



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

DYDDIAD Y CYFARFOD: DATE OF MEETING:	18 June 2024
TEITL YR ADRODDIAD: TITLE OF REPORT:	Counter Fraud Update
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Ben Rees, Head of Counter Fraud

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Gwybodaeth/For Information

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

This report provides to the Audit and Risk Assurance Committee an update on the Counter Fraud work completed within Hywel Dda University Health Board (HDdUHB). This ensures compliance with the Welsh Government Directives for Countering Fraud in the NHS and the NHS Counter Fraud Authority Requirements of the Government Functional Standard GovS 013: Counter Fraud.

The report will present a breakdown as to how resource has been used within Counter Fraud, alongside an overview of key work areas completed against the 4 NHS Counter Fraud Authority standard areas.

Cefndir / Background

Main Report:

To evidence the provision of services within a sound governance framework.

Asesiad / Assessment

Main Report:

The Health Board is compliant with the Welsh Government Directives.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is invited to receive for information the Counter Fraud Update Report and appended items.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference:

Cyfeirnod Cylch Gorchwyl y Pwyllgor:

3.2 In particular, the Committee will review the adequacy of:

	3.2.4 the policies and procedures for all work related to fraud and corruption as set out in National Assembly for Wales 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.
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	3. Effective 4. Efficient
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	4. Learning, improvement and research
Amcanion Strategol y BIP: UHB Strategic Objectives:	3. Striving to deliver and develop excellent services 6. Sustainable use of resources
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:

Ar sail tystiolaeth: Evidence Base:	Counter Fraud Workplan 2023/24
Rhestr Termiau: Glossary of Terms:	LCFS – Local Counter Fraud Specialist/s CF – Counter Fraud CFS Wales – Counter Fraud Services Wales NHS CFA – NHS Counter Fraud Authority NWSSP – NHS Wales Shared Services Partnership LPE – Local Proactive Exercise FRA – Fraud Risk Assessment
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Not applicable.

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Not applicable.
Ansawdd / Gofal Claf: Quality / Patient Care:	Not applicable.
Gweithlu: Workforce:	Not applicable.
Risg: Risk:	Not applicable.
Cyfreithiol: Legal:	Not applicable.
Enw Da: Reputational:	Not applicable.
Gyfrinachedd: Privacy:	Not applicable.
Cydraddoldeb: Equality:	Not applicable.



HYWEL DDA UNIVERSITY HEALTH BOARD

COUNTER FRAUD UPDATE

For Presentation at the Audit and Risk Assurance Committee

18 June 2024

The NHS Protect Standards are set in four generic areas:

- Strategic Governance
- Inform and Involve
- Prevent and Deter
- Hold to Account

AREA OF ACTIVITY	Resource Allocated (days) 2023/24	Resource Used (days) as at 31/05/2024	Resource Used (Percentage as at 31/05/2024)
STRATEGIC GOVERNANCE	40	5	12.5%
INFORM AND INVOLVE	85	13	15%
PREVENT AND DETER	120	21	17.5%
HOLD TO ACCOUNT	175	25	14%
TOTAL	420	64	15%

Work Area	<i>Summary of work areas completed</i>
Inform and Involve	<ul style="list-style-type: none"> • All new inductees have completed the Health Board’s induction programme and the Counter Fraud mandatory training programme. A new, All Wales Counter Fraud E-learning package has been created and is in operation. • Counter Fraud content on the Health Board’s Medicines Safety learning days has again been delivered to Nurses by way of two presentations, presenting to eighty-eight participants. • As requested, a Counter Fraud and Procurement Training session was provided to the IT Senior Management Team. The session provided an opportunity to provide an overview of Fraud risks within the NHS and in particular, those associated with the procurement process, including due diligence, contract management and risks associated with No PO compliance and contract splitting. In response to the above, similar training has now been arranged with the Estates Senior Management Team and will take place on Wednesday 03 July 2024. • A Summer Newsletter has been published, raising awareness of Fraud within the NHS, including a piece on Procurement. A link to the document is as follows: https://sway.cloud.microsoft/4sZPm2BF73Zd8Mcm?ref=Link and a separate link will be shared during the ARAC session. • A number of alerts associated with emerging risks have been communicated to key stakeholders, these include alerts associated with lost or stolen prescriptions from neighbouring health board areas, cyber enabled fraud associated with compromised IT accounts of known contractors and risks associated with mandate fraud.
Prevent and Deter	<ul style="list-style-type: none"> • An annual exercise into the requisitions has commenced and will look at the risks associated with contract splitting. A risk assessment has been completed in partnership with Finance, controls identified and reviewed with the assistance of NWSSP Procurement. A review of the controls will now take place to evaluate their effectiveness by way of a Local Proactive Exercise.

- Risks associated with Roster System compliance within the Estates Directorate have been identified, whereby the mismanagement of Allocate, the current rostering system, would result in error, fraud or loss to Hywel Dda University Health Board or its employees. It is said that as a result of this mismanagement, rosters are being incorrectly finalised, resulting in potential payroll and time off in lieu errors. This will lead to a potential negative impact on both Employee and Health Board Finances, employee rights and poor governance, resulting in reputational harm to the organisation. These risks were identified in collaboration with the Directorate, the Rostering Team, and Counter Fraud and a meeting has taken place to discuss concerns and provide the service with the assessment for comment and completion.

The inherent risk with no controls in place has been scored as fifteen, however, the utilisation of existing controls, which includes the proper administration and management of Allocate will allow for a target score of six or below. A summary of the risks identified have been included in the committee paper.

- As a result of recently concluded Counter Fraud investigations, a risk assessment looking at consultant work plans has been prepared and will now be discussed with the Interim Medical Director, with a view of cascading the assessment to each applicable service. The risk centres around potential over and underpayments associated work undertaken or not undertaken in line with individual workplans. Again, the consequence of the risks identified may lead to a potential negative impact on both Employee and Health Board Finances, employee rights and poor governance, resulting in reputational harm to the organisation. These risks were identified in collaboration with the Directorates concerned and Medical Workforce, who have undertaken work in recent years to address areas of concern. In addition, it is noted that Internal Audit have undertaken work in this area and relevant papers have been reviewed as part of the assessment process.
- The CF team continues to engage with Internal Audit, with future meetings planned throughout the year.

Hold to Account	<ul style="list-style-type: none"> • A number of new referrals have been received into the department over the last two months, with significant work being undertaken around these. These are noted within a separate report, for discussion during the closed In-Committee session.
Strategic Governance	<ul style="list-style-type: none"> • The draft SRT submitted for approval to the Committee in April 2024 has now been directly inputted into the NHS Counter Fraud Authority electronic portal and digitally signed by both Mr Huw Thomas and Cllr. Rhodri Evans. • Quarterly statistics have been submitted to Counter Fraud Service (CFS) Wales and in compliance with WG directions and CFS Wales have released their Q4 / end of year report, which is appended to the In-Committee report. • The LCFS attended a quarterly PPV meeting, during which issues relating to current error trends were raised and discussed, with a view to identifying potential risk areas. These meetings will continue throughout the year.

Report Provided by:
Ben Rees - Lead Local Counter Fraud Specialist
For presentation; 18 June 2024

Report agreed by:
Huw Thomas
Director of Finance