



Focus on

# Counter Fraud services for FE Colleges

In Further Education, the issue of fraud has been highlighted this year by Geoff Russell, the Chief Executive of the Learning and Skills Council, commenting that "The risks in this area are likely to increase in the forthcoming period of change and with the current economic situation."

And this has been shown to be true across the economy. Since the start of the recession, the extent of fraud has increased dramatically. Card fraud has risen by 43% in two years; insurance fraud has risen by 24% over the same period; identity fraud has gone up by 74%; there has been a 72% increase in the number of company directors disqualified for financial crime; and City of London Police, the lead police force for fraud, report an increase of 72% in the number of reported frauds. In Further Education, the LSC describes fraud as a serious potential risk and, of course, these risks are not just financial but reputational as well.

In response to this reality, MacIntyre Hudson has established a new Counter Fraud division to help our clients to protect themselves. We have recruited Jim Gee, formerly Chief Executive of the NHS Counter Fraud Service, and a senior advisor on fraud to the Attorney-General, and currently Chair of the Centre for Counter Fraud Studies at University of Portsmouth, to lead this work.

Protecting your College against fraud-related financial and reputational damage is important but in difficult economic times, it is also true that there are very few ways of making cost reductions painlessly. Reducing fraud losses – usually found to be between 3 – 8% of income or expenditure - is one of them. At MacIntyre Hudson, our view is that fraud is another economic cost that we can help our clients reduce. This has proved remarkably successful with up to 40% reductions in the cost of fraud being achieved within 12 months or less and with a ratio of return on the costs of the work of up to 12 : 1.

## About Jim Gee

Jim Gee, Director of Counter Fraud Services at MacIntyre Hudson LLP, is one of the leading counter fraud specialists in the UK and internationally. His accomplishments include leading the team which cleaned up London Borough of Lambeth (once described as one of the most corrupt local authorities in the UK) in the late 1990s; advising Right Honourable Frank Field M.P. during his periods as Chair of the House of Commons Social Security Select Committee and Minister for Welfare Reform; and being founding Director-General of the European Healthcare Fraud and Corruption Network between 2004 and 2006. During his tenure as Chief Executive of the NHS Counter Fraud Service, Gee's organisation reduced fraud-related losses by up to 60 per cent, delivering financial benefits to the tune of more than £800 million. He has since been a senior adviser to the Attorney-General on the Government's 'Fraud Review', and led the delivery of counter fraud services to organisations from across the economy. This year, Gee helped launch the Centre for Counter Fraud Studies (CCFS), which he chairs, an organisation dedicated to researching and developing knowledge in the field.

## Contact

We would be pleased to explain more about how we can help protect you against fraud. If you would like to find out more please contact our London City office on 020 7429 4100 or email [info@mhllp.co.uk](mailto:info@mhllp.co.uk)

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