

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

DYDDIAD Y CYFARFOD: DATE OF MEETING:	24 June 2025
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:	1. Striving teams
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 2025/26
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 24 June 2025

The NHS Protect Standards are set in four generic areas:

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

AREA OF ACTIVITY	2025/26 Resource (days)	Resource Used as at 31/05/2025	Resource Used (%) as at 31/05/2025)
STRATEGIC GOVERNANCE	40	5	12
INFORM AND INVOLVE	85	10	12
PREVENT AND DETER	130	20	15
HOLD TO ACCOUNT	185	24	13
TOTAL	440	59	13

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. The Health Board’s Learning and Development Department are currently undertaking a review of Mandatory Training and have queried as to whether the Counter Fraud e-learning package needs to remain mandatory. Counter Fraud have advised Learning and Development that the e-learning package needs to remain mandatory. The package provides the Health Board with assurance that relevant training is both provided and completed by all employees, ensuring compliance with both Government Functional Standards and Welsh Government directions. Following discussion at the Mandatory Training Review group in February 2025, with input from the Head of Counter Fraud, it was agreed that the package should remain mandatory. However, a concession was made with the need to renew the package every three years removed. • Counter Fraud content was delivered to Nurses by way of presentations on the Medicines Management programme and the Overseas Nurses Induction. • Following a risk identified, linked to introduction of the new rostering system into the Mental Health Directorate, Fraud Awareness sessions were provided to circa 100 employees from the directorate, during which Fraud proofing controls were highlighted and awareness raised around the need to maintain accurate and timely records on electronic systems. • Counter Fraud currently sit on the quarterly HDdUHB Local Intelligence Network (LIN), at which advice is provided on current fraud trends associated with Controlled Drugs. Where applicable, relevant advice, including raising awareness of Fraud in the NHS, is provided.

Prevent and deter

- The Public Sector Fraud Authority (PSFA) – part of the UK Government’s Cabinet Office and HM Treasury – oversees the National Fraud Initiative (NFI) across the UK. Audit Wales leads the exercise in Wales under the Auditor General’s powers in the Public Audit (Wales) Act 2004. The Auditor General’s Code of Data Matching Practice summarises the key legislation, and controls, governing the exercise in Wales. The Auditor General has mandated that unitary local authorities, NHS bodies, police forces, and fire and rescue authorities participate in the NFI. NFI helps prevent and detect fraud by sharing and matching sets of data electronically. Further information on the initiative can be found here, [National Fraud Initiative | Audit Wales](#).
Final data sets were released in January 2025. Work on the initiative has commenced by both Local Counter Fraud officers and NWSSP Accounts Payable. To date, a significant amount of work has been undertaken in this area. A breakdown of each exercise and a summary of activity undertaken has been provided below:

Match Type	Purpose of the match	Total Matches	Opened	Reviewed and closed	Remaining	Remarks
Payroll to Payroll	To identify individuals who may be committing employment fraud by failing to work their contracted hours because they are employed elsewhere or are taking long-term sickness absence from one employer and working for another employer at the same time. The criteria for a match are a person having one full-time post plus at least one other post elsewhere.	86	86	76	10	10 enquiries remain open, 3 of which have been progressed as investigations and 7 enquiries remain outstanding with third parties. In addition, each entry will be reviewed to identify whether consideration should be made by the employee to submit any relevant declarations of interest. CF aim to complete this work by the end of quarter 2.

	Payroll to Pension	To identify cases where employees who have gone back into employment after drawing a pension that could result in an abatement of pension.	110	88	88	22	Enquiries undertaken include working with NWSSP Pensions to ensure each entry is valid and compliant. To date, no issues have been identified. CF aim to complete this work by the end of quarter two.
	Payroll to Creditors	The match identifies instances where an employee and creditor are linked by the same bank account or the same address to identify employees with interests in companies with which your organisation is trading. This may indicate potential undeclared interests and possible procurement corruption or where a member of staff has set up a creditor with their own bank details in order to receive payments they are not entitled to.	24	24	1	23	A download of the data has been obtained and shared with Finance colleagues as part of a joint review. In addition, each entry will be reviewed to identify whether consideration should be made by the employee to submit any relevant declarations of interest. CF aim to complete this work by the end of quarter 2.
	Payroll to companies house	To identify potential undeclared interests that have given a pecuniary advantage. To do this NFI have matched payroll data to companies house information and then to your creditors data. The reports are split between those highlighting employees who appear to be registered directors of companies that the employing body has traded with and those where the employees address appears to have links to the company directors or the company.	49	49	0	49	A download of the data has been obtained and shared with Finance colleagues as part of a joint review. In addition, each entry will be reviewed to identify whether consideration should be made by the employee to submit any relevant declarations of interest. CF aim to complete this work by the end of quarter 2.

Hold to Account	<ul style="list-style-type: none"> • New referrals have been received into the department over the last two months, with significant work being undertaken. A detailed report of all new, existing, and closed investigations has been provided to the Committee via an In-Committee report.
Strategic Governance	<ul style="list-style-type: none"> • Quarterly statistics have been submitted to Counter Fraud Service (CFS) Wales and in compliance with WG directions. CFS Wales have produced their quarterly report, which has been 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; 24 June 2025

Report agreed by:
Huw Thomas
Director of Finance