

# NHS Shetland

<b>Meeting:</b>	Shetland NHS Board
<b>Meeting date:</b>	16 December 2025
<b>Agenda reference:</b>	Board Paper 25/26/47
<b>Title:</b>	Counter Fraud Services Annual Report 2024/25
<b>Responsible Executive/Non-Executive:</b>	Colin Marsland, Director of Finance
<b>Report Author:</b>	Gordon Young, Head of Finance NHS Scotland Counter Fraud Service

## 1 Purpose

**This is presented to the Board for:**

- Awareness and discussion

**This report relates to:**

- Annual Business Plan of the Audit Committee

**This aligns to the following NHS Scotland quality ambitions:**

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

The Board is asked to note and consider implications for NHS Shetland arising from the Counter Fraud Service Annual Review report for 2024-25, written by Gordon Young, Head of Counter Fraud Services,

## 2.2 Background

The purpose of this paper is to provide the Committee with a perspective of the potential level of suspected fraud and error across NHS Scotland as a whole. The report also identifies both the active and re-active actions Counter Fraud Service (CFS) are progressing to tackle and minimise NHS Scotland exposure to losing scarce resources through fraud.

## 2.3 Assessment

The report demonstrates, CFS have delivered key projects and continuous improvements that have positively affected NHS Scotland ability to combat fraud.

The report highlight CFS work in relation to the development how they have assisted all Boards to raise awareness of fraud through campaigns including Cyber issues, International Fraud Awareness week and other training opportunities on TURAS.

CFS actions and initiatives have reduced fraud in NHS Scotland in 2024/25. This includes:

1. Primary Care Patient Clam Team diligent work reviewing dental claims and recovered £1,219,986;
2. Primary Care Patient Clam Team diligent work reviewing 29,645 ophthalmic claims and recovered £202,611; and
3. Recovery of £5.7m pursued under the Proceeds of Crime Act.

During this year, CFS received 517 frauds reports. This represents an increase of 4.9% in comparison to the 493 reports received in 2023-24.

As outlined in the annual report CFS reported 14 cases across Scotland to the Procurator Fiscal for consideration of criminal prosecution. These cases outlined in page 14 to 19 in the report highlight why the NHS must pro-actively endeavour to detect, deter, and deal with healthcare fraud through a strategic approach involving data analysis, investigations, and Boards working in partnerships with CFS to combat fraud.

### 2.3.1 Quality/ Patient Care

Assists in the Board's governance to ensure locally quality of care and patient services.

### 2.3.2 Workforce

Assists in the Board's governance to ensure staff role in fraud detection and deterrence of fraud that are outlined in [Section 7](#) and [Section 8](#) of the Corporate Governance Handbook. The code of conduct for both staff and Board members highlights and reinforced through our actions must be in line with the seven principles of public service conduct set out in the 1995 Nolan Report.

### 2.3.3 Financial

Ensures effective governance is in place to ensure best value of resources.

#### **2.3.4 Risk Assessment/Management**

Ensures effective governance is in place to ensure relevant risk assessment and mitigations are in place.

#### **2.3.5 Equality and Diversity, including health inequalities**

Ensures effective governance is in place to supports the Public Sector Equality Duty, Fairer Scotland Duty, and the Board's Equalities Outcomes.

An impact assessment has not been completed.

#### **2.3.6 Other impacts**

No other material issues.

#### **2.3.7 Communication, involvement, engagement and consultation**

The Board has not carried out any involve and engage external stakeholders in respect of this paper.

#### **2.3.8 Route to the Meeting**

The Audit and Risk committee previously considered this report on 30 September 2025.

### **2.4 Recommendation**

- Awareness and Discussion – For Members' information.

### **3 List of appendices**

The following appendices are included with this report:

- Appendix No 1, CFS Annual Fraud Report



**Counter Fraud  
Services  
Annual Report  
2024-25**



**Fraud. Together we can stamp it out.**

# Contents

<b>Introduction</b> .....	<b>3</b>
<b>Understand</b> .....	<b>5</b>
Quantity and source of reports .....	5
Types and subject of reports.....	6
Supporting fraud risk management.....	7
Horizon scanning.....	9
<b>Prevent</b> .....	<b>11</b>
Deterrence .....	11
Employee engagement.....	11
Communications, campaigns, and social media.....	12
<b>Respond</b> .....	<b>14</b>
Intelligence Alerts .....	14
Investigations.....	14
Patient Exemption Checking .....	19
<b>Assure</b> .....	<b>21</b>
<b>Appendix A - Number and source of reports</b> .....	<b>22</b>
<b>Appendix B – Fraud types and outcomes</b> .....	<b>26</b>
<b>Appendix C – Patient Exemption Statistics 2024/25</b> .....	<b>32</b>

## Introduction

As Head of NHS Scotland Counter Fraud Services (CFS), I am proud to reflect on the achievements of our team during the 2024/25 financial year, a year marked by transition, collaboration, and an unwavering commitment to protecting NHS resources from fraud, bribery, and corruption.



Fraud against the NHS undermines the delivery of essential healthcare and erodes the trust placed in our services by patients, staff, and the wider public. This report outlines the nature, scale, and impact of fraudulent activity within NHS Scotland, and highlights the proactive measures we have taken to detect, prevent, and investigate such threats.

The NHS is funded by taxpayers and operates on the principle of providing healthcare free at the point of need. Any form of fraud, whether through deliberate misrepresentation, system exploitation, or misuse of resources, diverts critical funds away from frontline services and patient care. Tackling fraud is therefore not only a legal obligation but a moral imperative.

Over the past year, we have made significant progress across the Four Strategic Pillars of the NHS Scotland Counter Fraud Strategy.

These pillars ensure we:

- **understand** how fraud, bribery, and corruption evolve and impact the NHS.
- support health boards in **preventing** fraud related losses.
- are equipped to **respond** swiftly and effectively to fraud.
- provide **assurance** to stakeholders, service users, and the public that our counter fraud response is robust and resilient.

### Key Achievements

One of the most notable successes this year was **Operation Ariston**, a landmark case resulting in the conviction of individuals who sought to exploit the NHS for personal gain. This successful prosecution reinforces our commitment to safeguarding public funds and sends a clear message: fraud, bribery, and corruption within the NHS will not be tolerated. The custodial sentences handed down reflect the seriousness of these offences and the strength of our investigative efforts. Read more about the outcomes from this case in the Respond section of this report.

In addition, our Patient Claims Team has worked diligently to ensure that only those eligible for exemptions from patient charges receive them. Their efforts have led to the recovery of £1.4 million, which has been returned directly to health boards to support patient care.

Other notable achievements are detailed in the Understand, Prevent, Respond and Assure sections of this report.

While we take pride in these accomplishments, we remain acutely aware that the fight against fraud is ongoing. Looking ahead, our focus will be on strengthening NHS systems, fostering a culture of transparency and accountability, and ensuring that every pound entrusted to the NHS is used to deliver high quality care to those who need it most.

I would like to extend my sincere thanks to our dedicated team, the health boards, particularly the Fraud Liaison Officers and the public for their continued support.

Together, we are safeguarding the integrity of NHS Scotland and protecting the vital resources that underpin our healthcare system.

**Gordon Young**  
**Head of Service**

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## Understand



Fraudulent and corrupt behaviour is a constant threat to NHS Scotland, as it is to wider society. What is variable is the nature of the threats and opportunities for fraud. These threats and opportunities arise as our health service strives to improve the patient experience and embrace digital efficiencies without sufficient focus on maintaining counter-fraud controls. Through better understanding the fraud threat, we enable the health service to respond with the most efficient tactics and control measures.

## Quantity and source of reports

In 2024/2025, CFS received 517 fraud reports, which included 213 from health boards and a further 304 from other sources. This represents an increase of 4.9% in comparison to the number of reports received last year (493). This also represents the highest number of referrals to CFS since 2019. See *table 1* at [Appendix A](#).

Eleven health boards have seen an increase in fraud reports, NHS Fife and NHS Forth Valley having seen the largest increase of 18 and 17, respectively. The remainder of the health boards with increased reports are NHS Lanarkshire, Ayrshire & Arran, National Services Scotland, Borders, Dumfries & Galloway, Health Improvement Scotland, the National Waiting Times Centre, NHS Education for Scotland, and Public Health Scotland. Eight health boards have seen a reduction with the largest decrease being NHS Tayside. For a breakdown of reports by health board, including a comparison with 2023/24, see *table 2* at [Appendix A](#).

The 304 'non-health board reports' have been received from several sources including the website and hotline which account for 190 reports. These reports originated from our partnership with Crimestoppers, who provide a confidential platform for reporting. The Counter Fraud Authority in England accounted for 36 reports and Police Scotland 41 reports, with the remainder from medical practices, CFS proactive work and the UK Border Agency. The reporting split in respect of Crimestoppers is 83% website and 17% hotline, a slight decrease in the overall total from Crimestoppers this year (190) compared to (213) last year. CFS will be

assessing this going forward and will continue to promote both routes to ensure that reporting fraud is easily accessible to all. A full breakdown can be found in *table 3 at [Appendix A](#)*.

### **Types and subject of reports**

The 517 reports are categorised by Staff (246), Patients (118), External (98), Primary Care (37) and Other (18). The largest number of reports relate to NHS staff, albeit a decrease of 14 from last year. Within staff fraud, sickness absence reports remain the highest category of referral at 69, however this figure is down by 10 from 2023/2024, with a key consideration being under reporting to Fraud Liaison Officers and CFS. Fraudulent sickness absence primarily facilitates working elsewhere, whether for another employer, another health board or self-employment whilst building a private business. The Once for Scotland Attendance Policy makes clear that employees should be aware that undertaking secondary employment during sickness absence may be considered fraudulent and that such cases may be referred to CFS and could result in criminal proceedings or disciplinary action. CFS plan to work with health boards to help communicate and reinforce the counter fraud messaging.

The theft of desirable drugs has decreased from 34 cases last year to 32 this year but remains a significant concern in terms of potential staff, patient, and public harm. In respect of patients trying to obtain desirable drugs through prescription fraud, this has reduced slightly from 66 to 61 this year. CFS and the Controlled Drugs Accountable Officers (CDAO) group work collaboratively in dealing with desirable drug reports and developing innovative ways to assist reduce these types of theft.

This year has seen an increase in reports related to the Pharmacy First Service. CFS continue to analyse and profile the reports to identify areas of risk within the service. CFS will work with health boards and external partners to mitigate risk and enhance fraud and loss control measures.

External fraud, in particular unsolicited approaches to health boards remains high with an increase from 48 last year to 55 this year. This type of fraud relates to persons purporting to be genuine companies attempting to divert NHS funds into

fraudulent accounts. These types of fraud are sophisticated in nature but in most cases, NHS staff have remained vigilant, followed the instructions contained within mandatory training, and prevented loss of NHS monies to scammers. CFS will continue to provide training and ensure that health boards are informed timeously of new tactics being adopted by fraudsters. Specific detail can be found in *table 4* at [Appendix B](#).

In summary, there has been a marginal increase of 24 referrals during 2024/25. Eleven health boards have seen an increase, with eight showing a slight decrease. Overall, the referrals are consistent with the previous year with negligible increases or decreases in sources or types. A full breakdown of the outcome of reports and intelligence cases can be found in *table 5* at [Appendix B](#).

As planned, CFS has enabled direct reporting into our case management system. This function links to all allegations made through the online reporting form on the CFS website. This function increases the data security in sending and receiving information, and removes the possibility of transcription errors in the input of data to CFS systems.

## Supporting fraud risk management

The transition to a fraud risk management approach in NHS Scotland is a significant undertaking. There are very few trained people available to assess fraud risk therefore the areas targeted should yield the greatest value for the whole service. Early in the year CFS supported an Initial Fraud Impact Assessment (IFIA) by the system design team at the Digital Prescribing and Dispensing Pathways (DPDP) project. The early identification of fraud risks has enabled the design team to develop the appropriate counter-fraud controls.

Our aim to support NHS procurers at the start of the procurement cycle with a replacement from the Fraud and Organised Crime Impact Assessment (FOCIA) has not been achieved. There is no prospect of a national-level solution in the short to medium term but CFS is available to advise health boards that seek to develop a local assessment. CFS continues to provide comprehensive procurement-fraud

guidance through the 'TURAS Learn' platform, with regular updates as new threats emerge.

This year we commenced two fraud risk assessments (FRA); one in the procurement of agency nurses, the second in procurement within estates and facilities at a regional health board. The agency nursing FRA was an appropriate target area for this piece of work, as intelligence suggested the incidence of fraud was increasing as the national expenditure also increased. However, a two-stage intervention by Scottish Government significantly reduced the financial impact and likely incidence of this type of fraud. The specific health board that participated in the assessment received a report on the findings. The learning from this assessment will be available to all health boards in the new CFS guidance area of 'TURAS Learn'.

The second FRA focussed on procurement fraud risks within a health board estates and facilities (E&F) department. Delegated spending authority in E&F can present challenges to the effective operation of counter-fraud controls. This assessment alerted CFS to previously unknown fraud risks, requiring us to develop novel approaches to control the fraud and corruption risk. After the health board receives a fraud risk report from CFS, all transferrable learning from this assessment will be shared with other health boards in the CFS guidance area of 'TURAS Learn'.

CFS set out an ambition to integrate both intelligence and investigation data into a single NHS Scotland fraud risk log. This work has been delayed due to the high throughput of intelligence reports and constrained resourcing in CFS but will continue to progress in 2025/26.

NHS Scotland credit card utilisation had been identified by CFS as an area of spend where there may not be sufficient controls to safeguard against inappropriate or fraudulent usage. To better understand the scope of credit card use and potential risk, CFS initiated Op Minorus, a pro-active exercise aimed at identifying the level and nature of credit card utilisation across NHS Scotland. This initial review was also aimed at establishing the materiality of spend to help inform future counter-fraud controls. The review has been completed and the final report will be issued to all health boards in July 2025.

Operation Belford was initiated following concerns regarding a patient access scheme. Several patient access schemes are in place for high-cost drugs within NHS Scotland; and under the scheme agreement, primary care dispensing contractors purchase medicines at the NHS list price from an agreed supplier and a rebate is payable to health boards based on reimbursement data. In 2024, a supplier raised a dispute over the value of rebate claims for one scheme after identifying a significant difference between the volume of stock that they had sold to community pharmacies and the volume of stock reported as being dispensed.

CFS has assisted health boards and the NSS National Procurement Medicines Pricing and Supply team to resolve this dispute. This has been achieved through the revision of SLAs between health boards and community pharmacies, utilising data analytics to identify the key actors involved, and the repatriation of some dispensing to hospitals.

## Horizon scanning

CFS established a system of horizon scanning that enables its employees to highlight new threats and opportunities in the health and counter-fraud landscape. These issues are assessed monthly by the CFS management team and tasked for monitoring or action as appropriate. Next year this function will be extended to include submissions from those working in counter-fraud roles at health boards.

CFS previously informed health boards of its intention to develop the Fraud Standard Hub, to become a single source of reliable data and information on fraud in the health service. This year, through the Hub, we shared alerts, journals, campaign resources, event previews and reviews, published by a wide range of organisations that share a purpose in countering fraud. By continuing to provide relevant and useful content, visits to the Hub will become a regular part of the working week for those working in counter-fraud roles.

CFS continued its collaboration with counter-fraud colleagues across the UK to develop a common approach to learning lessons from incidents of fraud and their investigation. Learning from reports received from the NHS in England has been

used in developing guidance on the 'TURAS Learn' platform. During 2025/26 CFS expect to share Scotland's learning reports with England, Wales, and Northern Ireland.



## **Prevent** **Deterrence**

The Economic Crime and Corporate Transparency Act 2023 is the new legislation intended to deter fraud by creating a corporate crime of 'failing to prevent fraud'. During this year CFS attended awareness events, gathered relevant commentary, and kept close liaison with our colleagues in England. Delays in the Home Office publishing the guidance on the Act, in November 2024, pushed the effective implementation of the prosecutable offence back to September 2025. Guidance for NHS bodies in England has been published by the NHS Counter Fraud Authority, after approval from the Home Office. CFS will promote this guidance to health boards highlighting terminology, functions and offences that do not apply in Scotland.

In primary care, our planning aimed to provide posters and information to dental practices to remind patients and staff of the need to check and be sure of their entitlement when they claim exemption from NHS charges. CFS issued packages to 471 practices, selected based on having the highest estimated losses to fraud and error. This was a low-cost intervention using existing materials. The measurement of savings that can be attributed to this intervention (as compared to a control group of dental practices not receiving the materials) will be completed in the summer of 2025.

## **Employee engagement**

Over many years CFS has lobbied to have the fraud awareness eLearning module mandated for all employees. Under the Protected Learning Time initiative, Scottish Government included this fraud training in its list of those mandated for Agenda for Change employees. This information was communicated in NHS Circular: PCS(AFC)2024/1, issued in March 2024, then re-issued in July 2024. The training is listed as 'Counter Fraud'. This is a welcome development that should greatly increase engagement rates in many of our health boards.

In terms of participation levels in 2024/25, we saw an overall reduction in the number of employees engaging in fraud awareness activities during this year. The figures for the three main eLearning modules are shown in the table below.

Module Name	2023 24	2024 25	Increase/decrease
Fraud Awareness	10,730	9434	<b>-12%</b>
Procurement Fraud Awareness	1468	1083	<b>-26%</b>
Bid Rigging in Public Procurement	416	154	<b>-63%</b>

## Communications, campaigns, and social media

### Fraud Week 2024 - Social Media Performance

Based on the outcome data provided, the Fraud Week 2024 campaign has been successful in several key areas:

#### Social Media Performance

This campaign significantly outperformed its original engagement target of 2-5% on LinkedIn by achieving a 10% engagement rate. Achieving 3,477 unique impressions across X and LinkedIn led to 102 people interacting with our messages, through likes, shares, and comments. This campaign also accelerated our growing community of followers.

#### Intranet Performance

On the NHSS Intranet, there were 2,181 unique views of news posts, images, and videos. This significantly exceeded the goal of 600 views of the campaign page and represents a 7.8% increase in unique viewers between 10 November 2024 and 15 January 2025

## Campaign Awareness Results

A pre-campaign survey of NHS employees in Scotland revealed that 63% stated they knew how to report fraud against NHSS. This data provides a useful baseline to measure the success of future campaigns and awareness initiatives.

## Strategic Success Elements

1. The campaign successfully pivoted from X to LinkedIn due to the reported exodus of public sector away from X.
2. The successful implementation of the hashtag strategy using #FraudWeek and #NHSSFraudWeek2024.
3. Effective delivery of a toolkit of digital 'assets' to NHS boards.
4. Maintained focus on the three key messages: What is fraud, Types of fraud in NHS Scotland, and the impact of fraud.

The campaign has significantly exceeded its digital engagement targets. The impact of the campaign was maintained and, in some metrics, improved, despite the unavailability of CFS employees to provide in-person support at health board premises. Where resources and workload pressures allow, CFS aims to provide in-person support to health boards during IFAW 2025.

Through the CFS Intranet page and social media channels we shared the outcomes of criminal and other sanctions. These outcome posts followed 'priming' messages which explained the nature of the fraud we were preparing to report. These messages can be seen to promote engagement with the CFS digital presence and create opportunity to engage further and, where appropriate, report a suspicion of fraud.

Find us on [X](#) and [LinkedIn \(@NHSSCFS\)](#)

Our [CFS Intranet site](#), is available to all NHS Scotland employees.



## Respond

### Intelligence Alerts

During the year CFS issued 15 Intelligence Alerts to all health boards. These alerts included a fraudulent invoice scam, whereby a fraudulent supplier requested payment for an overdue invoice, a scam involving the impersonation of a senior NHS manager seeking immediate payment and invoices issued to GP Practices, from a fictitious company, seeking payment for toner cartridges which were never ordered nor provided by the supplier.

CFS were also notified of two data breaches, the first from an NHS supplier informing the NHS that a third-party contractor had obtained personal details of clients and advising to be vigilant in respect of any phishing emails or phone calls requesting changes of bank details or requests for payment. The second was in respect of NHS Bank Staff systems which had been compromised and personal details such as mobile telephone numbers and place of work had been obtained.

One of our delivery goals this year was to implement a reply function on our intelligence alerts. This would enable health boards to reply to CFS to advise of action taken as a result the alert, and any outcomes that can be recorded for that action e.g. value of fraud prevented, or new counter-fraud controls adopted. Further work is required by CFS to implement this change.

## Investigations

CFS reported 14 cases to the Procurator Fiscal for consideration of criminal prosecution this year. Brief details of each are provided below, following a summary of Operation Ariston.

### Operation Ariston

In 2013, responding to the theft and misuse of several mobile phones owned by a health board, CFS commenced an investigation named Operation Ariston. Enquiries into the thefts rapidly expanded its scope, discovering a wide range of acquisitive

criminal offences committed by multiple individuals, including senior NHS managers. CFS reported the case to Crown Office and Procurator Fiscal Service in 2017 but continued to make enquiries to assist Crown in preparing one case for trial. The case proceeded to trial in the High Court in January 2025 and following a 13-week trial resulted in:

- Two NHS managers and two company directors convicted on 17 charges
- Sentences totalling 29 years imprisonment
- Recovery of £5.7m pursued under the Proceeds of Crime Act

The scale of the investigation and the resources required to deliver this result can be seen in the following numbers:

- Five NHS staff dismissed or resigned
- 518 witness statements and 16 interviews under caution
- 66 digital devices forensically examined
- 4,410 documentary productions (exhibits)
- 50+ million items of data downloaded
- Eight property searches and 35 bank warrants

At its height, Operation Ariston covered five health boards and the key to the effectiveness of the operation was the collaboration with NHS staff within these boards. CFS recognise their commitment and dedication to this case and to preventing further recurrence. We also wish to acknowledge the following organisations for their enduring support: Police Scotland; Crown Office and Procurator Fiscal Service; and NHS Counter Fraud Authority. An internal review of Operation Ariston will now take place, with learning shared with our health board partners.

## Operation Calder

A consultant worked agency shifts during hours when he was contracted to be undertaking work for the board and obtained £15,278.81 by fraud. The individual resigned from his employment with the board during the investigation.

## Operation Fell

A nurse submitted numerous fraudulent timesheets to her agency, who in turn invoiced the health board for shifts, with a value of £3,954.15, that had not been requested or worked.

## Operation Argyll

Police Scotland made CFS aware of a former Police Scotland employee who was the subject of a criminal investigation for obtaining his Police Scotland employment through false information and references. An investigation undertaken by CFS identified that the individual had subsequently been employed by a health board, based on similar false information and references. The individual resigned during the course of the investigation, Police Scotland and CFS have reported both frauds to the Crown Office.

## Operation Almond

A healthcare support worker fraudulently used a board hire car for her own personal use. Between May 2022 and January 2023, the individual made 111 fraudulent bookings and also used a board fuel card to pay for the associated fuel. The case was compounded by further fraudulent travel and subsistence claims related to the bookings.

## Operation Kielder

A GP embezzled nearly £50,000 from employees at the practice. Between April 2022 and September 2023, the GP made deductions for superannuation payments which were then not passed to the Scottish Public Pension Agency. The GP practice has since been transferred back to health board control.

## Operation Bluebell

A General Practitioner (GP) failed to declare to his substantive employer that he was also working for a neighbouring health board. Over a period of 30 months, the GP claimed to have undertaken shifts as part of the “Doctors on Call” system in both health boards at the same time, on other occasions the two shifts overlapped by two to three hours. The post required the GP to be available to attend the home address of patients as well as provide consultations over the phone. The distance between the two offices was over 60 miles. During the material period, the GP benefited by £93,344. A report has also been made to the General Medical Council.

## Operation Balfour

A staff nurse claimed to be unfit to work due to ongoing health issues. During the period of the sickness absence, the staff nurse worked 41 agency shifts for the Scottish Nursing Guild. In addition to the period of sickness absence, there was also a period of special leave which was not included in the criminal report. The total defrauded by the staff nurse was £19,369. A report has also been made to the Nursing and Midwifery Council.

## Operation Laurie

A Business Analyst working full-time with a specialist health board was also carrying out full-time work with a local authority at the same time. Both posts were based at home. The accused failed to declare the other full-time work to either employer. The total defrauded over the three-year period was £142,803. The accused has since resigned from both full-time positions.

## Operation Antigua

A full-time Call Agent with a specialist health board was also carrying out full-time work with the Scottish Government at the same time. Both posts were based at home. The accused failed to declare the other full-time work to either employer. The total defrauded over the three-month period was £12,803. The accused has since resigned from both full-time positions.

## Operation Grove

An Administrative Assistant abused the trust placed in them by embezzling funds from a petty cash fund. The fund was held by the board to assist service users recovering from alcohol and other dependencies. Over a ten-month period, a total of £14,492 was embezzled from the fund. When interviewed under caution the employee admitted to the offence and a report has been sent to the Procurator Fiscal.

## Operation Carrick

A Senior Charge Nurse claimed to be unfit to work due to ongoing health and other social issues. During the period of the sickness absence, they also worked as an Aesthetics Nurse at a private clinic. The secondary employment was known to the board, but the Senior Charge Nurse confirmed during welfare checks that they were not working for the private clinic during this period of sick leave. The total defrauded was £12,023. A report has also been made to the Nursing and Midwifery Council.

## Operation Orwell

A GP created fraudulent prescriptions in the name of a genuine patient registered at the practice. Over an eight-month period the GP created a total of ten fraudulent prescriptions and had the drugs dispensed by a local pharmacy directly to the GP surgery. In total, drugs to the value of £13,212 were obtained by fraud. A report has also been sent to the General Medical Council.

## Operation Chester

A Service Support Administrator abused the trust placed in them by embezzling £8,054 from one of the board's endowment funds. On 12 separate occasions the administrator met with families of recently bereaved patients and accepted monetary donations on behalf of the board. The donations were later removed from the safe and never deposited into any of the board's bank accounts and the relevant paperwork was never submitted.

## Operation Gable

A Community Pharmacist made fraudulent claims under the Pharmacy First Plus Service. The pharmacist owned four pharmacies over a significant geographical area. During the period from September 2020 to March 2023 the pharmacist made false claims relating to two pharmacies where the service was not provided at all. The total defrauded over this period was £109,000 all of which has been repaid. The case was also reported to the General Pharmaceutical Council.

In addition to CFS-led investigations, we offered to support health boards with investigations arising from the National Fraud Initiative. Assistance and guidance was provided in response to requests from several health boards.

CFS committed to “explore new approaches to identify and recover monies lost to fraud.” Through work with its debt-recovery partner, a process was developed to recover lower-value amounts lost through fraud. This is for fraud incidents where a criminal prosecution is achieved. The aim is for repayments obtained by the debt-recovery partner to be passed directly to the board that incurred the loss. We continue to pilot this process of pursuing non-payment through the Scottish Courts and Tribunals Service. If successful, the service may be offered across NHSS.

During the year CFS Investigators also provided advice to health boards in a range of investigations under policy, drug thefts and referrals to professional regulators.

## Patient Exemption Checking

During the year 2024/25, the Patient Claims Team (PCT) checked 50,327 dental claims and recovered £1,219,986. The PCT also checked 29,645 ophthalmic claims and recovered £202,610.80. The targetting of higher value claims has resulted in the total recovery of £1,422,597, of which £1,329,107 has been returned to the health boards affected, after the deduction of recovery costs. The patient exemption checking programme also prevented a further £1.04m being lost through changing the behaviour of patients who have been previously checked and found to not be exempt, resulting in them now paying at the point of treatment. A full breakdown of PCT outcomes can be found in 2024/25 Patient Exemption Statistics at [Appendix C](#).

For sums of £5,000 or less, the Simple Procedure is a court process providing CFS with a speedy, inexpensive and informal way to resolve non-payment of patient charges. By the end of March 2025, 38 patients had been taken through this procedure with almost all repaying their outstanding patient charges, penalty charges and surcharges.



## Assure

CFS continued to support health boards in administering the NHS Counter Fraud Standard. This Standard reflects the baseline level of how public sector organisations manage the threat from fraud and corruption. All health boards engage with CFS in a range of planned activities and report these at the end of each year in a report that can be reviewed by the audit and risk committee.

The NHSS Counter Fraud Standard is the most significant vehicle to provide assurance that the risk of fraud is managed effectively by health boards. However, other services contribute to the assurance of fraud control. As described earlier in this report, CFS helps to facilitate Initial Fraud Impact Assessments (FIAs). It is recommended that health boards consider doing an FIA on all high-expenditure new programmes to identify and control fraud risks early in the design process.

This year CFS adopted a new savings methodology that aligns with those of England's NHS and the Public Sector Fraud Authority. With its new case management system as a reliable repository for all fraud and error incidents, there is now greater capability in CFS to report the measured amounts for fraud loss, recovery, and prevention. Where possible, and appropriate, these figures will be reported at health board level.

## Appendix A - Number and source of reports

### Number of Reports (table 1)

Year	Boards	Other Sources	Total
Year to March 2019	141	291	432
Year to March 2020	130	308	438
Year to March 2021	95	174	269
Year to March 2022	127	197	324
Year to March 2023	143	223	366
Year to March 2024	212	281	493
Year to March 2025	213	304	517

Quarter	Boards	Other Sources	Total
Quarter 1 to June 2024	57	75	132
Quarter 2 to September 2024 <sup>1</sup>	68	85	153
Quarter 3 to December 2024 <sup>1</sup>	49	75	124
Quarter 4 to March 2025	39	69	108

<sup>1</sup>Please note that the total values for Quarter 2 and Quarter 3 differ from those reported in the Quarter 2 and Quarter 3 reports by one and three reports, respectively. This is due to in-year recategorisation

## Number and Source of Reports (Table 2)

Budget (£m) 2024/25	Board	Board		Other Source		Total	Change	Change from 2023/24
		Intel case	Info only	Intel Case	Info Only			
2,733	NHS Greater Glasgow and Clyde	14	16	37	24	91	↓	-1
1,826	NHS Lothian	14	12	34	20	80	↔	0
1,176	NHS Grampian	9	23	13	7	52	↓	-7
829	NHS Fife	11	8	22	5	46	↑	18
1,489	NHS Lanarkshire	4	8	22	11	45	↑	5
659	NHS Forth Valley	5	14	9	9	37	↑	17
951	NHS Tayside	11	10	6	5	32	↓	-12
807	NHS Highland	6	5	11	5	27	↓	-1
884	NHS Ayrshire and Arran	2	2	9	7	20	↑	1
380	NHS National Services Scotland	4	10	2	1	17	↑	6
349	Scottish Ambulance Service	1	1	5	3	10	↔	0
260	NHS Borders	3	1	3	2	9	↑	4
365	NHS Dumfries & Galloway	4	0	2	2	8	↑	3
34	NHS Healthcare Improvement Scotland	1	1	4	2	8	↑	5
N/A	No Health Board Region	0	0	1	7	8	↔	0
91	NHS 24	2	1	2	1	6	↓	-3
82	NHS National Waiting Times Centre Board	2	0	1	2	5	↑	3
N/A	All Boards	1	1	0	2	4	↓	-7
550	NHS Education for Scotland	3	1	0	0	4	↑	2

45	The State Hospitals Board for Scotland	0	0	2	1	3	↓	-3
58	Public Health Scotland	0	0	1	1	2	↑	2
93	NHS Western Isles	1	1	0	0	2	↓	-5
64	NHS Orkney	0	0	0	1	1	↔	0
62	NHS Shetland	0	0	0	0	0	↓	-3
<b>13,787</b>	<b>Totals</b>	<b>98</b>	<b>115</b>	<b>186</b>	<b>118</b>	<b>517</b>	↑	<b>24</b>

### Non-board reports (Table 3)

Source	Number	Change	Change from 2023/24
Website (CrimeStoppers)	159	↓	-11
Police	41	↑	28
CFA	36	↑	20
Hotline (CrimeStoppers)	31	↓	-12
Other	27	↑	4
Medical Practice	4	↓	-1
CFS proactive	2	↓	-2
UK Border Agency	2	↓	-2
PCT	1	↑	1
Payment Verification	1	↑	1
<b>Totals</b>	<b>304</b>	↑	<b>23</b>

## Appendix B – Fraud types and outcomes

### Types and Subject of Reports (Table 4)

Subject and Type - STAFF	Number	Change	Change from 2023/24
Sickness Absence	69	↓	-10
Theft - Desirable Drugs	32	↓	-2
Earnings - Overtime and Enhanced or on Call Hours	19	↑	6
Earnings - Not Working Contracted Hours	18	↑	3
Insider - Other	14	↓	-4
Earnings - Other	10	↑	1
Non-categorised - Other	10	↓	-8
Earnings - Working elsewhere on NHS time, on call or unauthorised absence	9	↓	-3
Theft - NHS Equipment	8	↔	0
Staff - P&C - NHS Staff Collusion - Breach of Procurement Rules	7	↑	4
Staff – P&C - NHS Procurement/Purchase Cards	6	↓	-1
Declaration - Criminal Conviction	5	↑	5
Insider - Improper Payments	5	↑	5
Theft - Monies	5	↓	-2
Documents - Altered or Counterfeit	4	↑	1
Insider - Recruitment Process	4	↔	0
Declaration - Other	3	↑	2
Declaration - Right to Work	2	↓	-1
Documents - Forged	2	↑	2
Documents - Other	2	↑	2
Insider - Ghost Employees	2	↑	2
Staff – P&C - NHS Staff Collusion - False Quotes or Tenders	2	↑	2
Declaration - Compensation for Injury/Damages	1	↑	1
Declaration - CV Issues	1	↓	-1
Declaration - Impersonation Medical Profession	1	↑	1
Earnings - Abuse of Leave	1	↓	-4
Earnings - Income Inflation	1	↔	0
Earnings - Travel and Subsistence	1	↓	-5
Insider - Exploiting NHS Assets	1	↓	-5
Insider - Misuse of Patient Funds	1	↓	-2
<b>Total</b>	<b>246</b>	<b>↓</b>	<b>-14</b>

Subject and Type - PATIENT	Number	Change	Change from 2023/24
Prescription - Desirable Drugs	61	↓	-5
Identity - Using False Identity to Obtain Services - Patient - Registration - Identity False	16	↑	11
Registration - Other	10	↑	8
Identity - Using False Identity to Obtain Services - Patient - Registration - Address False	5	↓	-7
Charge Evasion - Other	4	↓	-7
Charge Evasion - FHS	3	↑	3
Non-categorised - Other	3	↓	-5
Prescription - Counterfeit	2	↑	1
Prescription - Medicines Obtained for Person other than Genuine Patient	2	↔	0
Prescription - Other	2	↑	1
Patient Travel Expenses - N/A	2	↓	-3
Charge Evasion - FHS Optical	1	↑	1
Charge Evasion - FHS Prescription	1	↔	0
Patient - Compensation	1	↓	-1
Identity - Using False Identity to Obtain Services	1	↑	1
Misuse of Services/Drugs - Other	1	↓	-5
Overseas Visitor - Access to NHS Treatment & Services - Secondary Care - NHS Billing	1	↑	1
Prescription - Altered or Amended	1	↔	0
Prescription - Altered or Counterfeit	1	↑	1
<b>Total</b>	<b>118</b>	<b>↓</b>	<b>-13</b>

Subject and Type - EXTERNAL	Number	Change	Change from 2023/24
Unsolicited Approach	55	↑	7
Non-categorised - Other	18	↑	9
Earnings - Agency Staff - Timesheet, Travel & Subsistence, Overtime and Enhanced or on Call Hours	8	↑	6
Declaration - Agency Staff Checks	4	↑	3
Theft - Prescriptions	3	↑	1
P&C - Post Contract - Inflated Invoices	2	↑	1
Theft - NHS Equipment	2	↓	-1
P&C - False Statements & Claims	1	↑	1
P&C - Collusion Between Contractors - Bid Rigging and Market Division	1	↑	1

P&C - Collusion Between Contractors - Other	1	↑	1
P&C - Mis-selling - Concealment of Contract Terms or Charges	1	↑	1
P&C - Post Contract - Other	1	↓	-1
Usage - NHS Data	1	↑	1
<b>Total</b>	<b>98</b>	<b>↑</b>	<b>28</b>

<b>Subject and Type - PRIMARY CARE</b>	<b>Number</b>	<b>Change</b>	<b>Change from 2023/24</b>
Pharmacy - Abuse of Conditions of Service - False Claims for Allowances	9	↑	9
Pharmacy - Dispensing and Services - Other	4	↑	3
General Practice - Abuse of GMS Contract - False Claims for Allowances	3	↑	3
Pharmacy - Dispensing and Services - Irregularities	3	↑	2
Dental - Abuse of Conditions of Service and the SDR - Claims with False Information	2	↔	0
Dental - Abuse of Conditions of Service and the SDR - False Claims for Allowances	2	↑	2
Pharmacy - Non-categorised - Other	2	↓	-1
Dental - Double Income - Claiming Exemption for a Paying Patient	1	↑	1
Dental - Double Income - Claiming NHS Treatment for Private Patients	1	↑	1
Dental - Non-categorised - Other	1	↑	1
General Practice - Non-categorised - Other	1	↓	-4
General Practice - Practice Employee - Diversion of Funds	1	↑	1
General Practice - Practice Employee - Other	1	↓	-1
General Practice - Theft - Desirable Drugs	1	↔	0
Pharmacy - Dispensing and Services - Counterfeit Medicines	1	↑	1
Pharmacy - Dispensing and Services - Double Income	1	↑	1
Pharmacy - Dispensing and Services - Patient Services	1	↑	1
Pharmacy - Dispensing and Services - Re-issued Medicines	1	↑	1
Pharmacy - Registration - Community Pharmacy Services	1	↑	1
<b>Total</b>	<b>37</b>	<b>↑</b>	<b>11</b>

Subject and Type - OTHER	Number	Change	Change from 2023/24
Inquiry to Assist - N/A	15	↑	15
Not NHS fraud related - N/A	3	↓	-3
<b>Total</b>	<b>18</b>	↑	<b>12</b>

## Outcome of Reports and Intelligence Cases (Table 5)

Health board	No. of fraud reports	Not fraud / Insufficient evidence	Counter fraud Rec. made	Overseas visitor	Linked with other CFS investigation	Intelligence shared with other org.	Intelligence alert issued	Inquiry to assist	Upgraded to operation	Initial investigation stage
NHS Greater Glasgow and Clyde	91	14	34	0	11	20	2	6	2	2
NHS Lothian	80	32	22	0	6	10	1	1	1	7
NHS Grampian	52	13	11	0	13	10	2	0	0	3
NHS Fife	46	9	20	0	1	12	0	0	0	4
NHS Lanarkshire	45	11	18	0	5	4	1	3	0	3
NHS Forth Valley	37	11	4	0	10	2	1	0	2	7
NHS Tayside	32	5	16	0	2	7	0	1	0	1
NHS Highland	27	9	9	0	0	4	1	1	2	1
NHS Ayrshire and Arran	20	7	4	0	3	3	0	0	0	3
NHS National Services Scotland	17	2	0	0	1	8	2	0	0	4
Scottish Ambulance Service	10	3	6	0	1	0	0	0	0	0
NHS Borders	9	2	2	0	0	2	0	0	1	2
NHS Dumfries & Galloway	8	0	2	0	0	2	0	1	0	3
NHS Healthcare Improvement Scotland	8	0	5	0	0	3	0	0	0	0
No Health Board Region	8	1	0	0	0	4	0	2	0	1
NHS 24	6	1	3	0	0	0	1	1	0	0
NHS National Waiting Times Centre Board	5	0	2	0	0	1	0	1	0	1
All Boards	4	0	0	0	0	1	2	0	1	0
NHS Education for Scotland	4	0	2	0	0	0	1	0	1	0
The State Hospitals Board for Scotland	3	0	2	0	0	1	0	0	0	0
Public Health Scotland	2	0	1	0	1	0	0	0	0	0
NHS Western Isles	2	0	1	0	0	0	1	0	0	0

<b>NHS Orkney</b>	1	0	0	0	0	0	0	1	0	0
<b>NHS Shetland</b>	0	0	0	0	0	0	0	0	0	0
<b>Totals</b>	<b>517</b>	<b>120</b>	<b>164</b>	<b>0</b>	<b>54</b>	<b>94</b>	<b>15</b>	<b>18</b>	<b>10</b>	<b>42</b>

## Appendix C – Patient Exemption Statistics 2024/25

1 April 2024 to 31 March 2025

### Dental

Exemption Category	Number B/Fwd.	Number New Cases	Number Confirmed	Number of Full Recoveries	Amount Recovered <sup>1</sup>	Number of Write Offs <sup>2</sup>	Value of Write Offs	Database adjustments <sup>3</sup>	Number C/Fwd.
Under 26	0	0	0	0	£0	0	£0	0	0
Age 18 in full-time education	0	0	0	0	£0	0	£0	0	0
HC 2 Certificate	0	0	2	0	£0	0	£0	2	0
Income Support	1,156	3,936	2,756	298	£46,257	308	£47,732	-61	1,669
Income-based Job Seekers Allowance	830	1,616	813	251	£37,749	279	£41,997	-54	1,049
Pension Credit Guarantee Credit	491	2,496	1,606	237	£38,012	68	£12,301	-18	1,058
Pregnant	0	0	0	0	£0	0	£0	0	0
Universal Credit	0	34,430	16,610	4,259	£672,056	611	£105,768	-12,950	0
Tax Credit	6,222	7,485	2,274	2,531	£343,405	1,241	£180,577	-562	7,099
Income Related Employment Support Allowance	2,566	14,131	10,546	512	£82,506	518	£90,838	-124	4,997
Nursing Mother	0	0	0	0	£0	0	£0	0	0
<b>Scotland Total</b>	<b>11,265</b>	<b>64,094</b>	<b>34,607</b>	<b>8,088</b>	<b>£1,219,986</b>	<b>3,025</b>	<b>£479,213</b>	<b>-13,767</b>	<b>15,872</b>

<sup>1</sup> Please note that where patients have made payments to instalment plans, the money is recorded in Amount Recovered but the patient is not included in the Number of Full Recoveries but is recorded in Number C/Fwd. for the next reporting period.

<sup>2</sup> Cases over 18 months are written off on an on-going basis where efforts to recover payment have been exhausted or debt is unrecoverable.

<sup>3</sup> Database adjustments are a result of a number of possible scenarios including cases deleted from PECS due to a mismatch of details, cases previously closed that are re-opened to allocate payments received, cases previously closed that are re-opened after receiving proof of exemption.

## Ophthalmic

Exemption Category	Number B/Fwd.	Number New Cases	Number Confirmed	Number of Full Recoveries	Amount Recovered <sup>1</sup>	Number of Write Offs <sup>2</sup>	Value of Write Offs	Database adjustments <sup>3</sup>	Number C/Fwd.
Under 16	0	0	0	0	£0	0	£0	0	0
Age 16-18 in full-time education	0	0	0	0	£0	0	£0	0	0
HC 2 Certificate	0	0	2	0	£0	0	£0	2	0
Income Related Employment Support Allowance	1,314	10,390	8,283	142	£13,502	335	£30,215	7	2,951
Income Support	354	2,022	1,700	64	£6,247	96	£8,826	0	516
Income-based Job Seekers Allowance	126	638	475	32	£2,879	65	£5,404	15	207
Pension Credit Guarantee Credit	712	3,841	2,650	248	£27,000	226	£21,446	-24	1,405
Universal Credit	0	17,370	10,499	1,035	£122,937	215	£20,822	-5,621	0
Tax Credit	660	998	526	284	£30,045	210	£18,678	7	645
<b>Scotland Total</b>	<b>3,166</b>	<b>35,259</b>	<b>24,135</b>	<b>1,805</b>	<b>£202,611</b>	<b>1,147</b>	<b>£105,390</b>	<b>-5,614</b>	<b>5,724</b>

<sup>1</sup> Please note that where patients have made payments to instalment plans, the money is recorded in Amount Recovered but the patient is not included in the Number of Full Recoveries but is recorded in Number C/Fwd. for the next reporting period.

<sup>2</sup> Cases over 18 months are written off on an on-going basis where efforts to recover payment have been exhausted or debt is unrecoverable.

<sup>3</sup> Database adjustments are a result of a number of possible scenarios including cases deleted from PECS due to a mismatch of details, cases previously closed that are re-opened to allocate payments received, cases previously closed that are re-opened after receiving proof of exemption.

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