year and provided the following opinion.



“ In accordance with the requirements of the UK Public Sector Internal Audit Standards, I am required to provide the Accounting Officer and the Audit and Risk Committee with my annual opinion on the adequacy and effectiveness of the organisation’s risk management, control and governance arrangements. My opinion is a key element of the assurance framework and can be used to inform the organisation’s Governance Statement; however, the Accounting Officer retains personal responsibility for risk management, governance and control processes. My annual internal audit opinion reflects the audit plan agreed and is not limited in scope, to the extent that the assurance provided by internal audit can never be absolute.

My opinion is based on the governance, risk and control frameworks set out in the following publications, which apply to central government organisations:

Corporate governance code for central government departments (2017), the Code is mandatory for departments, advisory for other bodies; Orange Book: Management of risks - principles and concepts (2023); and Managing Public Money (2021).

I am providing an overall ‘Moderate’ opinion on the framework of governance, risk management and control within the NHSCFA for the year ended 2024/25. Overall governance, risk management and control arrangements are generally effective. The improvements points highlighted in my report are about clarifying roles and responsibilities; strengthening assurance arrangements and by further developing processes.



Overall review of effectiveness of controls

As Accounting Officer, I have responsibility for reviewing the effectiveness of our internal controls. I have examined the information provided to me regarding the scope of performance reporting, financial management, risk management and information governance and assurance reports. I have considered the opinion of our internal auditors. I have also discussed this with our Board, the ARAC and the executive management of the organisation.

We will continue to strive to embed and improve our approaches so that risks to delivery of our counter fraud aspirations are thoroughly understood managed and mitigated.

Areas of focus for the year ahead include but are not limited to:

- clearer articulation and understanding of risks and mitigating controls, and their effect on business and corporate objectives



- streamlining our KPIs and improving the detail communicated to the Board, to achieve greater efficiency whilst maintaining transparency
- improving contract management, including implementing a structured framework for assessing contractual performance in line with best practice
- revised governance structure, exploring opportunities for streamlining, and delivering greater efficiency and clarity of accountability
- optimising reporting from Transformation Programme Boards, and implementing a framework and criteria to drive robust decision making
- continuing to assess the operating effectiveness of controls and processes, to embed our aspirations for a continuous improvement culture
- keeping underpinning strategies and related KPIs relevant and updated in the face of changes in the internal and external environment
- ensuring we plan for the digital skills needed by our people to deliver our objectives efficiently

We will continue with our horizon scanning, strategic planning and advanced analytical approaches, which have equipped us to remain agile and at the forefront in responding to changing environments and ever more sophisticated threats.

Signed:



Alex Rothwell

Chief Executive Officer

Date: 27 June 2025



Remuneration and Staff Report

The Board structure and operation is aligned with recognised best practice in terms of governance and accountability. The Board also ensures proper governance arrangements are in place to facilitate the delivery of objectives which take into account good practice outlined in Corporate Governance Code for central government departments.

Non-executive directors are appointed by the Secretary of State for a fixed term. Executive directors have NHSCFA contracts of employment. Other than statutory requirements and other normal pay provisions, there are no contractual clauses or other agreements for compensation in the event of early termination of office.

Emoluments of Board Members

Remuneration figures for all directors in post, past and present during 2024 to 2025 are detailed in the tables below. These identify the salary, other payments and allowances and pension benefits applicable to both Executive and Non-Executive Directors.

Subject to audit

Name and Title	Salary (bands of £5,000)	Non-cash benefits (nearest £100)	Performance Pay and Bonuses (bands of £5,000)	All Pension Related Benefits (nearest £1,000)	Total (bands of £5,000)
	£000	£00	£000	£000	£000
Tom Taylor ² Chair	10 - 15	-	-	-	10 - 15
Gaon Hart ³ Non-Executive Director & Interim Chair	5 - 10 (10 - 15) ¹	-	-	-	5 - 10 (10 - 15) ¹
Andrew Flanagan Non-Executive Director & ARAC Chair	10 - 15	-	-	-	10 - 15
Angela Dragone ⁴ Non-Executive Director	0 - 5 (5 - 10) ¹	-	-	-	0 - 5 (5 - 10) ¹
Jon Hayes ⁵ Non-Executive Director	0 - 5 (5 - 10) ¹				0 - 5 (5 - 10) ¹
Alyson Coates Non-Executive Director	5 - 10	-	-	-	5 - 10

					Subject to audit
Alex Rothwell Chief Executive Officer	135 - 140	-	-	36	170 - 175
Matthew Jordan- Boyd Director of Finance and Corporate Governance	120 - 125	-	-	0	120 - 125
Tricia Morrison Director of Performance and Improvement	110 - 115	-	-	30	140 - 145

¹ Annual Equivalent

² End of fixed term contract 31/12/2024

³ Assumed role of Interim Chair 01/01/2025

⁴ Joined NHSCFA 01/01/2025

⁵ Joined NHSCFA 01/02/2025

2023 to 2024 Comparison

					Subject to audit
Name and Title	Salary (bands of £5,000)	Non-cash benefits (nearest £100)	Performance Pay and Bonuses (bands of £5,000)	All Pension Related Benefits (nearest £1,000)	Total (bands of £5,000) (restated)
	£000	£00	£000	£000	£000
Tom Taylor Chair	10 - 15	-	-	-	10 - 15
Jayne Scott ² Non-Executive Director & ARAC Chair	5 - 10 (10 - 15) ¹	-	-	-	5 - 10 (10 - 15) ¹
Andrew Flanagan ³ Non-Executive Director & ARAC Chair	10 - 15	-	-	-	10 - 15
Martin Spencer ² Non-Executive Director	0 - 5 (5 - 10) ¹	-	-	-	0 - 5 (5 - 10) ¹
Gaon Hart ³ Non-Executive Director & Interim Chair	5 - 10	-	-	-	5 - 10



					Subject to audit
Alyson Coates Non-Executive Director	5 - 10	-	-	-	5 - 10
Alex Rothwell Chief Executive Officer	120 – 125	-	-	27	145 - 150
Matthew Jordan- Boyd Director of Finance and Corporate Governance	115 – 120	-	-	7	120 – 125
Tricia Morrison Director of Performance and Improvement	100 - 105	-	-	26	125 – 130

¹ Annual Equivalent

² End of fixed term contract 31/10/2023

³ Assumed role of ARAC Chair 01/11/2023

Fair pay disclosure

The Authority discloses the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

Table 1

Subject to Audit

Remuneration balance	2024-25	2023-24
Band of highest paid director's total remuneration (£000)	135 - 140	120 - 125
Median total (£)	53,329	50,576
Remuneration ratio	2.6	2.4

Table 2

Subject to Audit

Percentage change in total salary for the highest paid director and the staff average.	Total Salary and allowances	
	2024-25	2023-24
Staff Average	5.4%	0.2%
Highest Paid Director	15.4%	4.8%



Table 3

Subject to Audit

Ratio between the highest paid directors' total remuneration and the lower quartile, median and upper quartile for staff pay.	Lower Quartile	Median	Upper Quartile
2024-25	3.3 : 1	2.6 : 1	2.3 : 1
2023-24	3.2 : 1	2.4 : 1	2.1 : 1

Table 4

Subject to Audit

Lower quartile, median and upper quartile for staff pay for salaries and total pay and benefits.	Lower Quartile		Median		Upper Quartile	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Salary	41,838	36,354	53,329	50,576	60,992	57,802
Total Pay and Benefits	41,838	36,354	53,329	50,576	60,992	57,802

The banded remuneration of the highest paid director in the financial year 2024 to 2025 was £135,000 - £140,000. This was 2.6 times the median remuneration of the workforce, which was £53,329. In comparison, the remuneration of the highest paid director in the financial year 2023/24 was £120,000 - £125,000. This was 2.4 times the median remuneration of the workforce, which was £50,576.

The impact of the Very Senior Manager and Agenda for Change pay awards are reflected in the above tables.

The range of staff remuneration in 2024/25 was £25,000 - £30,000 to £135,000 - £140,000. Compared to the range of £20,000 - £25,000 to £120,000 - £125,000 for 2023/24.

In 2024/2025, no employees received remuneration in excess of the highest paid director.

Total remuneration includes salary, non-consolidated performance related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Pension Benefits

The table below sets out the pension benefits of the Chief Executive Officer and senior managers of the NHSCFA.



Pension benefits of senior managers								
Name	Title	Real increase in pension at age (bands of £2500)	Real increase in pension lump sum at age (bands of £2500)	Total accrued pension at age at 31 March 2025 (bands of £5000)	Lump sum at age 60 related to accrued pension at 31 March 2025 (bands of £5000)	Cash Equivalent Transfer value at 31 March 2025 (£'000)	Cash Equivalent Transfer value at 31 March 2024 (£'000)	Real increase in Cash Equivalent Transfer value (£'000)
Alex Rothwell	Chief Executive Officer	2.5 - 5	0 - 2.5	5 - 10	0 - 5	118	74	23
Matthew Jordan-Boyd ¹	Director of Finance and Corporate Governance	0 - 2.5	0 - 2.5	30 - 35	70 - 75	604	582	0
Tricia Morrison	Director of Performance and Improvement	0 - 2.5	0 - 2.5	10 - 15	0 - 5	189	143	22

¹ Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the NHS Pension scheme for the period from 1 April 2015 to 31 March 2022. Negative values are not disclosed in this table but are substituted for a zero.

Cash equivalent transfer value

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the members accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme, or arrangement when the member leaves a scheme, and chooses to transfer the benefit accrued in the former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.



The CETV figure and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS Pension Scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETV are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of period.

Staff numbers and costs

Subject to Audit

Staff numbers and related costs – Executive members and staff costs	Total 2024-25 £'000	Permanently employed £'000	Other £'000
Salaries and wages	10,891	10,462	429
Social security costs	1,173	1,173	-
Employer contributions to NHS Pensions	2,155	2,155	-
Other Pension Costs	0	0	
Apprenticeship levy	36	36	-
Total	14,255	13,826	429
Recoveries in Respect of Secondments	-86	-86	-
Capitalised Staff Costs	-108	-108	-
Total	14,061	13,632	429

Subject to Audit

Average number of persons employed		
Total	Permanently employed	Other
215	179	36

The Authority capitalised 2 whole time equivalents (WTE) during 2024 to 2025. All capitalised staff costs relate to internally developed IT software.



2023/24 Comparison

Subject to Audit

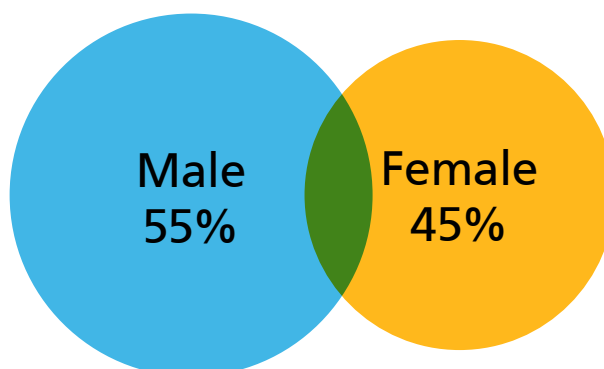
Staff numbers and related costs – Executive members and staff costs	Total 2023/24 £'000	Permanently employed £'000	Other £'000
Salaries and wages	8,761	8,010	751
Social security costs	891	891	-
Employer contributions to NHS pensions	1,446	1,446	-
Other pension costs	1	1	-
Apprenticeship levy	26	26	-
Total	11,125	10,374	751
Recoveries in respect of secondments	-16	-16	-
Capitalised staff costs	-156	-156	-
Total	10,953	10,202	751

Subject to Audit

Average number of persons employed		
Total	Permanently employed	Other
18	176	9

The Authority capitalised 3 whole time equivalents (WTE) during 2024 to 2025. All capitalised staff costs relate to internally developed IT software.

Gender Balance



Gender breakdown by pay band		
Pay bands	Male	Female
Bands 3 - 6	30	41
Bands 7 - 8a	64	43
Bands 8b – 8c	17	9
Band 8d	0	2
Band 9	2	1
Director	1	0

Employee sickness

Employee sickness is based on data provided from the NHS Electronic Staff Record (ESR) Data Warehouse and covers the period January to December 2024. ESR does not hold details of normal number of days worked by each employee. Data on days available and days recorded sick are based on a 365-day year. Average annual sick days per full-time equivalent (FTE) has been estimated by dividing the estimated number of FTE days sick by the average FTE and multiplying by 225 (the typical number of working days per year).

Figures Converted by DH to Best Estimates of Required Data Items		Statistics Published by NHS Digital from ESR Data Warehouse		
Average FTE 2024	Adjusted FTE days lost to Cabinet Office definitions	FTE-days Available	FTE-days lost to sickness absence	Average Sick Days FTE
192	1,199	69,918	1,944	6.3

Staff turnover

Staff turnover during 2024/25 was an average of 10.1%

Workforce recruitment, engagement and planning

Our recruitment is administered by the NHSBSA who have been accredited by the Disability Confident scheme. We adhere to the two ticks scheme on NHS jobs for all of our externally marketed vacancies. "Two tick" candidates that meet the essential



criteria of the job description when shortlisting must be invited to interview under the 'Guaranteed Interview Scheme' Applicants are asked to make declarations and asked if they require reasonable adjustments for selection interviews, and in employment going forward. All successful candidates are asked to complete an occupational health questionnaire to further help us support colleagues in employment. We will mitigate any impact of any absence or capability issues linked to disability by managing each circumstance in accordance with that colleague's individual circumstances in relation to their Disability. We will consider/implement reasonable adjustments suggested by Occupational Health or other healthcare professionals. Our Equality and Diversity policy has been applied along with our flexible working, sickness absence, capability and recruitment policies to promote an environment free of discrimination, harassment or victimisation and to support agile working.

An independent staff survey was conducted and reflected a staff engagement score of 83%. Our People Engagement Group provides an opportunity for all staff to participate in informal decisions on initiatives. Human Resource policies are reviewed on an ongoing cycle, this includes input from the recognised union. Lessons learned from issues raised are also considered as part of this process. A range of workforce planning has been initiated and included a review of the staff induction programme and introduction of a formal approach to succession planning. This approach is linked to the annual development review of staff members and also identified key critical roles. The organisation employs a number of people with specific skills, particularly in the investigation and data analytical areas. Development opportunities are identified to support compliance requirements. Succession planning has been strengthened within the year to support career management and recruitment. NHSCFA continue to operate under Agenda for Change terms and conditions.

Trade Union recognition

The NHSCFA currently has a recognition agreement with UNISON. Under this agreement UNISON representatives are accorded facility time in which to conduct their trade union and industrial relations activities. The tables below set out the time spent in respect of this.

Relevant union officials	
Number of employees who were relevant union officials during the relevant period	6
Full-time equivalent employee number	6



Percentage of time spent on facility time	
Percentage of time	Number of employees
0%	-
1 - 50%	6
51% - 99%	-
100%	-

Percentage of pay bill spent on facility time	
Total cost of facility time	£0.010m
Total pay bill	£14.061m
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.07%

Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100%

Expenditure on temporary staff

The total contingent labour expenditure on temporary staff incurred on the provision of operating services was £429,000, compared to £751,000 in 2023 to 2024.

The Authority had no consultancy expenditure in 2024 to 2025 (2023 to 2024 nil).

The Authority did not capitalise any costs relating to contingent labour or consultancy in 2024 to 2025 (2023 to 2024 nil).



Off-payroll engagements

Table 1

Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater.	Number of engagements
No. of existing engagements as of 31 March 2025	3
Of which...	
No. that have existed for less than one year at time of reporting	3
No. that have existed for between one and two years at time of reporting	-
No. that have existed for between two and three years at time of reporting	-
No. that have existed for between three and four years at time of reporting	-
No. that have existed for four or more years at time of reporting	-

Table 2

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater	Number of engagements
No. of new engagements, between 1 April 2024 and 31 March 2025	5
Of which...	
Not subject to off-payroll legislation	-
Subject to off-payroll legislation and determined as in-scope of IR35	5
Subject to off-payroll legislation and determined as out-of-scope of IR35	-
No. of engagements reassessed for compliance or assurance purposes during the year	-
Of which: no. of engagements that saw a change to IR35 status following review	-

Table 3

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025	Number of engagements
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	-
Total no. of individuals on payroll and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both on payroll and off-payroll engagements	8

Exit packages (subject to audit)

There were no packages agreed or special severance payments made in 2024 to 2025 (2023 to 2024 nil)

Health and Safety

To achieve compliance with Health and Safety Regulations 1999 and show effectiveness of the arrangements to mitigate risks, NHSCFA health and safety management systems follow the Health and Safety Executive (HSE) Plan-Do-Check-Act model. Health and safety incidents are reported to the NHSCFA by use of the Workplace App. During the year there have been three reported health and safety incidents relating to a road traffic collision, a trip incident whilst travelling for work and a member of staff trapped in a lift. None of the reported incidents met the threshold for Reporting Diseases & Dangerous Occurrences Regulations (RIDDOR).

A review and update of the full portfolio of health and safety policies and guidance documents has been completed and are available to colleagues on the staff intranet. The portfolio is regularly reviewed and updated in response to HSE circulars, guidance or changes of activity conducted by the NHSCFA.

An annual health and safety risk assessment of the NHSCFA general day to day activities have been completed. The risk assessment is reviewed by both the Leadership Team and Senior Management Team for agreement prior to internal publication.

Throughout the year the workplace team have made regular site visits to our three office bases to conduct site health and safety checks. To maintain the visibility of the workplace team, during these visits the team facilitate staff drop-in sessions where any concerns or queries can be raised regarding anything within the workplace portfolio. During 2024 we introduced home worker virtual drop-in sessions to ensure home workers can discuss concerns or issues with the workplace team. This approach to supporting home workers has been well received and will continue as a business-as-usual activity.



We have recruited and trained four colleagues as volunteer first aiders. In addition, we have a mutual support agreement with our office site management and other stakeholders to ensure adequate coverage for both first aiders and fire marshals where required.

Working collaboratively, we have created a new suite of mandatory health and safety training packages that are now available to colleagues.

Working with technology colleagues a Safety, Health, and Environment (SHE) App has been developed and launched through TEAMS. The App provides advice and guidance together with risk assessments for DSE, home working, lone working, health and safety incident reporting and links to Go2 related information, see below.

Members of the NHS Counter Fraud Authority National Joint Safety, Health, and Environment committee (SHE) have conducted a review of the terms of reference and membership. The Workplace Manager is the committee chair, membership now includes two home worker representatives and a health and safety accredited union representative.

Parliamentary Accountability and Audit Report

Disclosure of remote contingent liabilities (subject to audit)

The Authority is aware of its obligation for disclosure of material remote contingent liabilities (FReM) and an estimate of its financial effect. For this accounting period the NHSCFA discloses a nil return in this area. (2023-24 nil).

Disclosure of gifts (subject to audit)

The Authority is aware of its obligation to disclose gifts made over the value of £300,000 (as per Managing Public Money, annex 4.12). For this accounting period the NHSCFA discloses a nil return in this area. (2023 to 2024 nil).

Losses and special payments (subject to audit)

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature, they are items that ideally should not arise. They are, therefore, subject to special control procedures.

Details of losses and special payments are included in the table below.

Losses and Special Payments		Subject to Audit			
		Total 2024-25		Total 2023-24	
		No. of cases	£000	No. of cases	£000
Losses	Fruitless Payments	1	11	1	27
Special Payments	nil	-	-	-	-
Total		1	11	1	27

During 2024 to 2025 the Authority recorded a fruitless payment of £11,357, relating to the delayed implementation of software purchased in 2023 to 2024.

There were no losses of more than £300,000 during 2024 to 2025.

Fees and charges (subject to audit)

The Authority discloses a nil return in this area for the accounting period. (2023 to 2024 nil)

Government Functional Standards

NHSCFA has considered the content of each Government Functional Standard. NHSCFA seeks to ensure consistent management of functions (and functional standards) of our corporate activity. We have determined our aspirations in respect of each and assessed the degree to which we comply with the intentions of each Standard, in so far as it meets the needs of the organisation and supports the Accounting Officer to fulfil their duties and the fundamental principles of Managing Public Money. Work is ongoing through our Board Assurance Framework to identify areas for improved governance and management arrangements.

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the NHS Counter Fraud Authority for the year ended 31 March 2025 under the National Health Service Act 2006.

The financial statements comprise the NHS Counter Fraud Authority's:

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards as adapted or interpreted for the public sector context.

In my opinion, the financial statements:

- give a true and fair view of the state of the NHS Counter Fraud Authority's affairs as at 31 March 2025 and their total net expenditure for the year then ended; and
- have been properly prepared in accordance with the International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context and Secretary of State directions issued thereunder.



Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements section of my certificate*.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I am independent of the NHS Counter Fraud Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the NHS Counter Fraud Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the NHS Counter Fraud Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the NHS Counter Fraud Authority is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.



Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the NHS Counter Fraud Authority and its/their environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability reports. I have nothing to report in respect of the following matters which I report to you if, in my opinion:



- adequate accounting records have not been kept by the NHS Counter Fraud Authority or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the NHS Counter Fraud Authority from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context; and
- assessing the NHS Counter Fraud Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and



using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the NHS Counter Fraud Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Health Service Act 2006.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud¹

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the NHS Counter Fraud Authority's accounting policies.
- inquired of management, the NHS Counter Fraud Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the NHS Counter Fraud Authority's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud



- or non-compliance with laws and regulations including the NHS Counter Fraud Authority's controls relating to the NHS Counter Fraud Authority's compliance with the International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context and Managing Public Money.
- inquired of management, the NHS Counter Fraud Authority's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
 - discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the NHS Counter Fraud Authority for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the NHS Counter Fraud Authority's framework of authority and other legal and regulatory frameworks in which the NHS Counter Fraud Authority operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the NHS Counter Fraud Authority. The key laws and regulations I considered in this context included International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context, Managing Public Money, employment law and tax Legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.



I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

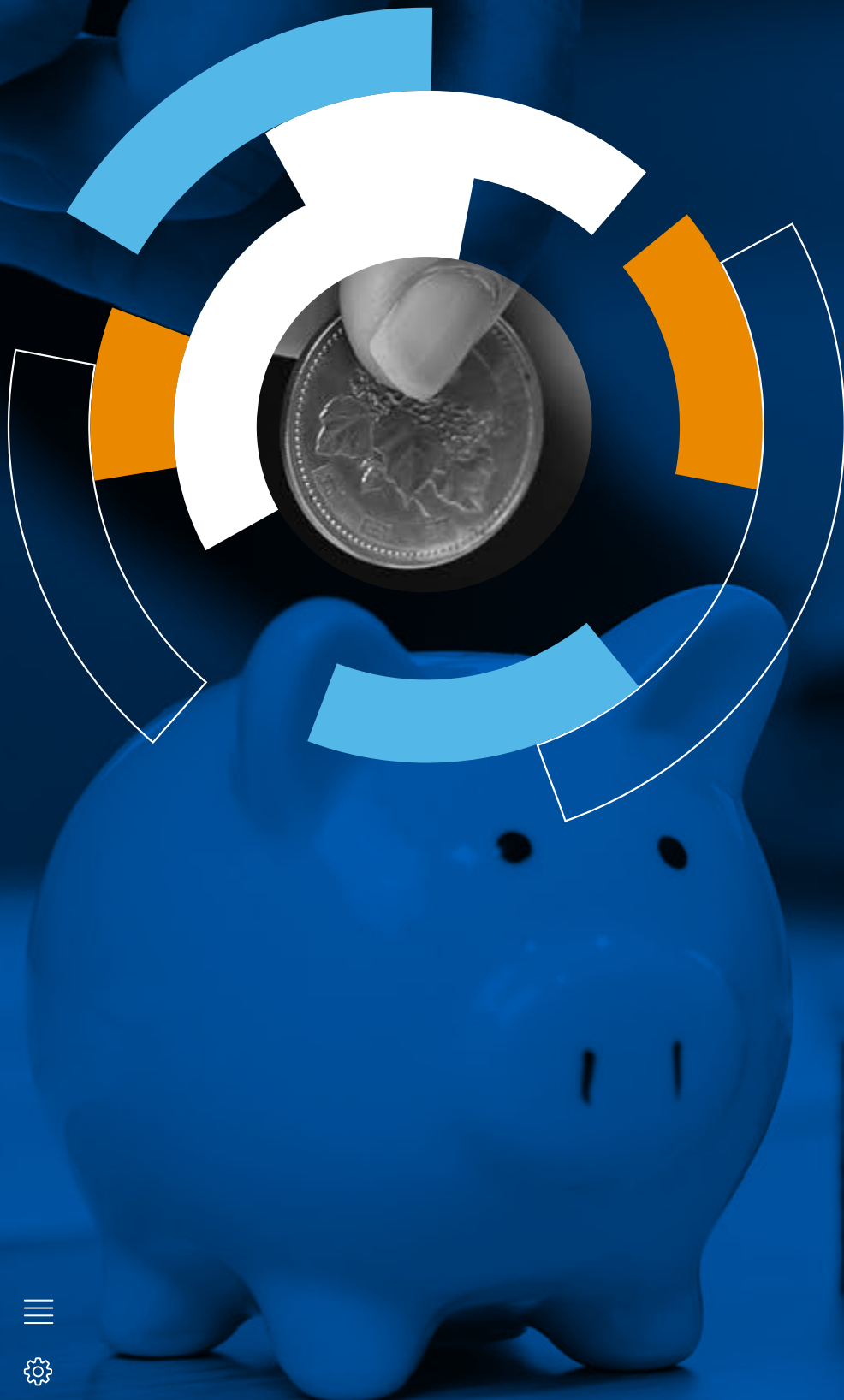
I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date: 10 July 2025

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial statements and notes to the Accounts



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Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

	Note	2024/25 £'000	2023/24 £'000
Income from sale of goods and services	2	(281)	(269)
Other operating income	2	(4)	(16)
Total operating income		(285)	(285)
Staff costs	3	14,061	10,953
Purchase of goods and services	4	3,186	3,348
Depreciation and impairment charges	4	1,910	2,275
Other operating expenditure	4	58	18
Total Operating Expenditure		19,215	16,594
Net Operating Expenditure		18,930	16,309
Finance expense	5	37	36
Total Net Expenditure for the year		18,967	16,345
Total Comprehensive Expenditure for the year		18,967	16,345

The notes on pages 104 to 132 form part of these accounts.



Statement of Financial Position as at 31 March 2025

	Note	2024/25 £'000	2023/24 £'000
Non-current assets:			
Property, plant and equipment	7	796	1,150
Right of Use Assets	6	3,385	3,456
Intangible assets	8	1,771	2,190
Other non-current receivables	9	193	22
Total non-current assets		6,145	6,818
Current assets:			
Trade and other receivables	9	699	706
Cash and cash equivalents	10	1,558	3,036
Total current assets		2,257	3,742
Total assets		8,402	10,560
Current liabilities			
Trade and other payables	11	(1,528)	(3,337)
Borrowings	12	(440)	(567)
Total current liabilities		(1,968)	(3,904)
Total assets less current liabilities		6,434	6,656
Non-current liabilities:			
Provisions	13	(152)	(111)
Borrowings	12	(2,877)	(2,923)
Total non-current liabilities		(3,029)	(3,034)
Total Assets less Liabilities		3,405	3,622
Financed by Taxpayers' Equity			
General fund		3,405	3,622
Total taxpayers' equity		3,405	3,622

The notes on pages 104 to 134 form part of these accounts.

Signed:



Alex Rothwell
Chief Executive Officer

Date: 27 June 2025

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

	General Fund £'000	Total Reserves £'000
Balance at 01 April 2024	3,622	3,622
Changes in taxpayers' equity for 2024/25		
Total Net Expenditure for the year	(18,967)	(18,967)
Total recognised income and expense for 2024/25	(18,967)	(18,967)
 Net Parliamentary Funding	 18,750	 18,750
Balance at 31 March 2025	3,405	3,405

	General Fund £'000	Total Reserves £'000
Balance at 01 April 2023	2,587	2,587
Changes in taxpayers' equity for 2023/24		
Total Net Expenditure for the year	(16,345)	(16,345)
Total recognised income and expense for 2023/24	(16,345)	(16,345)
 Net Parliamentary Funding	 17,380	 17,380
Balance at 31 March 2024	3,622	3,622

The notes on pages 104 to 132 form part of these accounts.

Statement of Cash Flows for the year ended 31 March 2025

	Note	2024/25 £'000	2023/24 £'000
Cash Flows from Operating Activities			
Net operating expenditure for the financial year	3/4	(18,930)	(16,309)
Depreciation and amortisation	4	1,910	2,275
(Increase)/decrease in trade & other receivables	9	(164)	757
Increase/(decrease) in trade & other payables	11	(1,809)	443
Increase/(decrease) in provisions	13	1	(63)
Net Cash (Outflow) from Operating Activities		(18,992)	(12,897)
Cash Flows from Investing Activities			
(Payments) for property, plant and equipment	7	(87)	(215)
(Payments) for intangible assets	8	(418)	(1,734)
Net Cash (Outflow) from Investing Activities		(505)	(1,949)
Net Cash (Outflow) before Financing		(19,497)	(14,846)
Cash Flows from Financing Activities			
Capital element of lease liability repayments	6	(694)	(647)
Interest element of lease liability repayments	5	(37)	(36)
Net Parliamentary Funding		18,750	17,380
Net Cash Inflow from Financing Activities		18,019	16,697
Net Increase / (Decrease) in Cash & Cash Equivalents		(1,478)	1,851
Cash & Cash Equivalents at the Beginning of the Financial Year		3,036	1,185
Cash & Cash Equivalents at the End of the Financial Year		1,558	3,036

The notes on pages 104 to 132 form part of these accounts.

Notes to the Accounts

1. Accounting Policies

These financial statements have been prepared in a form directed by the Secretary of State and in accordance with the Financial Reporting Manual (FReM) 2024-25, issued by HM Treasury. The accounting policies contained in the FReM follow International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of NHS Counter Fraud Authority (NHSCFA) for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Going Concern

NHSCFA's annual report and accounts have been prepared on a going concern basis.

The NHSCFA draws its funding from the Department of Health and Social Care (DHSC). Parliament has demonstrated its commitment to fund DHSC for the foreseeable future, and DHSC has demonstrated its commitment to the funding of the NHSCFA. There is no evidence that the services we provide will not continue into the future, and therefore we have applied continuation of service provision in making our decision to use the going concern assumption.

1.2 Accounting Convention

These accounts have been prepared under the historical cost convention, modified where material to account for the revaluation of property, plant and equipment, intangible assets, and certain financial assets and financial liabilities.

1.3 Critical judgements and key sources of estimation uncertainty

In the application of the Authority's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors, that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NHSCFA do not consider any judgements or uncertainties to be critical.



1.4 Income

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows;

- NHSCFA does not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less,
- NHSCFA is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in the Standard, where the right to consideration corresponds directly with value of the performance completed to date.
- The FReM has mandated the exercise of the practical expedient offered in the Standard that requires NHSCFA to reflect the aggregate effect of all contracts modified before the date of initial application.

Income in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer and is measured at the amount of the transaction price allocated to that performance obligation.

Operating income is income which relates directly to the operating activities of the Authority. It principally comprises charges for services provided on a full-cost basis to external customers, as well as public repayment work. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

1.4.1 Revenue from contracts with customers

The Authority's Other Contract Income relates to services provided to UK Devolved Administrations and Crown Dependencies.

1.5 Parliamentary funding

The main source of funding of the Authority is Parliamentary Funding from the Department of Health and Social Care within an approved cash limit, which is credited to the general fund. Parliamentary funding is recognised in the financial period in which it is received.

1.6 Employee benefits

1.6.1 Short-term employee benefits

Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.



1.6.2 Retirement benefit costs

Most past and present employees are covered by the provisions of the NHS Pensions Scheme. This scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State for Health and Social Care. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it were a defined contribution scheme: the cost to NHSCFA of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time NHSCFA commits itself to the retirement, regardless of the method of payment.

The scheme is subject to a full actuarial valuation every four years and an accounting valuation every year.

1.7 Operating expenses

Operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

1.7.1 Value added tax

Most of the activities of NHSCFA are outside the scope of value added tax (VAT). Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.8 Property, plant and equipment

1.8.1 Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to NHSCFA;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and either
- the item has a cost of £5,000 or more; or



- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- it forms part of the initial setting-up cost of a new building, irrespective of their individual or collective cost.

1.8.2 Measurement

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

Land & buildings held under operating leases are dealt with in accordance with IFRS 16, where a right of use asset is recognised. The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

Subsequent measurement is in accordance with the HM Treasury interpretation of the accounting standard for the public sector, where the Authority employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

Fixtures and IT Equipment are capitalised at cost. In the absence of an active market, as they are short-lived and/or of low value, they are carried at depreciated historic cost as a proxy for current value in existing use. The useful life of these assets is a realistic reflection of the life of the asset and the depreciation method used provides a realistic reflection of the consumption of that asset class.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset, and thereafter to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive net expenditure in the Statement of Comprehensive Net Expenditure.

The Authority does not currently have any revalued assets, hence there is no balance in the revaluation reserve. Fixed assets are carried at depreciated historic cost as a proxy for current value in existing use.

1.9 Intangible assets

1.9.1 Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of NHSCFA's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, NHSCFA; where the cost of the asset can be measured reliably; and where the cost is at least £5,000.

Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset.

Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use;
- the intention to complete the intangible asset and use it;
- the ability to sell or use the intangible asset;
- how the intangible asset will generate probable future economic benefits or service potential;
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.



1.9.2 Measurement

Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at amortised historic cost. An exercise has been performed to demonstrate that amortised historic cost is not materially different to depreciated replacement cost, which is the valuation method set out in the FReM.

1.10 Depreciation, amortisation and impairments

Depreciation and amortisation is charged to write off the costs or valuation of property, plant and equipment, right of use assets and intangible assets, less any residual value, on a straight-line basis over their estimated useful lives. The estimated useful life of an asset is the period over which NHSCFA expects to obtain economic benefits or service potential from the asset. This is specific to NHSCFA and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

At each financial year end, NHSCFA checks whether there is any indication that its property, plant and equipment or intangible assets have suffered an impairment loss. If there is indication of such an impairment, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually at the financial year end.

Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure.

1.11 Leases

1.11.1 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities



that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The trust does not apply lease accounting to new contracts for the use of intangible assets.

The Authority determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Authority is reasonably certain to exercise.

1.11.2 The Authority as lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, the Authority recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Authority's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 4.72% applied to new leases commencing in 2024 and 4.81% to new leases commencing in 2025.

The Authority does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Authority employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.



The Authority subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

1.12 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of NHSCFA's cash management. Cash, bank and overdraft balances are recorded at current values.

1.13 Provisions

Provisions are recognised when NHSCFA has a present legal or constructive obligation as a result of a past event, it is probable that NHSCFA will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates.

Early retirement provisions are discounted using HM Treasury's pension discount rate of negative 2.40% (2023 to 2024: negative 2.45%) in real terms. All general provisions are subject to four separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date:

- A nominal short-term rate of 4.03% (2023-24: positive 4.26%) for inflation adjusted expected cash flows up to and including 5 years from Statement of Financial Position date.
- A nominal medium-term rate of 4.07% (2023-24: 4.03%) for inflation adjusted expected cash flows over 5 years up to and including 10 years from the Statement of Financial Position date.
- A nominal long-term rate of 4.81% (2023-24: 4.72%) for inflation adjusted expected cash flows over 10 years and up to and including 40 years from the Statement of Financial Position date.



- A nominal very long-term rate of 4.55% (2023-24: 4.40%) for inflation adjusted expected cash flows exceeding 40 years from the Statement of Financial Position date.

1.14 Contingent liabilities and contingent assets

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of NHSCFA; or
- present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation, or the amount of the obligation cannot be measured sufficiently reliably.

A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of NHSCFA. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

1.15 Financial assets

Financial assets are recognised when NHSCFA becomes party to the contractual provision of the financial instrument or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or when the asset has been transferred and NHSCFA has transferred substantially all of the risks and rewards of ownership or has not retained control of the asset.

Financial assets are initially recognised at fair value plus or minus directly attributable transaction costs for financial assets not measured at fair value through profit or loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices, where possible, or by valuation techniques.

Financial assets are classified into the following categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.



1.15.1 Impairment

All of NHSCFA's financial assets are measured at amortised cost, as they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and where the cash flows are solely payments of principal and interest. This includes all trade and other receivables.

After initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

For all financial assets measured at amortised cost, NHSCFA recognises a loss allowance representing expected credit losses on the financial instrument.

NHSCFA adopts the simplified approach to impairment, in accordance with IFRS 9, and measures the loss allowance for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2), and otherwise at an amount equal to 12-month expected credit losses (stage 1).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. NHSCFA therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally, the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and NHSCFA does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

1.16 Financial liabilities

Financial liabilities are recognised when NHSCFA becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been extinguished – that is, the obligation has been discharged or cancelled or has expired.



1.16.1 Other Financial liabilities

All of NHSCFA's financial liabilities are measured at amortised cost. After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the amortised cost of the financial liability.

1.17 Foreign Currencies

NHSCFA's functional currency and presentational currency is pounds sterling, and figures are presented in thousands of pounds unless expressly stated otherwise. Transactions denominated in a foreign currency are translated into sterling at the spot exchange rate on the date of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March.

Exchange gains and losses on monetary items (arising on settlement of the transaction or on retranslation at the Statement of Financial Position date) are recognised in the Statement of Comprehensive Net Expenditure in the period in which they arise.

1.18 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to operating expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHSCFA not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

1.19 Standards, amendments and interpretations in issue but not yet effective or adopted

The DHSC FReM does not require the following IFRS Standards to be applied in 2024/25:

IFRS 17 Insurance Contracts – The Standard is effective for accounting periods beginning on or after 1 January 2023. IFRS 17 has been adopted by the FReM from 1 April 2025. Adoption of the Standard for NHS bodies will therefore be in 2025/26. The Standard revises the accounting for insurance contracts for the issuers of insurance. Application of this standard from 2025/26 is not expected to have a material impact on the financial statements.



IFRS 18 Presentation and Disclosure in Financial Statements - The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

IAS 16 Property, Plant and Equipment: Changes to non-investment asset valuation – changes have been adopted by the FReM from 1 April 2025 and therefore adoption of the Standard for NHS bodies will be in 2025/26. The impact of applying these changes in future periods has not yet been assessed.

2. Other operating income

	2024/25 £'000	2023/24 £'000
Income from sale of goods and services (contracts)		
Other Contract income	281	269
Total Income from sale of goods and services	281	269
Other operating income		
Other non contract revenue	4	16
Total Other operating income	4	16
Total Operating Income	285	285

Income from contracts all related to services provided to UK Devolved Administrations.

Performance obligations relating to all services provided are satisfied over time and fall entirely within the financial year.

Other non contract revenue relates to training income, employee lease car contributions and recovery of legal costs.



3. Employee benefits

3.1.1 Employee benefits

	2024/25 Total £'000	2023/24 Total £'000
Employee Benefits		
Salaries and wages	10,891	8,761
Social security costs	1,173	891
Employer Contributions to NHS Pension scheme	2,155	1,446
Other pension costs	-	1
Apprenticeship Levy	36	26
Gross employee benefits expenditure	14,255	11,125
Less recoveries in respect of secondments	(86)	(16)
Total - Net admin employee benefits including capitalised costs	14,169	11,109
Less: Employee costs capitalised	(108)	(156)
Total Operating Income	14,061	10,953

3.1.2 Retirements due to ill health

The Authority had no compensation payments or additional pension liabilities arising from early retirement or loss of office as at 31st March 2025 (31st March 2024 nil)

3.2 Pension Costs

Most past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted



for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

3.2.1 Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

3.2.2 Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.



4. Operating expenses

	2024/25 Total £'000	2023/24 Total £'000
Purchase of goods and services		
Establishment	512	420
Transport	48	24
Premises	576	1,375
Software Costs	667	397
External Audit fees	81	78
Internal audit services	99	94
Legal & professional fees	1,055	774
Education, training and conferences	148	186
Total Purchase of goods and services	3,186	3,348
Depreciation and impairment charges		
Depreciation	1,073	1,195
Amortisation	837	1,080
Total Depreciation and impairment charges	1,910	2,275
Other Operating Expenditure		
Chair and Non-Executive Members	46	54
Provision Expense	1	(63)
Losses and Special Payments ¹	11	27
Total Other Operating Expenditure	58	18
Total operating expenditure	5,154	5,641

¹ Information on Losses and Special Payments can be found within the Parliamentary accountability and audit report.



5. Finance Expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2024/25 Total £'000	2023/24 Total £'000
Interest expense:		
Interest on lease obligations	37	36
Total interest expense	37	36
Unwinding of discount on provisions	-	-
Other finance costs	-	-
Total finance costs	37	36

6. Right of Use Assets

	2024/25	
	Buildings £'000	Total £'000
Cost		
As at 01 April 2024	4,594	4,594
Additions	101	101
Remeasurements of the lease liability	420	420
Increases in Provisions for dilapidations	40	40
Disposals / derecognition	(218)	(218)
As at 31 Mar 2025	4,937	4,937
Accumulated Depreciation		
As at 01 April 2024	(1,138)	(1,138)
Provided during the year	(632)	(632)
Disposals / derecognition	218	218
As at 31 March 2025	(1,552)	(1,552)
Net Book Value at 31 March 2025	3,385	3,385

The lease for the Citygate property is scheduled to expire on 1 April 2025 and is expected to be disposed of at that date.



	2023/24	
	Buildings £'000	Total £'000
Cost		
As at 01 April 2023	4,394	4,394
Additions	-	-
Remeasurements of the lease liability	200	200
As at 31 Mar 2024	4,594	4,594
Accumulated Depreciation		
As at 01 April 2023	(506)	(506)
Provided during the year	(632)	(632)
As at 31 March 2024	(1,138)	(1,138)
Net Book Value at 31 March 2024	3,456	3,456

6.1 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 12.

	2024/25 £'000	2023/24 £'000
Carrying value at 01 April	3,490	3,937
Lease additions	101	-
Lease liability remeasurements	420	200
Interest charge arising in year	37	36
Lease payments (cash outflows)	(731)	(683)
Carrying value at 31 March	3,317	3,490

These payments are disclosed in Note 4. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.



6.2 Maturity analysis of future lease payments at 31 March

	Total 31 March 2025 £'000	Total 31 March 2024 £'000
Undiscounted future lease payments payable in:		
- not later than one year;	471	597
- later than one year and not later than five years;	1,884	1,668
- later than five years.	1,098	1,356
Total gross future lease payments	3,453	3,621
Finance charges allocated to future periods	136	131
Net lease liabilities at 31 March	3,317	3,490
Of which:		
- Current	440	567
- Non-Current	2,877	3,024

7. Property, plant and equipment

7.1 2024/25 Property, plant and equipment

	Buildings excluding dwellings £'000	Information technology £'000	Furniture & fittings £'000	Total £'000
Cost at 01 April 2024	537	2,285	55	2,877
Additions purchased	28	59	-	87
Disposals	(234)	(121)	(55)	(410)
Cost at 31 March 2025	331	2,223	-	2,554
Depreciation at 01 April 2024	412	1,264	51	1,727
Charged during the year	106	331	4	441
Disposals	(234)	(121)	(55)	(410)
Depreciation at 31 March 2025	284	1,474	-	1,758

Net Book Value at 31 March 2025	47	749	-	796
Asset financing:				
Owned	47	749	-	796
Total at 31 March 2025	47	749	-	796

7.2 2023/24 Property, plant and equipment

	Buildings excluding dwellings	Plant & machinery	Information technology	Furniture & fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost at 01 April 2023	537	-	2,446	55	3,038
Additions purchased	-	-	215	-	215
Disposals	-	-	(376)	-	(376)
Cost at 31 March 2024	537	-	2,285	55	2,877
Depreciation at 01 April 2023	245	-	1,255	40	1,540
Charged during the year	167	-	385	11	563
Disposals	-	-	(376)	-	(376)
Depreciation at 31 March 2024	412	-	1,264	51	1,727
Net Book Value at 31 March 2024	125	-	1,021	4	1,150
Asset financing:					
Owned	125	-	1,021	4	1,150
Total at 31 March 2024	125	-	1,021	4	1,150



7.3 Cost or valuation of fully depreciated assets

The cost or valuation of fully depreciated assets still in use was £424k (2023/24: £509k). These primarily relate to digital storage facilities. These assets are expected to be disposed of during 2025-26.

7.4 Economic lives

	Minimum Life (Years)	Maximum Life (Years)
Buildings excluding dwellings	3	10
Plant & machinery	5	5
Information technology	2	7
Furniture & fittings	5	5

Buildings excluding dwellings only include the cost of improvements to leasehold premises, which are written off over the term of the lease; hence the low values for minimum and maximum life.

8. Intangible non-current assets

8.1 2024/25 Intangible non-current assets

	Software Licences £'000	Development Expenditure (internally generated) £'000	Information Technology £'000	Total £'000
Cost at 01 April 2024	2,213	1,721	150	4,084
Additions purchased	310	108	-	418
Disposals	(179)	(161)	-	(340)
Cost at 31 March 2025	2,344	1,668	150	4,162
Amortisation at 01 April 2024	485	1,290	119	1,894
Charged during the year	668	152	17	837
Disposals	(179)	(161)	-	(340)
Amortisation at 31 March 2025	974	1,281	136	2,391

Net Book Value at 31 March 2025	1,370	387	14	1,771
Asset financing:				
Owned	1,370	387	14	1,771
Total at 31 March 2025	1,370	387	14	1,771

There is one software licence included above which has a carrying value which is significant to the financial statements. The licence relates to the Authority's data analytics software and has a carrying value of £633k and remaining amortisation period of 21 months.

8.2 2023/24 Intangible non-current assets

	Software Licences	Development Expenditure (internally generated)	Information Technology	Total
	£'000	£'000	£'000	£'000
Cost at 01 April 2023	2,531	1,565	195	4,291
Additions purchased	1,578	156	-	1,734
Disposals	(1,896)	-	(45)	(1,941)
Cost at 31 March 2024	2,213	1,721	150	4,084
Amortisation at 01 April 2023	1,502	1,112	141	2,755
Charged during the year	879	178	23	1,080
Disposals	(1,896)	-	(45)	(1,941)
Amortisation at 31 March 2024	485	1,290	119	1,894
Net Book Value at 31 March 2024	1,728	431	31	2,190
Asset financing:				
Owned	1,728	431	31	2,190
Total at 31 March 2024	1,728	431	31	2,190

There is one software licence included above which has a carrying value which is significant to the financial statements. The licence relates to the Authority's data analytics software and has a carrying value of £1,060k and remaining amortisation period of 33 months.



8.3 Cost or valuation of fully depreciated assets

The cost or valuation of fully amortised assets still in use was £30k (2023/24: £228k). This value relates to internally generated computer software.

8.4 Economic lives

	Minimum Life (Years)	Maximum Life (Years)
Software licences	2	5
Development Expenditure (internally generated)	2	10
Information technology	2	5

9. Trade and other receivables

	Non-current 2024/25 £'000	Current 2024/25 £'000	Non-current 2023/24 £'000	Current 2023/24 £'000
Contract receivables	-	76	-	1
Prepayments	193	511	22	588
VAT Receivable	-	17	-	22
Other receivables	-	95	-	96
Total	193	699	22	707
Total Trade & other receivables	892		729	
Included above:				
NHS receivables		75		
Capital receivables - Intangibles				68

10. Cash and cash equivalents

	2024/25 £'000	2023/24 £'000
Balance at 01 April 2023	3,036	1,185
Net change in year	(1,478)	1,851
Balance at 31 March 2024	1,558	3,036
Comprising:		
Cash with the Government Banking Service	1,558	3,036
Cash and cash equivalents as in statement of financial position	1,558	3,036

There were no cash equivalents at 31st March 2025 (2023/24 nil)

11. Trade and other payables

	2024/25 £'000	2023/24 £'000
Contract payables	454	32
Accruals	905	2,502
Other payables	169	803
Total Trade & Other Payables	1,528	3,337
Included above:		
NHS payables	418	141

There were no non-current payables at 31st March 2025 (2023/24 nil).



12. Borrowings

12.1 Current Borrowings

	2024/25 £'000	2023/24 £'000
Lease Liabilities	440	567
Total Current Borrowings	440	567

12.2 Non-Current Borrowings

	2024/25 £'000	2023/24 £'000
Lease Liabilities	2,877	2,923
Total Non- Current Borrowings	2,877	2,923

13. Provisions

	Current 2024/25 £'000	Non-current 2024/25 £'000	Current 2023/24 £'000	Non-current 2023/24 £'000
Dilapidations	-	152	-	111
Total	-	152	-	111
Total current and non-current	152		111	

	Dilapidations £'000	Total £'000
Balance at 01 April 2024	111	111
Arising during the year	41	41
Reversed unused	-	-
Balance at 31 March 2025	152	152
Expected timing of cash flows:		
Within one year	-	-
Between one and five years	152	152
Balance at 31 March 2025	152	152

14. Contingent Liabilities and Contingent Assets

14.1 Contingent liabilities

There were no contingent liabilities at 31st March 2025 (2023/24 nil).

14.2. Contingent assets

There were no contingent assets at 31 March 2025 (2023/24 nil).

15. Commitments

15.1. Capital commitments

The Authority had no contracted capital commitments at 31st March 2025 (2023/24 nil).

15.2. Other financial commitments

The Authority had no other financial commitments at 31st March 2025 (2023/24 nil).

16. Financial instruments

16.1 Financial risk management



Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities.

As the cash requirements of the Authority are met primarily through Parliamentary Funding, financial instruments play a more limited role in creating risk that would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Authority's expected purchase and usage requirements and the Authority is therefore exposed to little credit, liquidity or market risk.

16.1.1 Currency risk

The Authority is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Authority has no overseas operations. The Authority therefore has low exposure to currency rate fluctuations.

16.1.2 Interest rate risk

All of the Authority's financial assets and financial liabilities carry nil or fixed rates of interest. The Authority is not, therefore, exposed to significant interest-rate risk.

16.1.3 Credit risk

Because the majority of the Authority's income come from funds voted by Parliament and from other public bodies the Authority has low exposure to credit risk.

16.1.4 Liquidity risk

The Authority's net operating costs are financed from resources voted annually by Parliament. The Authority largely finances its capital expenditure from funds made available from Government under an agreed capital resource limit. The Authority is not, therefore, exposed to significant liquidity risks.

16.2 Financial assets

	2024/25	
	At 'amortised cost' £'000	Total £'000
Contract Receivables	76	76
Other receivables	606	606
Cash at bank and in hand	1,558	1,558
Total at 31 March 2024	2,240	2,240

	2023/24	
	At 'amortised cost'	Total
	£'000	£'000
Contract Receivables	1	1
Other receivables	683	683
Cash at bank and in hand	3,036	3,036
Total at 31 March 2024	3,720	3,720

16.3 Financial liabilities

	2024/25	
	At 'amortised cost'	Total
	£'000	£'000
Contract payables	454	454
Other payables	1,074	1,074
Total at 31 March 2025	1,528	1,528

All of the above financial liabilities have a maturity date within one year.

	2023/24	
	At 'amortised cost'	Total
	£'000	£'000
Contract payables	32	32
Other payables	3,305	3,305
Total at 31 March 2024	3,337	3,337

All of the above financial liabilities have a maturity date within one year.



17. Operating Segments

The Authority operates as a single segment, which is counter fraud.

This work is within one main geographical segment, the United Kingdom.

18. Related party transactions

The Authority is a corporate body established by order of the Secretary of State for Health and Social Care.

The Department of Health and Social Care is regarded as a related party. During the year the Authority had a significant number of material transactions with the Department and with other entities for which the Department is regarded as the parent Department, including NHSBSA.

In addition, the Authority has had a number of material transactions with one other central government department. All of these transactions have been with HM Revenue and Customs.

During the year none of the Department of Health and Social Care Ministers, Authority board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with the NHS Counter Fraud Authority.

The values including closing balances as at 31 March 2025 and prior year comparatives, are provided in the tables below.

2024/25

Name of Organisation	Trade and other receivables £'000	Trade and other payables £'000	Operating revenue £'000	Operating expenditure £'000
HM Revenue and Customs ¹	-	-	-	3,366
Criticleye (Europe) Limited	14	-	-	10
Department of Health and Social Care ²	1	143	1	842
NHS Business Services Authority ³	57	360	-	590
Risk and Management Forum	-	-	-	2
NHS Confederation	-	-	-	4

¹ Expenditure with HM Revenue and Customs relates to payroll deductions.

² Expenditure with Department of Health and Social Care relates to building lease costs and recruitment campaigns for NEDs.

³ Expenditure with NHS Business Services Authority relates to contracted services.



Name of Organisation	Trade and other receivables £'000	Trade and other payables £'000	Operating revenue £'000	Operating expenditure £'000
HM Revenue and Customs ¹	-	-	-	2,834
Criticleye (Europe) Limited	-	-	-	27
Department of Health and Social Care ²	-	548	-	-
NHS Business Services Authority ³	-	141	-	278

19. Events after the reporting period

The Accounts were authorised for issue by the NHS Counter Fraud Authority Chief Executive and Accounting Officer on the same date as the C&AG's certificate.

20. Registered Office

The registered office for the NHS Counter Fraud Authority is:

NHS Counter Fraud Authority
7th Floor
HM Government Hub
10 South Colonnade
Canary Wharf
London
E14 4PU



List of acronyms

ALB	Arm's Length Body
ARAC	Audit Risk and Assurance Committee
BAF	Board Assurance Framework
CFA	(See NHSCFA)
CFFSR	Counter Fraud Functional Standards Return
CRM	Client Relationship Management
CSSTCG	Control Strategy and Strategic Tasking and Coordination Group
DFU	Digital Forensics Unit
DHSC	Department of Health and Social Care
DHSC AFU	Department of Health and Social Care Anti-Fraud Unit
DSG	Digital Strategy Group
DSP	Data Security Protection
EHFCN	European Healthcare Fraud and Corruption Network
EFRA	Enterprise Level Fraud Risk Assessment
FCROL	Online Fraud reporting Tool
FI	Financial Investigator
FReM	Financial Reporting Manual
GIAA	Government Internal Audit Agency
HSWG	Horizon Scanning Working Group
IPCG	Integrated Planning and Coordination Group
LCFS	Local Counter Fraud Specialist
LIFE	Leading, Influence and Empowerment, Fairness, Expertise
LPE	Local Proactive Exercise
NHSCFA	National Health Service Counter Fraud Authority
NED	Non-Executive Director
NIS	The National Investigation Service of the NHSCFA
PAP	Performance and Assurance Panel
PES	Public Expenditure System
PESTLE analysis	Political, Economic, Sociological, Technological, Environmental
PIDA	Public Interest Disclosure Act
PREMCO	People Remuneration and Nominations Committee
PSFA	Public Sector Fraud Authority
PWD	People Workforce Development
QTA	Quarterly Threat Assessments
RRRG	Risk Register Review Group
SIA	Strategic Intelligence Assessment
SFI	Standing Financial Instructions
SFPU	Strategic Fraud Prevention Unit
SO	Standing Orders
SWOT analysis	Strengths Weaknesses, Opportunities, Threats
TGRG	Transformation Governance and Risk Group





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