



**PWYLLGOR ARCHWILIO A SICRWYDD RISG  
AUDIT AND RISK ASSURANCE COMMITTEE**

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	16 August 2022
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Counter Fraud, Bribery and Corruption Policy Review
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Huw Thomas, Director of Finance
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Ben Rees, Head of Counter Fraud

**Pwrpas yr Adroddiad (dewiswch fel yn addas)**

**Purpose of the Report (select as appropriate)**

Ar Gyfer Penderfyniad/For Decision

**ADRODDIAD SCAA**

**SBAR REPORT**

**Sefyllfa / Situation**

A review of the Health Board's Counter Fraud, Bribery and Corruption Policy (815) has been undertaken and minor amendments have been made, taking into account recent changes in legislation, including the introduction of Government Functional Standards 013 for Counter Fraud.

The changes made are minimal and those affected, notably the Fraud Champion (Board Secretary) have been consulted.

In light of the above, the Audit & Risk Assurance Committee is being requested to approve the relevant changes.

**Cefndir / Background**

**Brief summary of the Policy:**

To inform all staff of the reporting procedures and subsequent action following the referral of any suspicion of fraud. To promote the deterrent and detection of fraud committed against the Hywel Dda University Health Board (UHB).

**Scope:**

This is an Organisation wide policy which relates to all forms of fraud, bribery and corruption and is intended to provide direction and guidance for employees on what fraud is in the NHS, what everyone's responsibility is to prevent fraud, bribery, and corruption, and how to report it. The Policy highlights each individuals' roles including that of the Director of Finance, Fraud Champion, and Local Counter Fraud Specialist.

This policy applies to all employees of the UHB regardless of position held, as well as to consultants, vendors, contractors, and/or any other parties who have a business relationship with the UHB.

**Reason(s) for developing the Policy and subsequent review:**

The UHB is required to comply with Welsh Government Directions on Counter Fraud Measures and the Government Functional Standard 013 (GovS013) for Counter Fraud. Both the WG measures and GOVS013 Standards require the UHB to have a Counter Fraud, Bribery and Corruption policy.

A review of the existing policy identified the need to include information on the recently introduced GovS013, standards for Public Sector Organisation, which includes information relating to the role of the Fraud Champion in developing an Anti-Fraud culture within the organisation.

Other minor amendments have been made to the wording of some paragraphs and general formatting of the document, which included transferring the document into the new UHB Policy Template.

The Fraud Champion has reviewed the revised document and approved content relating to them and their role.

**Owning group:**

ARAC.

**Asesiad / Assessment**

At present the UHB has in place a Counter Fraud, Bribery and Corruption Policy. This was previously approved by relevant bodies, including the Audit & Risk Assurance Committee, thus complying with Welsh Government Directions on Counter Fraud Measures and the Government Functional Standard 013 (GovS013) for Counter Fraud (GovS013), therefore mitigating any risk associated with non-compliance.

Failure to have such a policy in place puts the Health Board at risk of breaching said standards, in addition to potentially exposing the UHB to a risk that it does not have suitable measures in place to prevent Bribery and Corruption, an offence under Section 7 of the Bribery Act 2010.

The revised policy improves on the existing policy, reducing the risk of non-compliance against the above standards and strengthens the argument that the UHB has in place suitable measures to reduce Bribery and Corruption within the organisation.

Changes to the Policy are minimal, the overall scope remains; however, additional text relating to the role of the Fraud Champion has been added, in line with the new GovS013 standards. These changes have been approved by the Fraud Champion prior to submission.

The Policy will be promoted within the UHB's ongoing programme of fraud awareness. The strategy for the fraud awareness programme is contained in the annual Counter Fraud Work Plan.

**Argymhelliad / Recommendation**

The Audit & Risk Assurance Committee is invited to review and approve the UHB's Counter Fraud, Bribery and Corruption Policy (815).

<b>Amcanion: (rhaid cwblhau)</b> <b>Objectives: (must be completed)</b>	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.1 In particular, the Committee will review the adequacy of: 3.1.1 the policies for ensuring compliance with relevant regulatory, legal and code of conduct and accountability requirements; and 3.1.2 the policies and procedures for all work related to fraud and corruption as set out in Welsh Government Directions and as required by the Counter Fraud and Security Management Service.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019</a>	10. Not Applicable

<b>Gwybodaeth Ychwanegol:</b> <b>Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Legislation and national policy.
Rhestr Termau: Glossary of Terms:	Contained within the policy document.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg: Parties / Committees consulted prior to Audit and Risk Assurance Committee:	UHB Fraud Champion (Board Secretary) This is a review of an existing policy, which previously underwent consultation.

<b>Effaith: (rhaid cwblhau)</b> <b>Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian:</b> <b>Financial / Service:</b>	Not applicable.

<b>Ansawdd / Gofal Claf: Quality / Patient Care:</b>	Not applicable.
<b>Gweithlu: Workforce:</b>	Not applicable.
<b>Risg: Risk:</b>	Not applicable.
<b>Cyfreithiol: Legal:</b>	Not applicable.
<b>Enw Da: Reputational:</b>	Not applicable.
<b>Gyfrinachedd: Privacy:</b>	Not applicable.
<b>Cydraddoldeb: Equality:</b>	A full equality impact assessment has been undertaken.

# Counter Fraud, Bribery and Corruption Policy

## Policy information

Policy number: 815

Classification:  
Corporate

Supersedes:  
198 and previous versions

Version number:  
2

Date of Equality Impact Assessment:  
28/07/2022

## Approval information

Approved by:  
*Complete*

Date of approval:  
*Enter approval date*

Date made active:  
*Enter date made active (completion by policy team)*

Review date:  
*Enter review date (normally three years from approval date)*

Summary of document:

To inform all staff of the reporting procedures and subsequent action following the referral of any suspicion of fraud. To promote the deterrent and detection of fraud committed against the Hywel Dda University Health Board (UHB).

Scope:

This is an Organisation wide policy which relates to all forms of fraud, bribery and corruption and is intended to provide direction and guidance for employees on what fraud is in the NHS, what everyone's responsibility is to prevent fraud, bribery, and corruption, and how to report it.

This policy applies to all employees of the UHB regardless of position held, as well as to consultants, vendors, contractors, and/or any other parties who have a business relationship with UHB.

To be read in conjunction with:

[435 – AW Raising Concerns \(Whistleblowing\) Policy](#)

[201 – AW Disciplinary Policy](#)  
[248 – Standards of Behaviour Policy](#)  
[156 – Risk Management Policy](#)

Patient information:

Include links to [Patient Information Library](#)

Owning group:

*Name the group with ongoing responsibility for this document*

*Date signed off by owning group*

Executive Director job title:

Huw Thomas, Director of Finance

Reviews and updates:

1 – 30.4.2019

2 – full review process, considering Government Functional Standard 013 for Counter Fraud

Keywords

Fraud, Loss, Reporting, Staff Response, Concern

Glossary of terms

UHB – Hywel Dda University Health Board

WG – Welsh Government

WOD - and Workforce and Organisational Development

LCFS - Local Counter Fraud Specialist

FCRL - Fraud and Corruption Reporting Line

CFA – Counter Fraud Authority

CPIA - Criminal Procedure Investigation Act – 1996

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## INTRODUCTION

One of the basic principles of a public sector organisation is the appropriate use of public funds. Hywel Dda University Health Board ('the UHB') is committed to reducing the level of fraud and corruption within the NHS to an absolute minimum and keeping it at that level. The UHB will seek the appropriate disciplinary, regulatory, civil, and criminal sanctions against those who commit these crimes and will seek to recover losses wherever possible to free up public resources for better patient care.

This Policy provides clear guidance for staff considering reporting concerns of fraud, bribery and corruption which may have been perpetrated against the interests of the UHB and is accompanied by the response plan for action where suspicious activity is suspected or detected and/or may be reported.

The Executive Board have adopted a zero-tolerance approach towards fraud, bribery, and corruption; this document is approved by the Executive Board as outlining the UHB's policy in dealing with fraud, bribery, and corruption.

The UHB believes that the vast majority of people who work in and use the NHS are honest and professional; however, fraud committed even by a small minority is wholly unacceptable as it ultimately leads to a reduction in the resources available for patient care, treatment, and services.

To achieve this goal the UHB fully accepts that it must comply with the Statutory Authorities which have been introduced by both the UK and Welsh Governments including:

- The Criminal Procedure Investigation Act (CPIA) – 1996: This Act of Parliament lays down the procedures which must be followed by the UHB Disclosure Officer, during a criminal investigation to ensure that investigations are conducted properly and in particular ensuring that the correct level of disclosure, to ensure that verdicts which are reached in court are safe and robust.
- The Fraud Act – 2006: This Act lays down the statutory offences by which fraud is committed in the UK.
- The Bribery Act – 2010: This Act lays down the statutory offences by which bribery and corruption is committed in the UK.
- The Police and Criminal Evidence Act – 1984, Codes of Practice: This Act lays down the statutory codes of practice governing key areas of investigatory procedure and to which criminal investigators lawfully have to adhere to, in the UK.
- Welsh Government Directions to NHS Bodies on Counter Fraud Measures issued on 1st December 2005 to NHS Bodies in Wales: The Directions provide the requirements which are to be put in place by Health Boards in Wales, to ensure that successful Counter Fraud Measures are introduced and maintained.
- The Government Functional Standard GovS013, which was published by the Cabinet Office in June 2020 and exists to create a coherent, effective, and mutually understood way of doing business within government organisations and across organisational boundaries, and to provide a stable basis for assurance, risk management, and capability improvement.

By ensuring that the above Statutory Authorities are followed, the UHB is able to demonstrate that it is fully committed to ensuring that the criminal investigation process it has in place, is designed to support the Criminal Justice System in delivering safe and robust prosecutions.

## POLICY STATEMENT

This policy is required to demonstrate compliance with the WG Directions in Countering Fraud in the NHS, and the promotion and implementation of the policy is monitored by the Audit, Risk and Assurance Committee by the Annual Counter Fraud Workplan.

### STATEMENT OF THE HYWEL DDA UNIVERSITY HEALTH BOARD:

The Board is absolutely committed to maintaining an honest, open, and well-intentioned atmosphere within the UHB. It is also committed to the elimination of any fraud within the organisation, and to the rigorous investigation of any such cases.

The Board wishes to encourage anyone having reasonable suspicions of fraud to report them. Therefore, it is also the Board's policy, which will be rigorously enforced, that no employee will suffer in any way as a result of reporting reasonably held suspicions. For these purposes "reasonably held suspicions" shall mean any suspicions other than those that are raised maliciously.

The UHB has a duty to protect individuals and the UHB from false, malicious, or vexatious expressions of concern. Disciplinary action may be taken against any member of staff who is discovered: -

- (a) To have made allegations falsely and maliciously,
- (b) To have externally disclosed the information before using the internal procedures which have been established,
- (c) To have victimised employees or deterred them from raising a concern.

In order to endorse this commitment, the UHB has an approved 435 [AW Raising Concerns \(Whistleblowing\) Policy](#) for dealing with such cases, which protects the individual and ensures that matters are fully and thoroughly investigated.

## SCOPE

This is an Organisation wide policy which relates to all forms of fraud, bribery and corruption and is intended to provide direction and guidance for employees on what fraud is in the NHS, what everyone's responsibility is to prevent fraud, bribery, and corruption, and how to report it.

This policy applies to all employees of the UHB regardless of position held, as well as to consultants, vendors, contractors, and/or any other parties who have a business relationship with UHB.

## AIM & OBJECTIVE

To inform staff of the procedure for reporting concerns and the actions that subsequently occur to ensure an appropriate and thorough investigation is completed and reported and losses to fraud, bribery and corruption are mitigated.

The UHB aims to meet both the statutory requirements and good practice guidance with regard to the Government Functional Standard 013 for Counter Fraud (GovS013).

- Playing a full part in an integrated national programme of action to combat fraud in the NHS.
- Building on existing responsibilities for undertaking counter fraud, bribery, and corruption work locally.

The Government Functional Standard GovS013 was published by the Cabinet Office in June 2020 and exists to create a coherent, effective, and mutually understood way of doing business within government organisations and across organisational boundaries, and to provide a stable basis for assurance, risk management, and capability improvement.

The UHB wishes to encourage anyone having genuine suspicions of fraud, bribery, or corruption to report them and it is the UHB's policy that no employee will suffer in any way as a result of reporting such suspicions.

All genuine suspicions of fraud, bribery and corruption can be reported to the Local Counter Fraud Specialist (LCFS) direct or through the NHS Fraud and Corruption Reporting Line (FCRL) by dialling freephone number 0800 028 40 60 or online by visiting <https://cfa.nhs.uk/reportfraud>

This policy document aims to:

- Improve the knowledge and understanding of everyone in the UHB, irrespective of their position and role, about the risk of fraud, bribery, and corruption within the UHB and its unacceptability.
- Assist in promoting an open, honest, and well-intended atmosphere within the UHB with a culture and environment where staff feel able to raise concerns sensibly and responsibly.
- Set out the duty of each member of staff in terms of their responsibility to prevent fraud, bribery, and corruption and how to report it, to allow rigorous investigation of any suspicions of economic crime against the UHB.
- Ensure the appropriate sanctions are considered following an investigation, which may include any or all of the following: criminal prosecution, civil proceedings or internal and/or external disciplinary action.

## DEFINITIONS

### FRAUD

The Fraud Act 2006 came into force on 15 January 2007 and focusses on the dishonest behaviour of the suspect and their intent to make a financial gain or cause a loss. The introduction of the offences under the Fraud Act 2006 made it no longer necessary to prove that a person had been deceived.

The Fraud Act 2006 identifies the following main offences:

- Section 2: Fraud by false representation (active fraud; lying about something using any means e.g., by words or actions taken)
- Section 3: Fraud by failing to disclose information (passive fraud; not saying something when you have a legal duty to do so)
- Section 4: Fraud by abuse of position (abusing a position where there is an expectation to safeguard the financial interests of another person or organisation)

Additional offences under the Fraud Act 2006 can be found at

<http://www.legislation.gov.uk/ukpga/2006/35/contents>

It should be noted that all offences under the Fraud Act 2006 occur where the act or omission is committed dishonestly and with intent to cause a gain or loss. The dishonest behaviour to cause the gain or loss does not have to succeed, the mere exposure to the risk of loss is sufficient, as long as the intent is present.

## BRIBERY & CORRUPTION

This can be broadly defined as the offering or acceptance of inducements, gifts, favours, payment, or benefit-in-kind which may influence the action of any person. Corruption does not always result in a loss. The corrupt person does not need benefit directly from their deeds; however, they may be unreasonably using their position to give some advantage to another.

It is a common law offence of corruption to bribe the holder of a public office and it is similarly an offence for the office holder to accept a bribe.

In July 2011, the Bribery Act 2010 came into force reforming the criminal law of bribery, enabling simpler prosecution of offences.

The relevant sections of the Bribery Act are:-

- Section 1 – Offences of bribing another person.
- Section 2 – Offences related to being bribed.
- Section 6 – Bribing a foreign public official; and
- Section 7 – Failure of commercial organisations to prevent bribery.

Very simply, bribery is defined as accepting an incentive to do something which they would not normally do. For example.

- If a person were responsible for recruiting an individual and they were offered and accepted tickets to an event by one of the candidates to give them preferential treatment; or
- If a person was responsible for purchasing goods or services and they were offered and accepted a meal by a supplier to accept a contract.

In these examples both the person offering a bribe and the person accepting it would be guilty of committing an offence under the Bribery Act 2010.

The Bribery Act 2010 brought in a new corporate offence under Section 7 which states that an organisation is guilty of an offence if a person associated with the organisation bribes another person or receives a bribe to obtain an advantage. It is a defence for the organisation to prove that it had in place adequate policies and procedures designed to prevent persons from undertaking such conduct.

The UHB has put in place measures to discharge its Section 7 liability. The main UHB policy in relation to this is the [248 - Standards of Behaviour Policy](#) which sets out the UHB's policy in relation to declaration of interests and receipt of gifts, hospitality, honoraria and/or sponsorship.

## THEFT

The legal definition of theft is: "A person is guilty of theft if he/she dishonestly appropriates property belonging to another person with the intention of permanently depriving the other of it."

Any suspicions of theft should be recorded on Datix for the information of UHB Security and Case Manager.

## COUNTER FRAUD STRATEGY

CREATING A STRONG COUNTER FRAUD, CORRUPTION & BRIBERY CULTURE

The UHB has a responsibility to protect the organisation and its resources. Stakeholders must work together to raise awareness of the UHB's zero tolerance approach to fraud, corruption, and bribery, to report concerns and enforce the message that such matters are not acceptable within the NHS and will be dealt with accordingly.

The most effective deterrent will come from within the NHS, those who value the service provided and disapprove of those who abuse the system through fraud, corruption, bribery, and other dishonest acts. In addition, publicity surrounding counter fraud, corruption and bribery work will deter some who perpetrate or consider perpetrating related offences. The UHB will publicise successful investigation outcomes both internally and externally as appropriate in order to aid the deterrent effect.

#### PROACTIVE PREVENTION & DETECTION

The UHB will ensure (through 'fraud proofing') that its systems, policies, and processes are sufficiently robust so that the risk of fraud, corruption and bribery is reduced to a minimum. Checks will be conducted in areas identified to be most at risk to fraud, corruption, or bribery in order to proactively detect instances that might otherwise be unreported.

All staff must be aware of and comply with the UHB's Standing Financial Instructions and Standing Orders, the [Standards of Behaviour Policy](#) for conflicts and declarations of interest (incorporating gifts, hospitality, and commercial sponsorship) and the associated requirement to declare other interests.

#### PROFESSIONAL INVESTIGATION OF DETECTED FRAUD, CORRUPTION & BRIBERY

Criminal offences of fraud, corruption or bribery will be investigated in a professional, objective, and timely manner by an accredited NHS Counter Fraud Specialist appointed by the UHB. Investigations will be conducted in accordance with all applicable legislation including Criminal Procedure and Investigations Act 1996, Police and Criminal Evidence Act 1984, Data Protection Act 2018 and Human Rights Act 1998.

Criminal offences of fraud, corruption or bribery will be investigated in a professional, objective, and timely manner by an accredited NHS Counter Fraud Specialist appointed by the UHB. Internal investigations may also be carried out by UHB managers as part of disciplinary procedures overseen by the Workforce team. Parallel criminal and disciplinary investigations may be undertaken in accordance with the agreed liaison protocol.

#### EFFECTIVE SANCTIONS

Where fraud, corruption or bribery offences are committed, criminal sanctions (including prosecution) will be pursued. Employees of the UHB found to have committed such offences will also be dealt with in accordance with internal disciplinary procedures and referred to professional bodies where appropriate.

#### SEEKING REDRESS

The UHB will initiate civil recovery action if this is cost-effective and desirable for deterrence purposes. This could involve a number of options such as making an application to the Small Claims Court and/or recovery through debt collection agencies. Each case will be discussed with the Director of Finance in order to determine the most appropriate action.

## ROLES & RESPONSIBILITIES

### CHIEF EXECUTIVE

The Chief Executive has overall responsibility for ensuring compliance with Welsh Government Directions to NHS Bodies on Counter Fraud Measures 2006 issued by the Welsh Assembly Government. The Chief Executive shall further ensure that action to counter fraud and corruption is taken in accordance with the NHS Executive Counter Fraud and Corruption Manual, and in accordance with the Table annexed to Directions, which sets out the respective operational and liaison responsibilities.

The Chief Executive may delegate the day-to-day operational involvement in relation to the counter fraud activity to the Director of Finance, who shall liaise and reach agreement with the NHS Counter Fraud Service (Wales) and/or LCFS before any decision is reached on the referral of a case of fraud or corruption to the Police or any other external body for investigative action.

### DIRECTOR OF FINANCE

The Director of Finance is responsible for monitoring compliance with Welsh Government Directions to NHS Bodies on Counter Fraud Measures and with any other instructions issued by the NHS CFA or NHS CFS Wales.

The Director of Finance has day to day responsibility for monitoring and ensuring compliance with Directions, and also ensuring that action to counter fraud and corruption is taken in accordance with the NHS Counter Fraud and Corruption Manual and in accordance with the Table annexed to Directions, which sets out the respective operational and liaison responsibilities of Local Health Boards, the Welsh Government (WG), NHS Counter Fraud Authority and the NHS Counter Fraud Service Wales.

The Director of Finance is the accountable individual and member of the Executive Board of Directors who has a clearly defined responsibility for the strategic management of, and support for counter fraud and counter fraud, bribery, and corruption work within the UHB.

The Director of Finance will, depending on the outcome of initial investigations, inform appropriate senior management of suspected cases of fraud, bribery, and corruption, especially in cases where the loss may be significant or where the incident may lead to adverse publicity.

The Director of Finance retains corporate responsibility for the strategic management of the UHB 's Local Counter Fraud Service and may delegate the operational management of the Local Counter Fraud Service team to his or her deputy.

The Head of Local Counter Fraud Service will retain direct access to the Director of Finance as and when required, to ensure compliance with Welsh Government Directions to NHS Bodies on Counter Fraud Measures.

The Head of Local Counter Fraud will meet privately with the Chair of the Audit Committee and independent members, to ensure compliance with good governance arrangements and emerging risks of fraud, bribery or corruption facing the UHB.

### AUDIT, RISK AND ASSURANCE COMMITTEE

The role of the Audit, Risk and Assurance Committee is to receive reports of counter fraud activity and to monitor compliance with the Welsh Assembly Government Directions 2006. The UHB must



effectively seek to promote the counter fraud agenda and ensure that the appropriate action is taken when an allegation of fraud is received.

The Audit, Risk and Assurance Committee will approve the annual Counter Fraud Work Plan.

#### HEAD OF INTERNAL AUDIT

The Head of Internal Audit will ensure that any detected systems weaknesses are reported to the LCFS so that they can be examined pro-actively to detect possible fraud.

Internal Auditors will inform the LCFS of any instances of potential or suspected fraudulent activity identified during the course of their work or from other sources.

Internal Audit and LCFS will work together in line with the agreed Internal Audit and LCFS Liaison Protocol.

#### WORKFORCE AND ORGANISATIONAL DEVELOPMENT

Close liaison between the LCFS and Workforce and Organisational Development ('WOD') are essential to ensure that any parallel sanctions (i.e., criminal, civil and disciplinary) are applied effectively and in a coordinated manner. A liaison protocol between the LCFS and WOD will be agreed for this purpose. WOD staff will liaise closely with managers and the LCFS from the outset if an employee is suspected of being involved in fraud, bribery, or corruption, in accordance with agreed liaison protocols. WOD staff are responsible for ensuring the appropriate application of the UHB's internal disciplinary procedures. In the event of an investigation, the Workforce team will advise those involved in matters of employment law and in procedural matters, such as disciplinary and complaints procedures, as required.

In instances where an internal investigation is being undertaken and fraud, bribery or corruption is suspected WOD staff must inform the LCFS immediately.

Referral to Professional Regulatory Bodies will be considered when there are impending concerns with UHB staff about their ability to practise safely and effectively. The Professional Regulatory Body concerned will in such instances be requested to commence external disciplinary proceedings to investigate if the Fitness to Practice of the registered professional has been impaired and if appropriate sanctions should be applied.

#### TRADE UNIONS/PROFESSIONAL ASSOCIATIONS

Where staff face allegations of Fraud Act offences Trade Unions/Professional Associations may be in a position to support staff with access to legal representation if the staff member is invited to attend a Police Officer and Criminal Evidence Act 1984 interview under caution.

#### LOCAL COUNTER FRAUD SPECIALIST

The UHB employs a Local Counter Fraud Service team which is led by a Head of Local Counter Fraud Service who has managerial responsibility for the team. The Head of Local Counter Fraud will take forward all counter fraud work locally in accordance with Welsh Government Directions to NHS Bodies on Counter Fraud Arrangements and the NHS CFA Quality Assurance Programme which includes the annual submission of the Counter Fraud Functional Standard Return (CFFSR). NHS CFA validate the CFFSR to provide assurance to the Cabinet Office of

the NHS including the UHB's compliance with the Government Functional Standard 013 for Counter Fraud (GovS013).

The LCFS will work with key colleagues and stakeholders to promote and advance counter fraud, bribery, and corruption work, to develop an anti-fraud, bribery, and corruption culture, to effectively identify and respond to system weaknesses and to investigate allegations of fraud, bribery, and corruption.

The Local Counter Fraud Service team represent the UHB when dealing with fraud matters. This includes undertaking work across all areas of activity and in accordance with all components of Functional Standard GovS013.

The Local Counter Fraud Service team will adhere to the Counter Fraud Professional Accreditation Board (CFPAB) Principles of Professional Conduct as set out in the "NHS CFA Counter Fraud Manual".

The Local Counter Fraud Service team and CFS Wales have responsibility for undertaking fraud investigations within NHS Wales and ensuring that all appropriate sanctions are considered and imposed which may include criminal prosecution, civil proceedings or disciplinary sanction, or a combination of all three sanctions. All cases considered for prosecution will be discussed by the Head of Local Counter Fraud Service and the Head of CFS Wales. The approval of the Executive Director of Finance will be required before the case is referred, via CFS Wales to the Specialised Fraud Division of the Crown Prosecution Service.

The Local Counter Fraud Service team will undertake a programme of proactive counter fraud work as agreed in the Annual Counter Fraud Workplan, which is approved by the Audit Committee to prevent and detect cases of fraud, bribery, and corruption. Where system weaknesses are identified, appropriate fraud proofing recommendations will be made to ensure that the UHB is protected in the future and that good governance procedures are in place.

Any fraud referrals which are received which involves more than one NHS health body, cross border enquiries or offences involving Bribery and Corruption, will be referred to the Head of CFS Wales for investigation. The Local Counter Fraud Service team may be asked for practicality to assist in such cases.

The Head of Local Counter Fraud Service will be entitled to attend Audit Committee meetings to provide formal written progress reports on all counter fraud activity undertaken within the UHB and also to report the number of cases where fraud, bribery or corruption alleged, and investigations are being undertaken.

The Local Counter Fraud Service team will report to the Audit Committee and the NHS CFA, details of system weaknesses which are identified during criminal fraud investigations or other proactive counter fraud work undertaken which have fraud-related implications.

To embed zero-tolerance to NHS fraud and ensure a strong counter fraud culture, the Audit Committee and Executive Board of Directors agreed that Fraud Awareness is to be made mandatory for all UHB staff. An e-Learning module relating to the awareness, of fraud, bribery, and corruption, is available to staff for completion. The LCFS should be a senior employee who is authorised to treat enquiries confidentially and anonymously, if so, requested by the employee contacting him/her. The LCFS will be professionally trained and will have achieved accreditation.



## COUNTER FRAUD SERVICE WALES

The NHS CFS Wales team provide specialist criminal investigation and financial investigation services to all Health Bodies in Wales. The CFS Wales team consists of experienced investigators who deal with large scale, cross-border, complex frauds, and all issues involving bribery or corruption against NHS Wales.

The team work closely with other investigative bodies including the Police and also provide support and guidance to the network of LCFS who are based at Health Bodies in Wales. The Head of CFS Wales can be contacted by calling telephone number 01495 334101 direct or by e-mail to [graham.dainty@nhscfswales.gov.uk](mailto:graham.dainty@nhscfswales.gov.uk)

The Head of CFS Wales is responsible for liaison between the NHS CFA and all the LCFS employed or contracted by Health Boards and Trusts within Wales and is responsible for managing the NHS CFS Wales team.

Additionally, CFS Wales are responsible for reviewing all local investigation files, evidence and witness statements submitted for the consideration of the Specialised Fraud Division of the Crown Prosecution Service.

The Head of CFS Wales is responsible for ensuring that local investigations are conducted in accordance with legislative guidelines and within the components of the Government Functional Standard GovS013 and guidance provided in the NHS Counter Fraud Manual, to the highest standards in respect of all allegations of fraud, bribery, or corruption against NHS Wales.

The Head of CFS Wales provides support and advice to all key stakeholders in Wales including Welsh Government, Health Boards and Trusts, Executive Directors of Finance, Audit Committees, and the individual Local Counter Fraud Service teams operating in NHS Wales. Counter Fraud Service (CFS Wales) is hosted by NHS Wales Shared Service Partnership (NWSSP) and operationally managed by NHS Counter Fraud Authority ('NHSCFA').

## FRAUD CHAMPION

The Fraud Champion's role forms part of the UHB's counter fraud provision and is to strengthen the fight against fraud and raise awareness within the organisation. Having a Fraud Champion is an essential part of the Government Functional Standard GovS013.

The Fraud Champion is committed in joining the fight and promoting a zero-tolerance approach to NHS fraud and in particular when aimed against the UHB

The role of the Fraud Champion is to:

- Promote and raise awareness of fraud, bribery, and corruption within the organisation.
- Understand the threat posed by fraud, bribery, and corruption by monitoring the intelligence provided as part of NHS CFA's strategic intelligence assessment.
- Understand the level and quality of counter fraud provision received by the organisation by using the benchmarking information provided by NHS CFA, and raise any successes, concerns, or opportunities for improvement with the Executive Director of Finance and/or Audit Committee Chair.
- Support counter fraud colleagues in ensuring that all information relating to fraud is recorded and reported (if this is not undertaken, then it could impact on the NHS

organisation as well as the healthcare sector involved, as potential fraud alerts may not be shared).

- Contribute to the sharing of information and best practice on counter fraud via NHS CFA's extranet when this becomes available.
- Raise awareness of fraud at a strategic level and support the work that Local Counter Fraud Specialists already undertake.
- Facilitate and support fraud awareness and fraud prevention work within the organisation and ensure that everyone knows how to recognise and report fraud.
- Ensure that fraud risks are recorded and managed in line with the organisation's [156 - Risk Management Policy](#).
- Escalate any fraud concerns to the Executive Director of Finance and/or Audit Committee Chair.

## UHB MANAGEMENT

Managers are responsible for ensuring that policies, procedures, and processes within their local area are adhered to and kept under review. They have a responsibility to ensure that staff are aware of fraud, bribery and corruption and understand the importance of protecting the Trust from it. They are also responsible for the enforcement of disciplinary action against staff who do not comply with policies and procedures.

Managers at all levels have a responsibility to ensure that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively. Managers are therefore the first line of defence against fraud, bribery, and corruption.

All instances of actual or suspected fraud, bribery or corruption which come to the attention of a manager must be reported to the LCFS immediately. It is appreciated that some employees will initially raise concerns with their manager. In such cases, managers must not attempt to investigate the allegation themselves; they have a clear responsibility to refer concerns to the LCFS instead.

Managers have a responsibility to ensure that the LCFS or other persons authorised to carry out investigations have access to premises, records, data, and staff who may have relevant information as soon as practical, or within 7 working days of the request for information or access, or an application under the Data Protection Act 1998.

Managers must understand, when drafting new procedures, processes, or controls for their area of work, any responsibility which may change or have effect on financial resources. It is recommended that managers seek appropriate advice from the Local Counter Fraud Service team, with a view to fraud proofing new procedures, processes, and controls to ensure these are robust and provide the best defence to any improper use or loss of public funds.

Managers at all levels have a responsibility to ensure that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively. The responsibility for the prevention and detection of fraud, bribery, and corruption therefore primarily rests with managers, but requires the co-operation of all employees.

## ALL STAFF RESPONSIBILITY

This section is intended to cover all employees and workers which may include Consultants, vendors, contractors, and those with a business relationship with the UHB.

All employees and workers are required to comply with the UHB policies and procedures. Breach of the UHB's policies and procedures may render staff liable to disciplinary action and when economic crime is suspected will lead to a referral to the Local Counter Fraud Service team for investigation. This may lead to a criminal prosecution, dismissal and financial recovery of NHS losses which may include loss of NHS Pension rights.

All employees and workers have a duty to protect the assets of the UHB. Assets include buildings, equipment, vehicles, monies, information, and goodwill.

All employees and workers have a duty to ensure that public funds are safeguarded, whether or not they are involved with cash or payment systems, receipts or dealing with contractors or suppliers.

All employees and workers should apply best practice in order to prevent fraud, bribery, or corruption against the UHB and wider NHS. The Local Counter Fraud, Bribery and Corruption policy should be used by staff as a guide to apply best practice.

Employees and workers have a responsibility to comply with all applicable laws and regulations relating to ethical business behaviour, procurement, personal expenses, conflicts of interest, confidentiality, and the acceptance of gifts (including bequests in patients' Wills that become known to staff) and hospitality. This means, in addition to maintaining the normal standards of personal honesty and integrity, all employees should always:

- Make appropriate and timely declarations on the UHB's Declaration of Interest and Gift & Hospitality electronic registers, relating to any self-employment or other employment or where any outside interest, offers by patients, suppliers or third parties may be considered as a cause for concern or may be considered to create a conflict of interest against the UHB.
- Avoid acting in any way that might cause others to allege or suspect them of dishonesty.
- Behave in a way that would not give cause for others to doubt that the UHB's employees deal fairly and impartially with official matters.
- Be alert to the possibility that others might be attempting to deceive.
- Employees and workers are also expected to act in accordance with the standards laid down by their Professional Bodies where applicable.

If an employee or worker suspects that fraud, bribery, or corruption has taken place against the UHB or wider NHS, they have a duty to ensure it is reported to by contacting the Local Counter Fraud Specialist directly or by using the other reporting methods outlined below.

All employees and workers of the UHB have a right and a duty to bring to their manager's attention, any matter which they consider to be damaging to the interests of patients, members of the public or other staff. However, where these concerns relate to potential fraud, bribery or corruption, the report should be made to the Local Counter Fraud Specialist or the NHS Fraud and Corruption Reporting Line, freephone 0800 028 40 60 or online at <https://cfa.nhs.uk/reportfraud>

It is not usually possible for informants to be made aware of the outcome of any investigation unless the matter is progressed criminally through the criminal justice system, in which case the proceedings will be in the public domain.

These arrangements do not replace UHB's procedures for handling complaints, grievances, incident reporting or matters reported through the [All Wales Raising Concern Whistleblowing Policy](#) (Public Interest Disclosure Act 1998)

## REPORTING CONCERNS

The UHB has adopted an [AW Raising Concerns \(Whistleblowing\) Policy](#) and full guidance as to how staff report suspicion of fraud is contained within this document. To summarise all concerns or suspicions relating to fraud, bribery or corruption **must** be reported to the UHB's nominated LCFS.

Contact details for the LCFS can be found on the UHB Counter Fraud Intranet pages or by emailing the Counter Fraud Team's secure central inbox at [HDUHB.CounterFraudTeam.HDD@wales.nhs.uk](mailto:HDUHB.CounterFraudTeam.HDD@wales.nhs.uk)

If there is a concern that the LCFS, or the Executive Director of Finance themselves may be implicated in suspected fraud, bribery, or corruption then employees can report the allegations to the Head of CFS Wales. If there is a reason to believe that the referral has not been investigated properly then employees can contact the Head of CFS Wales to discuss their concerns. The Head of CFS Wales can be contacted by telephone on 01495 334101 or by e-mail to [graham.dainty@cfsms.gsi.gov.uk](mailto:graham.dainty@cfsms.gsi.gov.uk)

The employee should not discuss their concern with any other member of staff. Where a member of staff identifies potential fraud or corruption it is UHB policy that under no circumstances should a member of staff speak or write to representatives of the press, TV, radio, social media, or to another third party about a suspected fraud without the express authority of the Chief Executive. Care needs to be taken to ensure that nothing is done that could give rise to an action for slander or libel.

All concerns raised will be treated confidentially and will be dealt with professionally in line with relevant legislation. All matters will be investigated following direction from the NHS Counter Fraud Manual and in full compliance with Police and Criminal Evidence Act 1984, Criminal Procedure and Investigations Act 1996, Human Rights Act 1998, and Data Protection Act 2018.

There will be no recriminations against staff that report reasonably held suspicions. Victimising or deterring staff from reporting concerns is a serious disciplinary matter.

## TRAINING

The LCFS will promote fraud, corruption, and bribery awareness through the delivery of face-to-face presentations, the provision of mandatory eLearning modules and/or the distribution of newsletters and other materials. Should staff require any other assistance, or advice, they should contact the LCFS.

## IMPLEMENTATION

Implementation is in accordance with the Counter Fraud work plan monitored by the Audit, Risk and Assurance Committee and audited by WAO and NHSCFA.

## APPENDIX A - ACTING ON SUSPICIONS – DO'S & DON'TS

### DO

#### **- Note Your Concerns**

Record details such as your concerns, names, dates, times, details of conversations and possible witnesses. Time, date and sign your notes.

#### **- Retain Evidence**

Retain any evidence that may be destroyed or make a note and advise your LCFS.

#### **- Report Your Suspicion**

Confidentiality will be respected; delays may lead to further financial loss.

### DO NOT

#### **- Confront The Suspect Or Convey Concerns To Anyone Other Than Those Authorised.**

Never attempt to question a suspect yourself; this could alert a fraudster or accuse an innocent person.

#### **- Try to Investigate, or Contact the Police Directly**

Never attempt to gather evidence yourself unless it is about to be destroyed; gathering evidence must consider legal procedures in order for it to be useful. Your LCFS can investigate in accordance with legislation.

#### **- Be Afraid of Raising Your Concerns**

The Public Interest Disclosure Act 1998 protects employees who have reasonable concerns. You will not suffer discrimination or victimisation by following the correct procedures.

## APPENDIX B - COMMON EXAMPLES OF NHS FRAUD, CORRUPTION AND BRIBERY OFFENCES

**(This is not an exhaustive list. For other types of fraud, corruption or bribery offences please contact the LCFS for advice).**

**Employment:** Presenting forged certificates of qualification to obtain employment; claiming for overtime or shifts not worked; taking sick leave and undertaking unauthorised work for another organisation whilst in receipt of sick pay; claiming expenses (such as travel) when it has not been incurred; falsification of references for a job application; claiming time for college/training but not actually attending; knowingly failing to report and retaining salary or other payments not entitled to; non-declaration of criminal convictions.

**Patients' Monies:** Falsifying patients' monies records to obtain cash and property.

**Pharmaceuticals:** Presentation of forged prescriptions; falsely presenting oneself as another person to receive prescription items; pharmacists substituting an expensive drug with a cheaper alternative and making claims for the more expensive one; writing prescriptions for own use.

**Procurement:** Price fixing or price hiking by suppliers; invoicing for products not supplied; over invoicing; supplying unsolicited goods or products.

**NHS Equipment:** Obtaining, or misuse of NHS equipment or goods for private purposes.

**Bribery:** Incentives/inducements to staff responsible for procurement if they purchase from a particular supplier; patients making informal payments to healthcare practitioners in order to receive expedient treatment.

**Health Tourism:** A foreign national travelling to the UK with the intention of receiving free healthcare treatment to which they know they are not entitled.

## SUMMARY EQUALITY IMPACT ASSESSMENT –

<b>Organisation:</b>	Hywel Dda University Health Board
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<b>Proposal Sponsored by:</b>	<b>Name:</b>	Ben Rees
	<b>Title:</b>	Local Counter-Fraud Specialist
	<b>Department:</b>	Finance

<b>Policy Title:</b>	Counter Fraud, Bribery and Corruption Policy
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<b>Brief Aims and Objectives of Policy:</b>	The policy aims to inform all staff of the reporting procedures and subsequent action following the referral of any suspicion of fraud. It also aims to promote the deterrent and detection of fraud committed against Hywel Dda UHB and ensure an appropriate and thorough investigation is completed and reported and that losses to fraud, bribery and corruption are mitigated.
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<b>Was the decision</b>	<b>Yes</b>	<b>No</b> ✓
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**reached to proceed to full Equality Impact Assessment?:**

The Health Board has a range of staff across all protected groups at all levels across the three counties.

The protected characteristics of individuals do not factor in to any of the procedures associated with the policy, other than where assistance may be needed to help individuals understand the policy, processes and the consequences of their actions.

The policy was assessed as having a low relevance to the equality duties. It is a prescriptive process of how to address incidences of fraud, bribery and corruption that may arise across the Health Board. It will however be important to ensure that any staff against whom the policy is invoked clearly understand what this entails. It is the responsibility of managers who implement the policy to ensure that it is implemented fairly. Staff are required to undertake training in the policy and this could be conducted face to face or electronically and could be arranged to suit individual needs e.g. to work round caring responsibilities, shift work, literacy levels etc.

This policy has been assessed as having a neutral impact in relation to protected groups.

A search of similar policies elsewhere indicated similar result.

<https://www.bing.com/search?q=counter+fraud+bribery+and+corruption+policy+nhs+equality+impact+assessment&qs=n&form=QBLH&sp=-1&pq=counter+fraud+bribery+and+corruption+policy+nhs+equality+impact+assessment&sc=0-74&sk=&cvid=837D592C0FDC4FF19541F739D355B4DD>

**If no, are there any issues to be addressed?**

**Yes** ✓

**No**

The policy may need to be converted in to alternative formats to assist individual staff understanding of the technical and legal implications of the policy, especially if they do not

speaking English or Welsh as a first language . – Any staff involved in situations where this policy is invoked will be supported through the process as outlined within the policy. .

**Is the Policy Lawful?**

Yes ✓

**Will the Policy be adopted?**

Yes ✓

**If no, please record the reason and any further action required:**

**Are monitoring arrangements in place?**

Yes ✓

Any complaints received in relation to equality, diversity or human rights received at any stage during consultation or following implementation of the policy will be addressed on an individual basis and appropriate action taken.

<b>Who is the Lead Officer?</b>	<b>Name:</b>	Huw Thomas
	<b>Title:</b>	Director of Finance
	<b>Department:</b>	Finance
<b>Review Date of Policy:</b>	Three yearly or sooner if required	

<b>Signature of all parties:</b>	<b>Name</b>	<b>Title</b>	<b>Signature</b>
	Matthew Evans	Local Counter Fraud Specialist	M.Evans 11/04/2019
	Jackie Hooper	Senior Equality and Diversity Officer	Partial draft v0.1 26/03/2019
	Ben Rees	Local Counter Fraud Specialist	B Rees 27/07/2022

**Please Note: An Action Plan should be attached to this Outcome Report prior to signature**

**n/a**