



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

DYDDIAD Y CYFARFOD: DATE OF MEETING:	09 December 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 Termau: 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 09 December 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 30/11/2025	Resource Used (%) as at 30/11/2025)
STRATEGIC GOVERNANCE	40	21	53
INFORM AND INVOLVE	85	57	67
PREVENT AND DETER	130	84	64
HOLD TO ACCOUNT	185	110	60
TOTAL	440	272	62

Work Area	Summary of work areas completed
Inform and involve	<ul style="list-style-type: none"> • All new inductees are required to complete the Health Board’s induction programme and the Counter Fraud mandatory training e-learning package. • Counter Fraud content was delivered to Nurses by way of presentations on the Medicines Management programme. In addition, this last quarter has seen presentations delivered to optometrists covering the North Ceredigion and South Pembrokeshire areas, engaging with all Clusters, raising awareness of fraud in the NHS and the need for greater collaborative working to reduce instances to an absolute minimum. • International Fraud Awareness Week (IFAW) took place between Sunday 16 and Friday 21 November 2025. Counter Fraud participated in the event by way of holding two online Webinars and in person engagement events with both Hospital Staff and Service users by holding in person meet and greet events at Bronglais General Hospital, Glangwili General Hospital, Prince Philip Hospital and Withybush General Hospital. In addition, various online material was shared via Viva Engage and the Counter Fraud intranet site. Evidence of said activity can be seen via the two links: <ul style="list-style-type: none"> 1 - Bore da pawb As part of International Fraud Awareness week, the Counter Fraud team visited BGH yesterday, where we spent some time engaging with membe... Posted in HDD Tîm Hywel Dda Team on Nov 18, 2025 2 - International Fraud Awareness Week (IFAW) 2025 <p>As part of the event, Counter Fraud also visited Primary Care partners, which included GP Providers and Pharmacies.</p> <ul style="list-style-type: none"> • Counter Fraud, in collaboration with the Home Office hosted two 90-minute training sessions to over 100 attendees covering ID document fraud and how it affects the NHS. The session included Home Office training on how to spot forged documents and what to do should an adverse incident occur.

	<p>The training was aimed at mitigating risks associated with a previously reported alert involving the impersonation of medical professionals. Attendees included HDdUHB Recruitment, Nurse Bank and Rostering, Appointing Managers and Ward Supervisors.</p> <ul style="list-style-type: none"> • 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.
<p>Prevent and deter</p>	<ul style="list-style-type: none"> • In response to the National Fraud Initiative, a local proactive exercise was undertaken linked to Declarations of interests submitted by employees who were matched as being linked to known suppliers / contractors of HDdUHB or who had secondary employment with participating organisations. A report outlining the exercise and its findings has been completed and appended to the In-Committee report for the committee's attention. • In August 2025, Counter Fraud highlighted the reporting of a risk linked to the impersonation of Agency employed Registered Nurses and Healthcare Support Workers. In response, a local proactive exercise was undertaken, which confirmed that existing processes to mitigate the risk were in operation and were effective and reducing the likelihood of an adverse incident. To this end, Counter Fraud, in partnership with the Home Office, undertook a training session to help HDdUHB employees to identify fake or forged documents, addressing an action highlighted in an October 2025 In-Committee session risk report. • To better understand fraud risks, trends and potential areas of further monitoring, Counter Fraud have undertaken an analysis of all referrals, both crime and non-crime recorded and closed across various directorates and departments between 01 November 2024 and 21 November 2025. Analysis includes monthly trends, top offence types, county-level breakdowns, subtype analysis, and a heatmap of Directorate vs Subtype for targeted risk management. Forecasts for the next three months are also provided, along with a predictive risk matrix for Q1 2026.

The report also includes details of all cases received during the reporting period; however, not all resulted in criminal activity being substantiated. Key insights include:

Overall Trends

Fraud Volume:

- Average of ~4.6 cases per month, with a slight upward trend forecasted for Q1 2026 (expected 5.7 → 6.0 cases per month).

Dominant Fraud Type:

- NHS Staff Fraud – Employee fraud is the most prevalent across all counties and directorates.

Seasonality:

- Increased activity observed toward year-end, with an increase in working whilst sick and service user fraud noted, this is likely to continue into early 2026.

Top Offence Types:

1. NHS Staff Fraud – Employee fraud
2. NHS Patient Fraud
3. NHS Staff Fraud – Pharmaceutical
4. Third Party (External) Fraud
5. NHS Supplier Fraud

County-Level Insights:

- Carmarthenshire: Highest risk, with a recent spike noted in November 2025 (5 cases).
- Pembrokeshire: Stable but persistent staff fraud cases.
- Ceredigion: Emerging risk with recent increase in fraud cases.

Subtype Patterns:

- Working Whilst Sick and Timesheet Fraud dominate under 'Fraud by false representation'.

- Patient fraud linked to Supply of Controlled Drugs and Forged Prescriptions remains a concern.

Directorate Risk:

- Nursing and Midwifery: Highest concentration of staff-related fraud.
- Service User: High risk for controlled drug supply and prescription fraud.
- Contractor: Vulnerable to mandate fraud and false representation.

Predictive Risk for Q1 2026 - Top 5 High-Risk Areas:

1. Nursing & Midwifery | Fraud by false representation (Risk Score: 21)
2. Service User | Supply of controlled drugs (Risk Score: 9)
3. Contractor | Fraud by false representation (Risk Score: 9)
4. Hotel Facilities | Fraud by false representation (Risk Score: 6)
5. Service User | Fraud by false representation (Risk Score: 6)

Mitigation Recommendations:

- Strengthen monitoring in Nursing & Midwifery (Working Whilst Sick, Timesheet Fraud).
- Enhance prescription controls for Service User fraud linked to prescriptions (currently underway via the rollout of digital prescriptions).
- Conduct targeted local proactive exercises in Hotel Facilities.
- Increase staff fraud awareness training across high-risk areas.

A detailed visual breakdown report of allegations by directorate, department and location is included to support future targeted risk mitigation, and has been appended to this report, Appendix A refers.

- 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 is now nearing completion, with only two matches remaining open, due to ongoing enquiries.

To date, the exercise has assisted in the recovery of approximately £33,000. Enquiries associated with the work are nearing completion, with only one report remaining open, 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	85	1	1 enquiry remains open. This matter is linked to an ongoing investigation into an offence of Fraud by False Representation. NWSSP is leading on the case as the subject concerned is a substantive employee of theirs.
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	110	110	0	Enquiries undertaken include working with NWSSP Pensions to ensure each entry is valid and compliant. No issues have been identified, and all matches are now closed.

	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	24	0	All matches are now complete, resulting in no concerns being identified.
	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	49	0	All matches are now complete, resulting in no concerns being identified.
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. 						

Report Provided by:

Ben Rees - Lead Local Counter Fraud Specialist

For presentation; 09 December 2025.

Report agreed by:

Huw Thomas

Director of Finance



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Fraud Case Analysis Report

Executive Summary

This report provides an overview of fraud cases investigated across various directorates and departments between 01 November 2024 and 21 November 2025. It includes monthly trends, top offence types, county-level breakdowns, subtype analysis, and a heatmap of Directorate vs Subtype for targeted risk management. Forecasts for the next three months are also provided, along with a predictive risk matrix for Q1 2026.

The report includes details of all cases received during the reporting period; however, not all resulted in criminal activity being substantiated. Key insights include:

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Top Offence Types

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Predictive Risk for Q1 2026

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Monthly Crime Trend

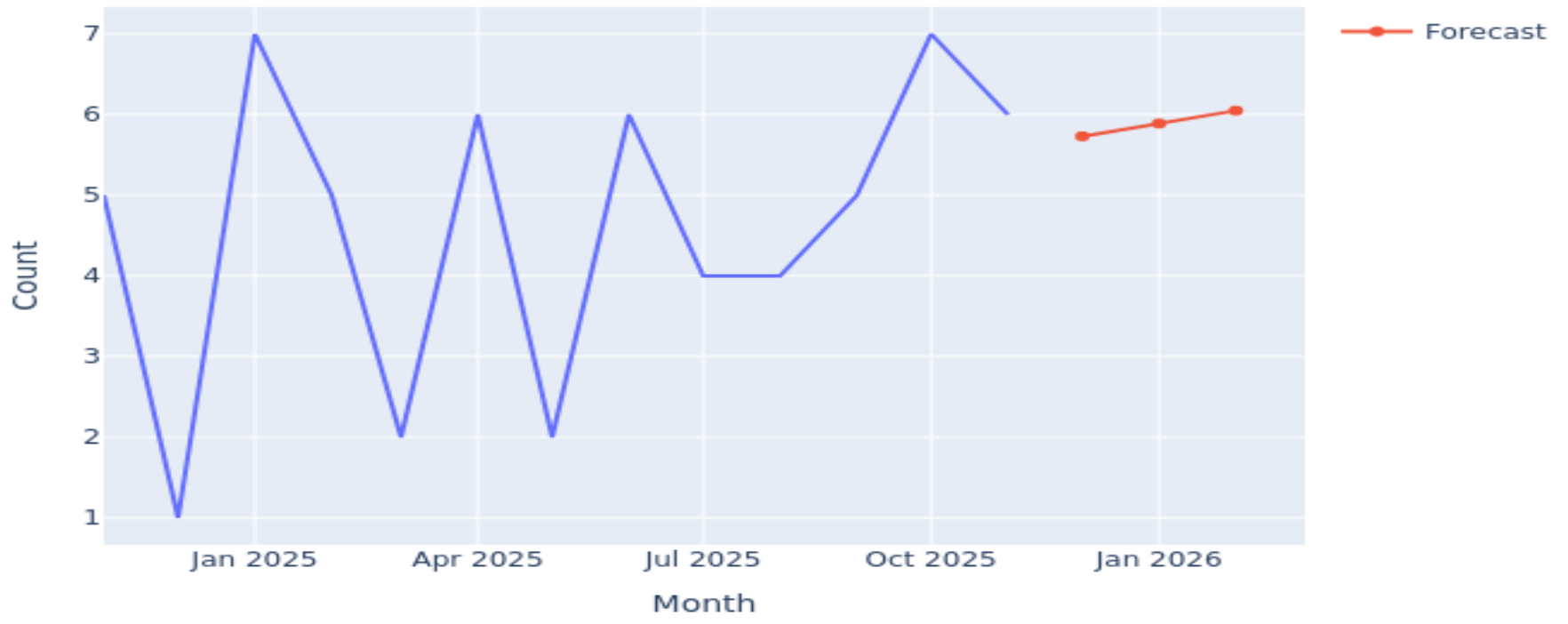


Figure 1: Monthly crime trend with forecast (including predicted increase in Q1 2026).

Top Offence Types

This chart highlights the five most frequent offence types observed in the dataset.

Top 5 Offence Types

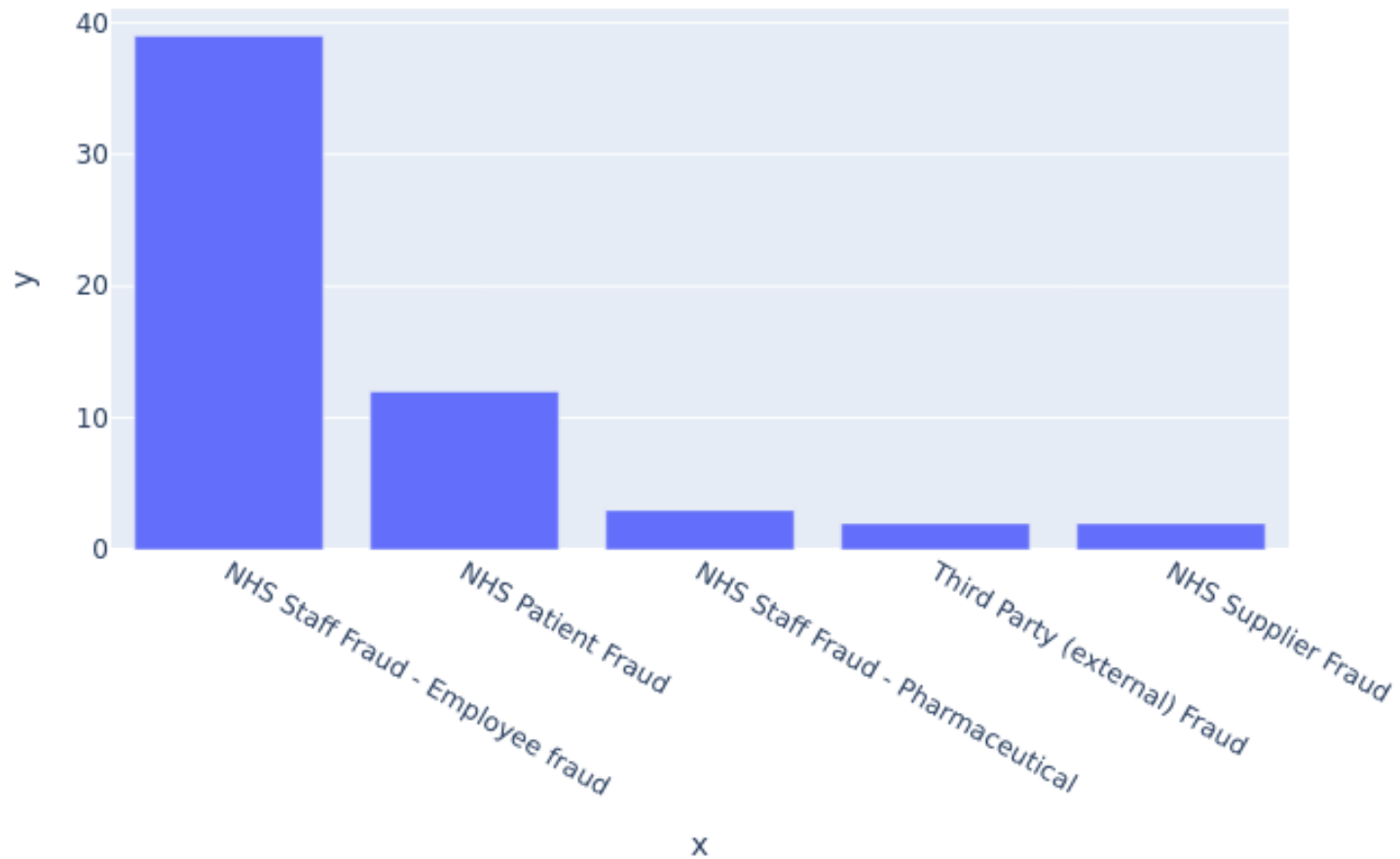


Figure 2: Top 5 offence types across all counties.

County-Level Trends

The following chart compares monthly crime trends across Carmarthenshire, Pembrokeshire, and Ceredigion.

County-Level Crime Trends

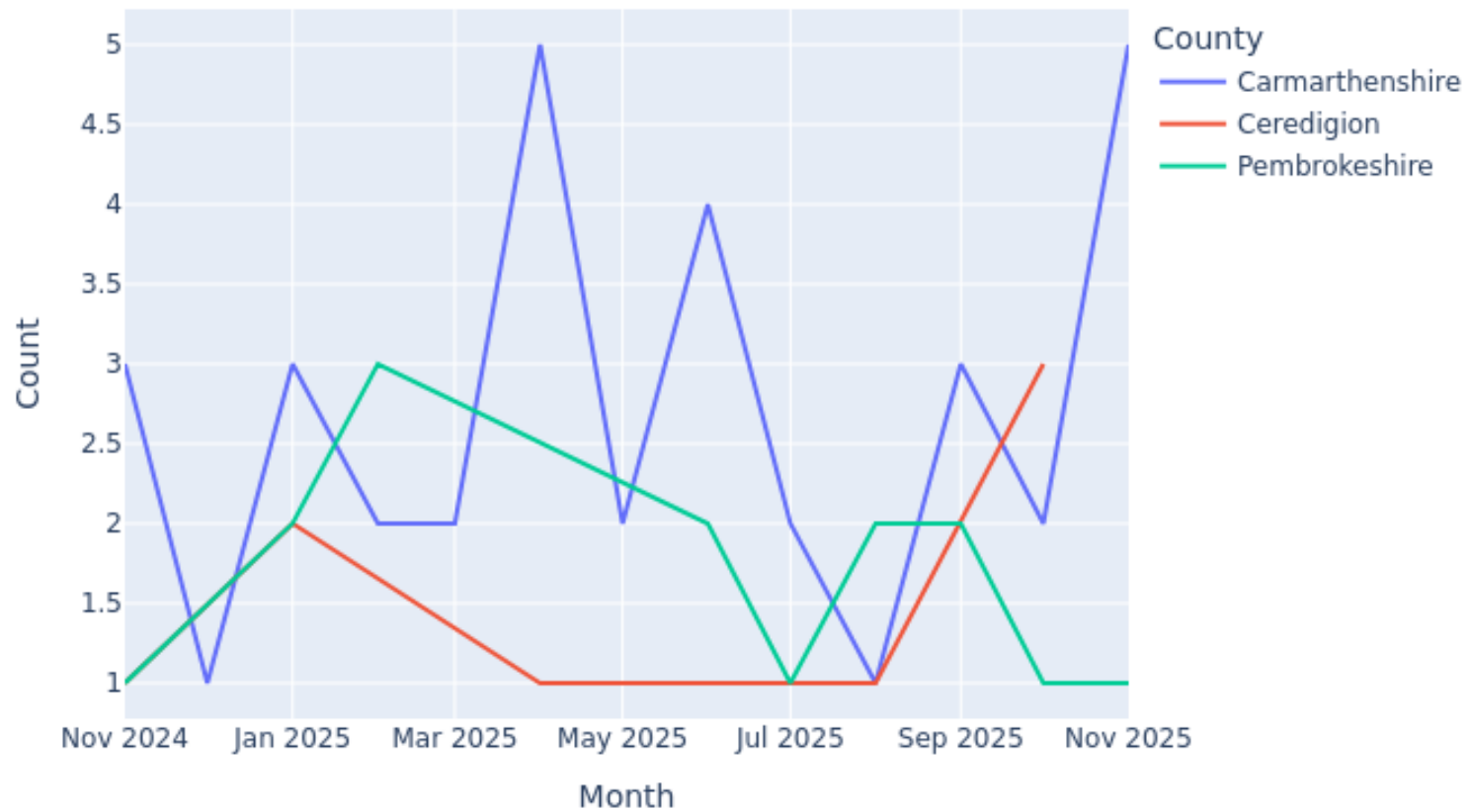


Figure 3: County-level monthly crime trends.

County Offence Breakdown

This chart shows the distribution of offence types per county.

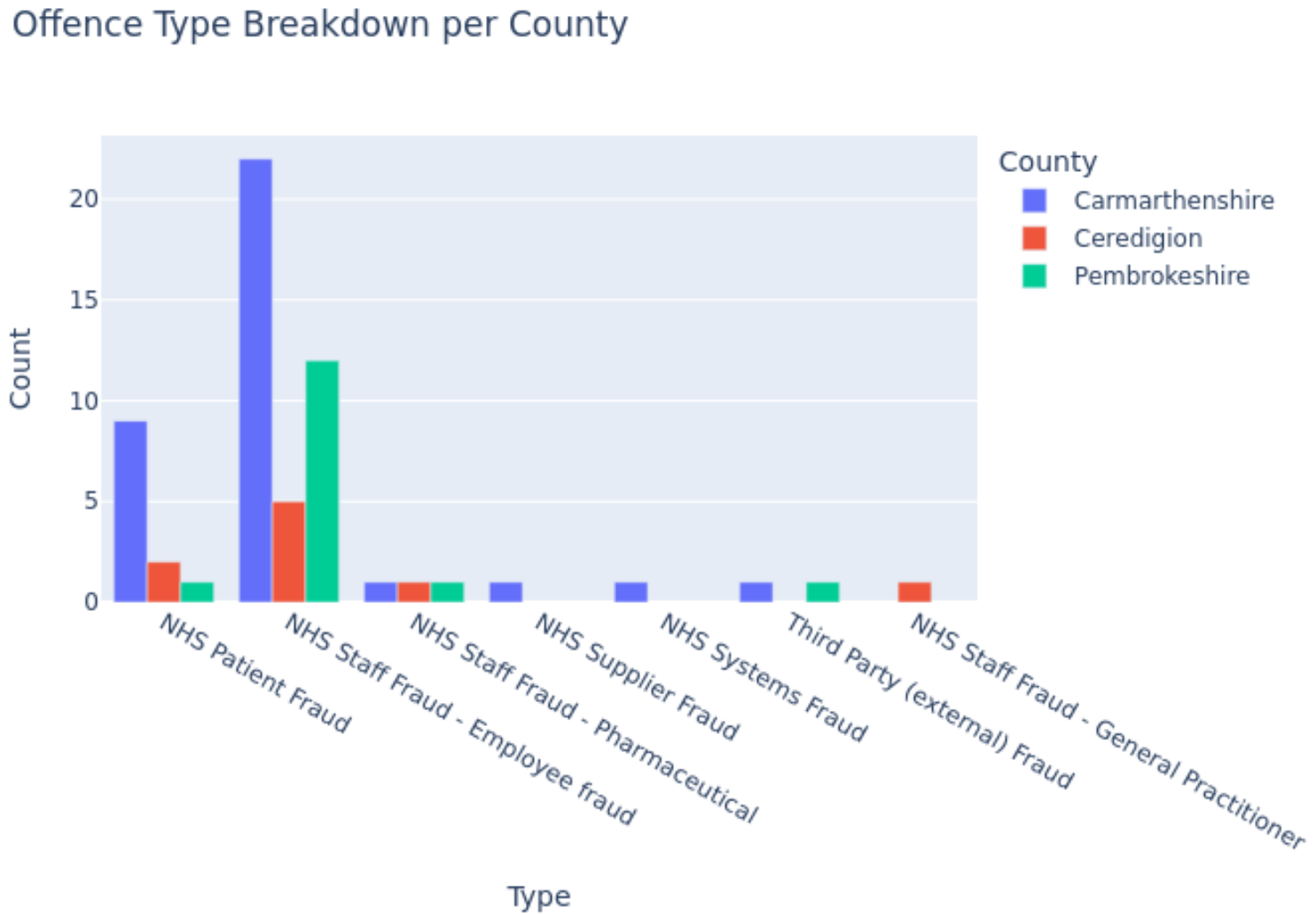


Figure 4: Offence type breakdown by county.

Subtype Breakdown per County

The chart below illustrates the most common subtypes (e.g., Working Whilst Sick, Timesheet Fraud) per county.

Subtype Breakdown per County

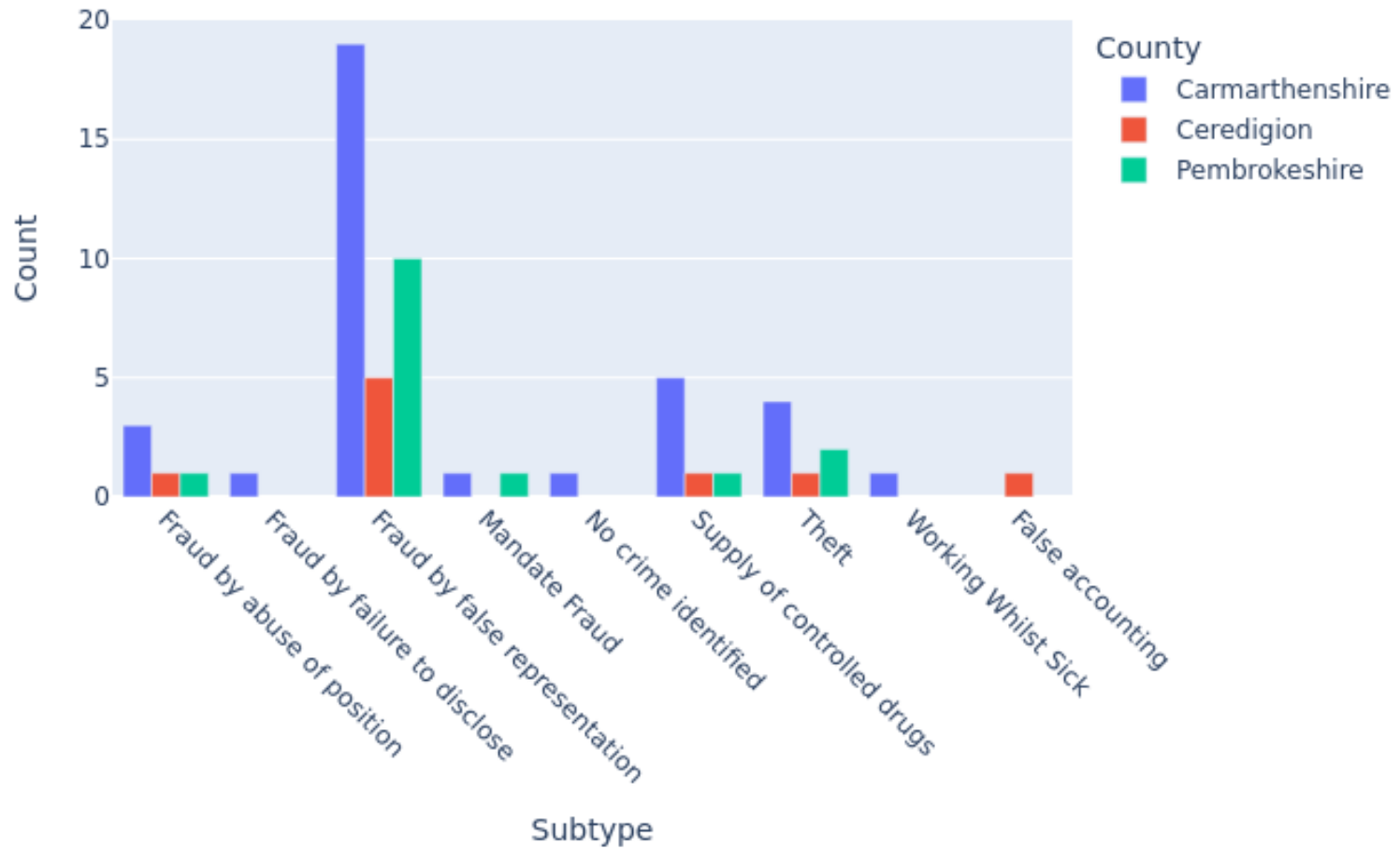


Figure 5: Subtype distribution across counties.

Predictive Risk Matrix for Q1 2026

This section provides a predictive risk assessment for Q1 2026 based on historical patterns and weighted recent activity. Higher scores indicate greater likelihood of fraud occurrence in the upcoming quarter.

Top 5 Predicted High-Risk Areas:

1. Nursing and Midwifery | Fraud by false representation → Risk Score: 21
2. Service User | Supply of controlled drugs → Risk Score: 9
3. Contractor | Fraud by false representation → Risk Score: 9
4. Hotel Facilities | Fraud by false representation → Risk Score: 6
5. Service User | Fraud by false representation → Risk Score: 6

Risk methodology

- Data Selection - All cases were grouped by Directorate and Subtype. Only valid entries with both fields populated were included.
- Weighting Recent Activity - Cases from the last 3 months (Sept–Nov 2025) were given a weight of 3. Older cases were given a weight of 1, ensuring recent spikes influence the risk score more heavily, reflecting emerging threats.
- Risk Score Calculation - For each Directorate–Subtype combination, the weighted counts were summed:

$$\text{"Risk Score"} = (\text{"Older Cases"} \times 1) + (\text{"Recent Cases"} \times 3)$$

Example: Nursing & Midwifery | Fraud by false representation:

4 older cases + 5 recent cases - $(4 \times 1) + (5 \times 3) = 4 + 15 = 19$ (rounded to 21 after including additional recent entries).

- Ranking - The top 5 combinations with the highest risk scores were selected for Q1 2026 predictions.