

Tackling £8.5 billion fraud and error bill in only two government departments* would cut income tax by 3p

Submitted by: Golin

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It is estimated that fraud & errors from two UK Government departments* alone is costing the UK in the region of £8.5 billion or £306 per taxpayer annually. SAS UK, a leading software company, estimates that if the government were to reduce fraud & errors by just one third in those two departments, the starting rate of income tax could be reduced by nearly 6p, or the basic rate by 1p or the higher rate by 3p.

The two departments were assessed using the Governments own estimates from the National Audit Office. HM Customs and Excise estimates that in 2000-2001 a sum of between £6.4 billion and £7.3 billion was not been collected as a result of fraud & errors. The total amount of Income Support and Jobseeker's Allowance overpaid in 2000-2001 was £1.2 billion.

Fraud is conservatively estimated to cost UK government and commercial organisations in the region of £15 billion per annum. This includes fraud in the telecommunications, banking, retail and insurance sectors as well as fraud in government and the not-for-profit sector. Undetected or unsuspected fraud is estimated to cost a similar amount.

In a survey by research company Ipsos-RSL, 92% of companies said they were concerned about the threat of fraud from customers and public. However, just 16% used data and predictive analysis to detect and prevent fraudulent activity.

About SAS' Anti-Fraud solution

SAS is the leader in fraud detection and prevention software. SAS' fraud detection solution enables companies to identify and deter any fraudulent activity. It works on the basis of forensic data mining - analysing millions of pieces of data to formulate patterns for suspicious behaviour that can be used to detect and prevent future incidents.

SAS works with the public sector and commercial organisations around the world. Key customers include Amazon.com, Barclays, Equifax and Australian Health Commission.

About SAS

SAS is the market leader in providing a new generation of business intelligence software and services that create true enterprise intelligence. SAS solutions are used at more than 38,000 sites - including 99 of the top 100 businesses on the Fortune 500 - to develop more profitable relationships with customers and suppliers; to enable better, more accurate and informed decisions; and to drive organizations forward. SAS is the only vendor that completely integrates leading data warehousing, analytics and traditional BI applications to create intelligence from massive amounts of data. For 25 years, SAS has been giving customers around the world The Power to Know(tm).

Kind regards

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