



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

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	22 June 2021
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Counter Fraud Update
<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)**

Er Gwybodaeth/For Information

**ADRODDIAD SCAA  
SBAR REPORT**

**Sefyllfa / Situation**

This report provides to the Audit & Risk Assurance Committee the Counter Fraud update on the 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**

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

**Asesiad / Assessment**

The Health Board is compliant with the Welsh Government Directives.

**Argymhelliad / Recommendation**

The Audit & 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
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Statement</a>	Not Applicable

<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Counter Fraud Workplan 2021/22
Rhestr Termiau: Glossary of Terms:	LCFS – Local Counter Fraud Specialist/s
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg: Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Not Applicable

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian: 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>	Not Applicable



## **HYWEL DDA UNIVERSITY HEALTH BOARD**

### **COUNTER FRAUD UPDATE**

**For Presentation 22<sup>nd</sup> June 2021**

The NHS Protect Standards are set in four generic areas:

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

<b>AREA OF ACTIVITY</b>	<b>Resource Allocated (days) 2021/22</b>	<b>Resource Used (days) as at 31/05/2021</b>
<b>STRATEGIC GOVERNANCE</b>	50	4
<b>INFORM AND INVOLVE</b>	90	14.5
<b>PREVENT AND DETER</b>	100	9
<b>HOLD TO ACCOUNT</b>	180	44.5
<b>TOTAL</b>	<b>420</b>	<b>72</b>

Work Area	Summary of work areas completed
<b>Inform and Involve</b>	<ul style="list-style-type: none"> <li>• A total of 160 new staff have completed the Health Board’s induction programme since 1<sup>st</sup> April 2021.</li> <li>• Counter Fraud content on the Health Board’s Medicines Safety learning days has again been delivered to nurses by way of virtual sessions. Further sessions are to be arranged throughout the year.</li> <li>• A Fraud Awareness Session has been delivered to the Estates department by way of a virtual presentation.</li> <li>• The Counter Fraud e-learning is now live and as of the 31<sup>st</sup> May 2021 a total of 1246 employees have completed the package during May, which will result in an increase in awareness amongst staff.</li> <li>• A Spring edition of ‘The Fraud Reporter’ has been published, highlighting some recent cases across the UK, along with providing information and guidance reference current scams. A copy is appended to this report for Committee Members’ perusal - Appendix 1).</li> <li>• Since the last CF committee paper, a total of 4 Global awareness messages were issued surrounding the following topics: <ul style="list-style-type: none"> <li>- HB and local scam advice</li> <li>- General Fraud awareness and the publication of the most recent edition of The Fraud Reporter.</li> </ul> </li> </ul>
<b>Prevent and Deter</b>	<ul style="list-style-type: none"> <li>• Two Alerts have been disseminated to relevant stakeholders within the Health Board and Departments within Quarter 4. These included alerts related to DPD scams and patients at risk of committing fraud against the NHS.</li> <li>• Following a Task and Finish Group meeting concerning the Recovery of Overpayments and Management of Underpayments Policy, the final draft was approved, and the policy is now live. We have communicated this to employees by way of a global message and to the Payroll Department by way of a group meeting.</li> <li>• The Counter Fraud department has agreed to provide awareness training to Payroll, during which the above policy will be highlighted and discussed.</li> <li>• Fraud Risk Assessments have been generated by the CF department and will be discussed with the relevant Service Lead for monitoring and review.</li> </ul>

	<ul style="list-style-type: none"> <li>• The National Fraud Initiative has commenced and work is expected to continue for the next two to three months. Relevant outcomes will be recorded, and risks identified assessed, reviewed and recorded.</li> <li>• A review of Fraud Risks associated with external charities is currently being undertaken in conjunction with the Charities Department; the outcome of which will be shared with ARAC at August's In-Committee meeting.</li> <li>• A fraud detection exercise relating to pre-employment checks has been undertaken and a report completed; this is included as part of the In-Committee paper.</li> <li>• In 2018/2019 a Procurement exercise, titled 'Preventing Procurement Fraud in the NHS' was commenced and a report produced. As a result of the COVID-19 pandemic, the Counter Fraud Authority made the decision to cut short the exercise, which meant that the final stage of the exercise was not completed; however, conclusions were drawn and a report completed. A copy of the Hywel Dda University Health Board organisational feedback is appended to this report for Committee Members' perusal - Appendix 2. You will note that the report highlights that the HB has a below average aggregate spend, however the Non-PO percentage was high at 72.96%. It was noted that 3 out of the 4 HB's who supplied data for this category were in a similar situation; a review of the data submitted has identified that the percentage figure included items that were exempt under the <i>NHS Wales No Purchase Order (PO) No Payment Policy</i>, therefore should not have been included as part of the non-compliant data. The data concerned accounted for over 97% of the non-compliance identified. Further enquiries into Non-PO compliance have identified that, in May 2021, an Account Payable performance report observed that the HB is one of the best performers in Wales, ranked third, behind WAST and HEIW.</li> </ul>
<b>Hold to Account</b>	<ul style="list-style-type: none"> <li>• Several new referrals have been received in the past 2 months. These and case updates have been documented in a separate report, for discussion during the closed In-Committee session.</li> <li>• Clue 3, the new crime reporting system implemented by Counter Fraud Services Wales/NHS Counter Fraud Authority, is now live and all new referrals are being managed through this system.</li> </ul>
<b>Strategic Governance</b>	<ul style="list-style-type: none"> <li>• As discussed at April's ARAC meeting, a Self-Review has been completed utilising the Draft Self Review previously submitted and an overall rating of Green applied. The assessment was submitted on 28<sup>th</sup> May 2021 and a copy of the final submission is appended to this report for Committee Members' perusal - Appendix 3.</li> </ul>
<b>Other matters</b>	<ul style="list-style-type: none"> <li>• The department has moved offices and we are now situated alongside our Finance colleagues within Ty Gorwel. As a result, our telephone numbers have change and we can now be contacted on 01267 248627 / 283025.</li> </ul>

***Report Provided by:***

***Ben Rees***

***Lead Local Counter Fraud Specialist***

For presentation; 22<sup>nd</sup> June 2021

***Report agreed by:***

***Huw Thomas, Director of Finance***

SPRING 2021

# THE FRAUD REPORTER

## Welcome to the Spring Edition of The Fraud Reporter

**Welcome to the Spring edition of the Fraud Reporter, the Hywel Dda UHB newsletter to keep you up-to-date with fraud issues affecting the Health Board and wider NHS.**

In this issue we will be drawing your attention to some recent NHS Fraud related cases across the United Kingdom that have resulted in convictions and again highlighting the importance of Fraud Awareness within our organisation and hopefully empowering you to identify and report your fraud concerns.

This month has seen the commencement of the National Fraud Initiative (NFI). The Cabinet Office conducts data matching exercises to assist in the prevention and detection of fraud as part of its responsibility for public sector efficiency and reform. Part 6 of the Local Audit and Accountability Act 2014 enables the Cabinet Office to process data as part of the NFI.

Hywel Dda University Health Board is a mandatory participant of the NFI which is a data matching exercise undertaken by the Cabinet Office to assist in the prevention and detection of fraud. We are required to provide par-

ticular sets of data to the Cabinet Office for each exercise, and these are set out in the Cabinets Office guidance, which can be found at <https://www.gov.uk/guidance/taking-part-in-national-fraud-initiative>

This work will commence in the Spring of 2021, should you require further information then please visit our intranet pages.

It is an understatement to say that Covid-19 has had a significant impact on the NHS. We have all had to adjust ways of working and respond to service demands. Fraud and scams exploded in the wake of the emerging pandemic with unscrupulous fraudsters recognising the crisis as an opportunity to target people and organisations to line their own pockets.

We were updated of specific threats to the NHS arising from Covid-19 and have been working in the background to make colleagues aware of this and assess the risk to the Health Board. We've also been updating everyone on emerging scams doing the rounds via a dedicated intranet page. We will be keeping this page up to date and you can access the page by clicking this link [Covid Fraud Advice](#)



During these uncertain times many pre-Covid practices and processes would have changed or even stopped and as a result some of us may be working in different environments or in different ways to before, so its important to seek advice and guidance on any issues you may have. If you have any Counter Fraud related queries or concerns then please get in touch with the Counter Fraud Team via the contact details within this newsletter.

You can also make an anonymous report of Fraud, bribery or Corruption by calling the Fraud and corruption Reporting Line on 0800 028 40 60 or searching online for 'NHS Fraud' to make an online referral via the Counter Fraud Authority' website.

### Inside this issue:

<b>NHS CFA Fraud Awareness Animations.</b>	1
<b>Keep one step ahead of the fraudsters.</b>	2
<b>Cardiff doctor sentenced for £68,000 fraud on NHS</b>	2
<b>Accountant sentenced to prison for million pound fraud.</b>	3
<b>LCFS Contact Details</b>	4

### Fraud Awareness Training Remote Training Available

One of the key aims of an LCFS is to develop an anti-fraud culture within the Health Board and ensure that staff can spot fraud when it occurs so something can be done about it.

Training can be tailored to the fraud risks for your specific work area and can be delivered at a time and place that suits you and your team.

To arrange your fraud training Contact the LCFS on 01267248627 / 01267283025 or email

[Benjamin.Rees2@wales.nhs.uk](mailto:Benjamin.Rees2@wales.nhs.uk)

[Terry.Slater@wales.nhs.uk](mailto:Terry.Slater@wales.nhs.uk)

## NHS Counter Fraud Authority Animations

The NHS CFA have a number of animations relating to Fraud in the NHS. If you would like to learn more about fraud in the NHS and the different types of offences seen within the sector please take a few minutes to view one or more of the available animations via the 'What is NHS Fraud' page on our Counter Fraud Service intranet page.





## Keep ahead of NHS, Royal Mail, Covid-19 vaccine and HMRC scam

Scams have become an everyday part of online life, with cyber criminals constantly evolving their tactics. Over the past year, cyber experts have seen a rising number of campaigns related to coronavirus and the NHS, including emails and texts related to the vaccine rollout and bogus Covid-19 apps.

More widely, well-known names such as HM Revenue & Customs (HMRC), Royal Mail and TV Licensing are also being copied to dupe people into surrendering sensitive information, as well as using images of famous faces such as Martin Lewis and Sir Richard Branson in fake news articles. Below you will find some information on what to be aware of and how to help prevent fraud.

### What attacks do I need to watch out for?

Phishing attacks are the ones to watch out for – these are emails and text messages that pretend to be someone you trust. In the last year, a spate of attempts related to the pandemic have come to light, offering things such as vaccines, cures and even claiming people were being fined for breaking

lockdown.

Perpetrators use all sorts of real-world concerns such as coronavirus to dupe people into reacting. Often, the end goal is to convince users to click a link that will send them to a dodgy website that may look authentic, where a virus could be installed, or people are tricked into revealing passwords and personal information. **What can I do to spot suspicious messages?**

According to the National Cyber Security Centre (NCSC), there are several things to consider when trying to figure out whether a message is genuine or not. First, authority, as criminals will often try to mimic important places such as banks or Government departments to get a person's attention.

Consider the urgency. Messages that say you have a limited time to respond or face fines are used as a way to trick people into making rash decisions. Does the message stir up emotions? Threatening language, dubious claims of support, or messages that try to tempt you into finding out more are signs.

And more pressingly, criminals will exploit current events – in the last year, it is not surprising that coro-

navirus has been a big focus. But other big events, such as tax reporting, is another area to be mindful of. There are other tell-tale signs, too. Phishing attacks are sometimes vague using general terms such as "dear customer" instead of your name. It is also important to remember, if it sounds too good to be true, it probably is.

### How can I check if I'm not sure?

If you are unsure, go to an official source to check – do not interact with or go via the message you have received. Or if you are in work then contact IT.

### Is there any way I can help?

The NCSC is removing more scam campaigns than ever before, with experts overseeing a 15-fold rise in 2020 compared to the previous year. There are ways members of the public can help in this effort, by forwarding on suspicious messages to the NCSC for investigation. Suspicious emails can be forwarded onto [report@phishing.gov.uk](mailto:report@phishing.gov.uk). Meanwhile, dodgy text messages can be forwarded to 7726 for free.



## Cardiff doctor sentenced for £68,000 fraud on NHS

A doctor has been given a suspended sentence after he admitted defrauding the NHS out of nearly £68,000.

Dr Aled Jones, 39, claimed for locum shifts he had not worked for four health boards and stole cheques. He was employed at the city's University Hospital of Wales as a registrar in the nephrology and transplant unit.

Over a two year period, Jones, from Rookwood Close, Cardiff, stole 420 cheques from its bereavement services department where he was trusted with codes to unlock the office. Jones noticed old cheques which had not been cashed by another doctor and he set up a bank account in their name. He also amended and filled in cheques and made them payable to himself, cashing nearly £34,000 between March 2017 and March 2019.

Cardiff Crown Court heard he had "enormous" debts from a gambling addiction which started while studying medicine. Jones pleaded guilty to two counts of fraud at an earlier hearing.

The court also heard how he had claimed for locum shifts worth £34,000 at different hospitals between

2016 and 2019 with Aneurin Bevan health board, Cardiff and Vale health board, Cwm Taf health board and Abertawe Bro Morgannwg health board.

The prosecution said he carried out his fraudulent claims either by overlapping shifts or by simply claiming for shifts he had not worked.

Richard Dawson, mitigating, said there had been a bereavement in Jones' family which had "exacerbated his gambling problem". He also said Jones had worked voluntarily for 628 hours since his arrest on a Covid ward and transplant unit because he wanted to repay something back to his colleagues who had stood by him and supported him throughout.

Sentencing Jones, Recorder Dyfed Llion Thomas said he had defrauded an "institution which has always been cherished by this country and no more so than now".

He also said the case had "tragic elements" as Jones was a person with abilities who had "put so much at risk because of a gambling addiction".

Jones was given a two-year suspended sentence and he was ordered to carry out 200 hours of unpaid work.

First published by BBC News.



## Accountant given 11 years' imprisonment for £1.3 million fraud

An accountant who defrauded the NHS, companies, and individuals out of more than £1.3 million has been jailed recently (15 April 2021) for multiple counts of fraud and theft. Stephen Day, 53, has been imprisoned at Leeds Crown Court, to serve 11 years and five months for 10 counts of fraud and two counts of theft.

Day became a board member or trustee of eight companies, working to persuade them to use his business for their payroll services and financial management operations. Once they agreed, he would use his authority to take hundreds of thousands of pounds out of their bank accounts under the guise of legitimate payments.

In 2012, Day began defrauding the NHS. He applied for jobs with three different Trusts, eventually working for all of them at the same time. Day claimed tens of thousands of pounds from each trust in Merseyside, Staffordshire, and Cheshire. He made excuses for his failure to attend work, including false claims of chemotherapy treatment for cancer, falling from a horse, and shingles. On occasion he attended work at one trust whilst calling in sick to another. During this time, he continued to work for private sector organisations that he was also defrauding.

He used the money fraudulently taken from the companies and NHS to buy houses around the country, to fund foreign travel including a trip to Malta and to pay for the care of his elderly mother. Ben Reid, of the CPS, said:

“Stephen Day trusted by many to look after their money - but instead he took the money and splashed out on holidays and houses for himself. His actions amounted to an appalling breach of trust, using his job positions to steal from the NHS of much needed funds and manipulating his personal relationships to facilitate fraud and theft, all for his own personal gain.”



**STOP NHS FRAUD**  
[www.reportnhsfraud.nhs.uk](http://www.reportnhsfraud.nhs.uk)  
**0800 028 4060**



Counter Fraud Authority

### STOP

Taking a moment to stop and think before parting with your money or information could keep you safe

### CHALLENGE

Could it be fake? It's ok to reject, refuse or ignore any requests. Only criminals will try to rush or panic you.

### PROTECT

If attempt is noticed in work, contact the Counter Fraud Team or outside work contact your bank immediately if you think you've fallen for a scam and report it to Action Fraud.




### How to protect yourself:

- Don't assume a call, text or email is genuine.
- Never provide financial or personal details to a caller.
- Don't click on website links or download attachments in unexpected texts or emails.
- Phone numbers and emails can be changed (spoofed) and are not proof of identity.
- Challenge every request for your information, money or details.
- Double check requests for your details and verify via a trusted source.

### We can't stop crime we don't know is happening

If you suspect a Fraud has occurred in your area of work then please contact Ben Rees or Terry Slater on the details below

 010267 248627 / 01267283025

- Benjamin.Rees2@wales.nhs.uk
- Terry.Slater@wales.nhs.uk

Further, up-to-date information around fraud and scam threats emerging as a result of Covid-19 is available on the Health Board's intranet page.

## Further Information

With fraud and cyber crime on the rise across the UK its a good idea that we all know how to deal with scams if we find ourselves unlucky enough to be in that situation. Action Fraud lead the fight against fraud and cyber scams in the UK and they have issued some simple rules to follow to stay safe.

You will find more advice via clicking on the following link

<https://www.actionfraud.police.uk/>

Further advice is available from the Take Five—To Stop Fraud campaign which is a Government backed initiative to reduce fraud <https://takefive-stopfraud.org.uk/about/take-five/>

## YOU CAN SEARCH COUNTER FRAUD ON THE HYWEL DDA INTRANET FOR FURTHER INFORMATION

The Health Board's Counter Fraud Team are responsible for raising awareness of fraud, preventing fraud through 'fraud proofing' exercises and investigating fraud where uncovered.

The Counter Fraud Team are always happy to offer advice about NHS fraud, bribery and corruption.

The LCFS is available to support, guide and assist on all fraud, bribery and corruption matters. If you need any advice on fraud or if you want to request counter fraud training for your team please contact your LCFS.

## The Counter Fraud Team

**Benjamin Rees—Head of Local Counter Fraud Services**

☎ 01267 248627

✉ Benjamin.Rees2@wales.nhs.uk

**Terry Slater —Local Counter Fraud Specialist**

☎ 01267 283025

✉ Terry.Slater@wales.nhs.uk

✉ HDUHB.CounterFraudTeam.HDD@wales.nhs.uk

You can also make an anonymous report by calling  
the **Fraud & Corruption Reporting Line** on  
**0800 028 4060**

or search 'NHS Fraud' online for more information.

**STOP NHS FRAUD**  
[www.reportnhsfraud.nhs.uk](http://www.reportnhsfraud.nhs.uk)  
**0800 028 4060**

POWERED BY CRIMESTOPPERS

## Preventing Procurement Fraud in NHS Wales: Organisation-specific feedback

### Introduction

1. NHS Counter Fraud Authority (NHSCFA) has now launched a report of key findings from phase 1 of a national proactive exercise (NPE) on the prevention of procurement fraud undertaken in 2019; titled, 'Preventing procurement fraud in NHS Wales: Findings from a National Proactive Exercise'.
2. This document includes organisation-specific feedback to participating Welsh NHS organisations (Local Health Boards and Trusts) on performance across four metrics explored within the aforementioned report of key findings:
  - Disaggregate spend percentage
  - Average value per disaggregate spend
  - Non-Purchase Order (PO) percentage
  - Non-PO instances.
3. The feedback data provided within this document is derived from your organisation's submission from phase 1 of the NPE. The reporting period was for 2018 – 19.
4. Following the NHS's response to the Covid-19 pandemic, the planned exercise to collect comparative data in 2020 did not take place. This is explained in the accompanying report. As a result, the conclusions we have drawn from our analysis is limited in comparison to the feedback previously planned (once all three phases were complete). Whilst it will provide valuable feedback to the participating organisations, it will not show the value of local proactive work undertaken during phase 2 and the resulting improvement in procurement practices.
5. NHS organisations should use this feedback (in conjunction with the report of key findings) in discussions with key stakeholders within their organisation to assess fraud risk vulnerability within the procurement process. Appropriate fraud prevention initiatives should be designed as an outcome of those discussions. Where applicable, discussions should take place on how these risks score on organisational risk registers.
6. If you have any feedback that you would like to give us on the information contained within this document, please email [procurement@nhscfa.gov.uk](mailto:procurement@nhscfa.gov.uk) with your comments.

**Organisation-specific feedback – HYWEL DDA UNIVERSITY LHB**

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**Percentage of disaggregate spend**

0.24%

This percentage figure is calculated by the total value of disaggregate spend above SFI and OJEU thresholds divided by the total value of consolidated spend on suppliers (as reported by your organisation for the 2018 – 19 financial year).

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**Average value per disaggregate spend**

£45,149.86

The average value per disaggregate spend is calculated by the total value of disaggregate spend above SFI and OJEU threshold divided by the total number of instances (as reported by your organisation for the 2018 – 19 financial year).

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**Non-PO Percentage**

72.96%

This percentage is calculated as the value of non-PO total spend divided by total spend for each individual organisation (as reported by your organisation for the 2018-19 financial year).

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**Non-PO Instances**

8

The non-PO instances upper limits vulnerability indicator is calculated as a total of the number of times an instance was greater than 90% of non-PO spend in a category with an overall average of 30% or more in non-PO spend across any quarter. This metric is designed to calculate the upper limits and therefore the most vulnerable within this fraud risk type. The more instances your organisations have, indicates a higher level of vulnerability.



**GIG**  
CYMRU  
**NHS**  
WALES

Bwrdd Iechyd Prifysgol  
Hywel Dda  
University Health Board

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**COUNTER FRAUD, BRIBERY & CORRUPTION**

**HYWEL DDA UNIVERSITY HEALTH BOARD**

**Review of NHS Requirements Government Functional  
Standards - 013 Counter Fraud**

**Overall Rating – GREEN**

**Submitted to the Counter Fraud Authority on**

**28<sup>th</sup> May 2021**



<b>Counter Fraud Functional Standard Return – Organisational Information</b>	<b>Comments</b>
Name of the organisation	HYWEL DDA UNIVERSITY LHB
Annual budget of the organisation	£ 800 million to £ 1 billion
Staff headcount at the organisation including contracted employees	Over 10,000
Organisation code	7A2
Organisation / provider type	Health Board
Co-ordinating Commissioner for this provider	WALES
Region	WALES
NHS England Region	WALES
The STP / ICS that the organisation belongs to	WALES
Name of the member of the executive board or equivalent body responsible for overseeing and providing strategic management	Mr Huw Thomas
Name and email of the Local Counter Fraud Specialist	Mr Benjamin Rees
Email of the Local Counter Fraud Specialist	Benjamin.Rees2@Wales.nhs.uk
Name of the counter fraud provider organisation (including in-house)	In House
Counter Fraud provide type	WALES
Name of the Chair of the Audit Committee	Mr Paul Newman
Email of the Chair of Audit Committee	Paul.newman2@wales.nhs.uk
Pro-active days used	197
Reactive days used for counter fraud work	155
Total days used for Counter Fraud work	352
Cost of Counter Fraud staffing per financial year – Pro-active	£43144.00
Cost of Counter Fraud staffing per financial year – Reactive	£33945.00
Total costs for Counter Fraud work	£77089.00
Number of referrals received during the most recent financial year	24
Number of cases opened during the most recent financial year	24
Number of cases closed during the most recent financial year	25
Number of cases open as at 31/03/2021	9
Amount of fraud losses identified during the most recent financial year	£39,927.61
Amount of fraud losses recovered during the most recent financial year	£21,831.00
Amount of fraud losses prevented from reactive work during the most recent financial year	£21831.00
Number of criminal sanctions applied during the year	2
Number of civil sanctions applied during the year	5
Number of disciplinary sanctions applied during the year	5



Functional Standard		Rating	Comments
NHS Requirement 1A	<p>A member of the executive board or equivalent body is accountable for provision of strategic management of all counter fraud, bribery and corruption work within the organisation. The accountable board member is responsible for the provision of assurance to the executive board in relation to the quality and effectiveness of all counter fraud bribery and corruption work undertaken.</p> <p>The accountable board member is responsible for ensuring that nominations to the NHSCFA for the accountable board member, audit committee chair and counter fraud champion are accurate and that any changes are notified to the NHSCFA at the earliest opportunity and in accordance with the nominations process.</p>	GREEN	<p>The UHB's Chief Executive Officer (CEO) and Director of Finance (DoF) are responsible for ensuring there are appropriate arrangements to counter fraud, and that procedures for dealing with suspected cases are complied with.</p> <p>The DoF is the delegated person responsible for providing strategic management on all aspects of economic crime. This is evidenced by the preparation of the antifraud, bribery and corruption work plan, agreement of the annual Self Review Tool (SRT), along with counter fraud annual report and progress reports presented on a quarterly basis to Audit &amp; Risk Assurance Committee (ARAC).</p> <p>Additional to this, the LCFS presents regular updates and briefings directly to the DoF and Assistant DoF when required with clear lines of communication between all parties, allowing the DOF to engage with Exec Directors on issues involving their portfolios, ensuring appropriate action is taken where necessary. All LCFS Nominations are reviewed and approved by the DOF.</p>
NHS Requirement 1B	The organisation's non-executive directors, counter fraud champion or lay members and board/governing body level senior management are accountable for gaining	GREEN	There are clear communication lines with the Senior Health Board Management and Independent Members (IMs) by way of





Functional Standard		Rating	Comments
	<p>assurance that sufficient control and management mechanisms in relation to counter fraud, bribery and corruption are present within the organisation.</p> <p>The counter fraud champion understands the threat posed and promotes awareness of fraud, bribery and corruption within the organisation.</p> <p>Board level evaluation of the effectiveness of counter fraud, bribery and corruption work undertaken is documented. Where recommendations have been made by NHSCFA following an engagement, it is the responsibility of the accountable board member to provide assurance to the board surrounding the progress of their implementation.</p> <p>The organisation reports annually on how it has met the requirements set by NHSCFA in relation to counter fraud, bribery and corruption work, and details corrective action where requirements have not been met.</p>		<p>regular attendance at Audit Committees (AC) which provides an opportunity for members to be updated on matters and provide input on direction. At these meetings regular update reports are presented, including any identified risks. Learning arising from LCFS work around risk reduction and investigation outcomes are shared with relevant leads and updates provided via the AC. Any arising actions are reviewed and monitored by the AC in subsequent meetings.</p> <p>Standards are reviewed on a regular basis and cross referenced against work undertaken. The annual report is presented to the DOF for approval and is presented to the AC for approval and assurance of meeting the standards. Additionally, as part of the Quality Assurance process, the HB undertakes a self-review (SR) to assess continued compliance.</p> <p>A Fraud Champion has been nominated sits on AC meetings .</p>
NHS Requirement 2	<p>The organisation aligns counter fraud, bribery and corruption work to the NHSCFA counter fraud, bribery and corruption strategy. This is documented in the organisational over-arching strategy or counter fraud, bribery and corruption policy, and is submitted upon request. The counter fraud work plan and resource</p>	<b>GREEN</b>	<p>The HB has a Counter Fraud Policy &amp; Response Plan (CFPRP) in place which includes the overall strategic aims of counter fraud work and operational response aligned to the NHSCFA counter fraud, bribery and corruption strategy.</p>



Functional Standard		Rating	Comments
	allocation are aligned to the objectives of the strategy and locally identified risks.		In addition to this, the Health Board has a Standards of Behaviour Policy which incorporates professional behaviour with reference to fraud, corruption and the Bribery Act. Awareness work around requirements is carried out by both the Corporate Governance Team and LCFS. Proactive work is carried out utilising databases such as the National Fraud Initiative (NFI) to assist in measuring compliance levels. Having proactively promoted the policies there has been a demonstrable increase in returns / compliance. An annual work plan is developed in line with key objectives of the strategy, alignment to national standards and includes response to nationally and locally identified risks. The CFPRP are reviewed (within the policy review cycle) and agreed by DoF and AC.
NHS Requirement 3	The organisation has carried out comprehensive local risk assessments to identify fraud, bribery and corruption risks, and has counter fraud, bribery and corruption provision that is proportionate to the level of risk identified. Risk analysis is undertaken in line with Government Counter Fraud Profession (GCFP) fraud risk assessment methodology and is recorded and managed in line with the organisation's risk management policy	AMBER	Risk assessments(RA) are carried out in line with the HB Risk Management Policy. The HB DATIX system has a fraud specific module allowing managers to add fraud risks(FR). The LCFS receives updates to new or existing risks. The annual CF plan is informed by RA. The work plan is reviewed and agreed by the DoF and Audit



Functional Standard		Rating	Comments
	<p>and included on the appropriate risk registers, and the risk assessment is submitted upon request. Measures to mitigate identified risks are included in an organisational work plan, progress is monitored at a senior level within the organisation and results are fed back to the audit committee (or equivalent body).</p> <p>For NHS organisations the fraud risk assessments should also consider the fraud risks within any associated sub company of the NHS organisation.</p>		<p>Committee (AC), who monitor progress and receive updates on Fraud risks. The level of pro-active resource is approved by the DoF &amp; AC. Arrangements have been agreed and will be embedded in next review cycle to improve. These include:</p> <ul style="list-style-type: none"> <li>NHSCFA is to develop a national FR directory for use at a local level to undertake RA. Assessed risks will be included on the Finance Risk Register and an organisational fraud risk profile will be developed.</li> <li>Actions and recommendations arising from a RA will be fed back to ARAC by way of an in-committee paper &amp; outstanding actions recorded &amp; monitored.</li> <li>Fraud RA's will consider fraud risks within any associated sub company of the HB.</li> </ul>
NHS Requirement 4	<p>The organisation has a counter fraud, bribery and corruption policy and response plan (the policy and plan) that follows NHSCFA's strategic guidance and has been approved by the executive body or senior management team.</p> <p>The plan is reviewed, evaluated and updated as required, and levels of staff awareness are measured.</p>	GREEN	<p>The HB has a CF Policy &amp; Response Plan in place which includes the overall strategic aims of counter fraud work and operational response aligned to the NHSCFA counter fraud, bribery and corruption strategy. In addition, the HB has a Standards of Behaviour Policy which incorporates professional behaviour with reference to fraud, corruption and the Bribery Act 2010. Executive approval of policies is provided</p>



Functional Standard		Rating	Comments
			<p>via the Policy Review Process. The CF policy is available to all staff and highlighted within the CF intranet page and policy library. The Policy is actively promoted within the HB's programme of awareness.</p> <p>Staff awareness of these key policy documents is measured using questionnaires and a survey. A mandatory online training package is in place for all staff, reinforcing key messages and local policies.</p> <p>Areas of work undertaken are communicated to ARAC by way of committee papers.</p> <p>Awareness is also raised by way of CF newsletters, social media posts and training.</p>
NHS Requirement 5	<p>The organisation maintains an annual work plan that is informed by national and local fraud, bribery and corruption risk assessment identifying activities to improve capability and resilience. This includes (but is not limited to) defined objectives, milestones for the delivery of each activity and measurable areas for improvement in line with strategic aims and objectives. The plan is agreed, and progress monitored by the audit committee (or equivalent body).</p>	<b>GREEN</b>	<p>The HB has a CF Policy &amp; Response Plan in place which includes the overall strategic aims of counter fraud work and operational response aligned to the NHSCFA counter fraud, bribery and corruption strategy. An annual work plan is developed in line with key objectives of the strategy, alignment to national standards and includes response to identified risks. The resource within the annual work plan is proportionally allocated according to risk based need in the context</p>



Functional Standard		Rating	Comments
			of 4 strategic areas of counter fraud work. The plan is presented to ARAC, who review & agree in conjunction with the DoF. Progress against the plan is monitored and evaluated throughout the year with regular meetings with DoF and regular reporting to ARAC. Objectives and activity are planned around milestones in year to allow progress to be monitored. Policy reviews are undertaken and reviewed for fraud risk. Recommendations are made, recorded and implemented. National CF guidance is reviewed & utilised for improvement.
NHS Requirement 6	<p>The organisation identifies and reports on annual outcome-based metrics with objectives to evidence improvement in performance. This should be informed by national and local risk assessment, national benchmarking and other comparable data. Proactive and reactive outcomes and progress are recorded on the approved NHS fraud case management system.</p> <p>Metrics should include all reported incidents of fraud, bribery and corruption, the value of identified fraud losses, the value of fraud recoveries, the value of fraud prevented, criminal sanctions and disciplinary sanctions.</p>	RED	No outcome-based metrics have been set previously in the context of counter fraud work. This is a new requirement derived from the new standards and work will be undertaken against this element will be undertaken from 01/04/2021. An activity has been included in the 2021/22 CF work plan to develop a system of outcome based metrics around reported incidents of fraud, bribery and corruption, the value of identified fraud losses, the value of fraud recoveries, the value of fraud prevented, criminal sanctions and disciplinary sanctions to enable targets to be set on an annual basis. Reporting of performance against set metrics will also be developed.

Functional Standard		Rating	Comments
			Clue3, the new case management system, includes recording and reporting mechanisms for proactive and reactive outcomes of counter fraud work.
NHS Requirement 7	<p>The organisation has well established and documented reporting routes for staff, contractors and members of the public to report incidents of fraud, bribery and corruption. Reporting routes should include NHSCFA's Fraud and Corruption Reporting Line and online reporting tool. All incidents of fraud, bribery and corruption are recorded on the approved NHS fraud case management system.</p> <p>The incident reporting routes are publicised, reviewed, evaluated and updated as required, and levels of staff awareness are measured.</p>	<b>GREEN</b>	<p>The HB has well documented reporting routes for any party to report incidents. Reporting routes are formalised in the CF and Bribery Policy &amp; Response Plan. This includes NHSCFA Reporting Line and Online Reporting Tool. The reporting routes are publicised on the Health Board's intranet and internet sites and are included within the CF awareness programme. The effectiveness is evaluated by use of statistical referral data and this is reported to DoF and ARAC. Staff awareness is measured via surveys. Mandatory CF training is in operation for all staff groups. The HB has in place an 'All Wales NHS staff to Raise Concerns Procedure', which provides reassurance to staff that concerns will be recorded, reviewed and actioned. The LCFS has received referrals for investigation as a result, allowing the identification, recording and management of Fraud Risks. All cases are recorded appropriately via the NHSCFA and case updates provided to both the DOF &amp; ARAC.</p>



Functional Standard		Rating	Comments
NHS Requirement 8	The organisation uses the approved NHS fraud case management system to record all incidents of reported suspect fraud, bribery and corruption, to inform national intelligence and NHS counter fraud functional standard return submission by the NHSCFA. The case management system is used to record all fraud, bribery and corruption investigative activity, including all outcomes, recoveries and system weaknesses identified during the course of investigations and/or proactive prevention and detection exercise.	AMBER	The HB currently utilises FIRST case management system, which allows the recording of crimes & case management in line with CPI. It also allows the reporting of system weaknesses alongside documented intelligence surrounding the subject of concern but has no functionality to record outcomes of proactive prevention and detection exercises. The HB supports all investigations of fraud, bribery and corruption with adherence to legislative requirements and the guidance outlined in the CF manual & case file toolkit. This being evidenced in the investigation plans and recorded actions undertaken. Clue3 will be live from 01/04/2021. As well as recording cases it will provide an opportunity to record outcomes of both proactive/reactive work. Outcomes will be recorded, & data utilised. Clue3 will include a formula to standardise the calculation and reporting of identified fraud loss and ongoing savings/preventions values. Use of Clue3 will ensure uplift of rating to Green.
NHS Requirement 9	The organisation employs or contracts in an accredited, person (or persons) nominated to the NHSCFA to undertake the full range of counter fraud, bribery and corruption work, including proactive work to prevent and	GREEN	The HB employs 2 full time LCFS. The Lead is qualified, nominated & accredited, whilst the LCFS is qualified & currently undertaking accreditation. Following



Functional Standard		Rating	Comments
	<p>deter fraud, bribery and corruption and reactive work to hold those who commit fraud, bribery or corruption to account. The organisation will ensure that any changes to nominations are notified to the NHSCFA at the earliest opportunity and in accordance with the nominations process.</p> <p>The accredited nominated person (or persons) must demonstrate continuous professional competencies and capabilities on an annual basis by examples of practical application of skills and associated training to include (but is not limited to), obtaining witness statements, conducting interviews under caution and maintaining up to date knowledge of legal and procedural requirements.</p>		<p>accreditation, the LCFS will be nominated as an approved LCFS. Both conduct the full range of anti-fraud, bribery &amp; corruption work on behalf of the HB. All work is undertaken in line with the CF work plan devised around the 4 strategic areas and organisational risks. The LCFSs continue to receive relevant training to enhance their abilities to deliver the role effectively. The LCFS undertakes all interviews under caution in accordance with Code C of the Police and Criminal Evidence Act 1984, and retains documented details surrounding interviews completed and witness statements obtained in accordance with ABE. Witness statements are reviewed in line with issued guidance to ensure best practice. Relevant training will be undertaken in line with emerging risks. The Lead LCFS has undertaken Risk Management training.</p>
NHS Requirement 10	<p>The organisation undertakes proactive work to detect fraud using relevant information and intelligence to identify anomalies that may be indicative of fraud, bribery and corruption and takes the appropriate action, including local exercises and participation or response to national exercises. Results of this work are evaluated and where appropriate feed into improvements to prevent and deter fraud, bribery and corruption.</p>	GREEN	<p>The HB undertakes proactive work to detect fraud using relevant info, RA's &amp; intel to identify anomalies indicative of fraud, bribery &amp; corruption(FBC), undertaking proactive work, investigations &amp; participation in national exercises where necessary. This work &amp; its result are recorded, evaluated &amp; where appropriate</p>





Functional Standard		Rating	Comments
	<p>Relevant information and intelligence may include (but is not limited to) internal and external audit reports, information on outliers, recommendations in investigation reports and NHSCFA led loss measurement exercises. The findings are acted upon promptly.</p>		<p>fed into improvements to prevent &amp; deter FBC. Relevant info &amp; intel are utilised to identify &amp; investigate instances of fraud. Information is obtained by way of communication &amp; sharing of information with both internal/external partners, including; Internal/external audit, Payroll, Finance, Procurement, PPV, Primary care &amp; NHSCFA/CFS Wales. Utilising Audit reports, RA's, NHSCFA alerts / bulletins / circulars and guidance allowing CF to undertake measurement exercises and acting on findings. Where anomalies are identified the HB carries out proactive exercises/investigations/RA's to address. Recommendations are reported to ARAC &amp; fed into improvements in the detecting of anomalies.</p>
NHS Requirement 11	<p>The organisation has an ongoing programme of work to raise awareness of fraud, bribery and corruption and to create a counter fraud, bribery and corruption culture among all staff, across all sites, using all available media. This should cover the role of the NHSCFA, LCFS and the requirements and national implications of Government Counter Fraud Functional Standard providing a standardised approach to counter fraud work.</p>	<b>GREEN</b>	<p>The HB has a programme of work (in line with work plan) to raise awareness of CF. Key methods of delivering this are by way of presentations and a mandatory CF e-learning package, supported by newsletters &amp; intranet pages, all of which promote;</p> <ul style="list-style-type: none"> <li>The NHSCFA reporting line &amp; online reporting tool,</li> </ul>



Functional Standard		Rating	Comments
	Content may be delivered through presentations, newsletters, leaflets, posters, intranet pages, induction materials for new staff, emails and other media, making use of the NHSCFA's fraud awareness toolkit as appropriate. The effectiveness of the awareness programme is measured.		<ul style="list-style-type: none"> <li>The Health Board's CF strategy &amp; the role of the LCFS.</li> </ul> <p>Awareness materials, including animations &amp; posters are utilised to raise awareness amongst HB employees, primary care, contractors and public. The CF Dept provides an input into the HB's induction programme, Medicines Management &amp; Managers Passport. Attendance at sites have also added to enhancement of an anti-fraud culture. Internal &amp; External Web pages have also been updated, alongside frequent use of global messages &amp; social media. Bespoke training is offered to departments &amp; tailored training has been delivered to high risk areas. Sessions are evaluated through feedback. Statistics are maintained &amp; analysed to assess awareness levels.</p>
NHS Requirement 12	<p>The organisation has a managing conflicts of interest policy and registers that include gifts and hospitality that is proactively communicated to all staff.</p> <p>The managing conflicts of interest policy and registers that include gifts and hospitality is fully implemented and is demonstrably effective.</p>	<b>GREEN</b>	<p>The HB has a Standards of Behaviour Policy which incorporates professional behaviour (including, declarations of interest, gifts, hospitality and sponsorship) with reference to fraud, corruption and the Bribery Act 2010. This is reinforced by the CF Bribery &amp; Corruption Policy and SOP's. Relevant records / lists are maintained for review. Awareness work around requirements is carried out by both the</p>



Functional Standard		Rating	Comments
	<p>The organisation measures levels of awareness of the managing conflicts of interest policy and registers that include gifts and hospitality among staff.</p> <p>The results are used to determine where further awareness raising needs to be undertaken.</p>		<p>Governance Team and LCFS. Proactive work is undertaken utilising NFI to assist in measuring compliance levels. Having proactively promoted the polices there has been a demonstrable increase in returns / compliance. Awareness in this area is also delivered by way of presentations, communications &amp; mandatory online training. An increase in FRA will assist in developing actions / proactive exercises to mitigate risks, such as actively promoting declarations of interest and Fraud awareness to high risk groups of staff. Nil return of declarations are expected of high risks roles.</p>

**Counter Fraud Functional Standard Return - ACC Declaration**

I declare that the anti-fraud, bribery and corruption work carried out during the year to date has been self-reviewed against the NHS CFA requirements for anti-fraud, bribery and corruption.

As the Audit Committee Chair, and in line with the audit committee's responsibility for the strategic assurance and oversight of counter fraud work as described in section 5.6 of the NHS Audit Committee Handbook, I confirm that the information contained in this self-review for HYWEL DDA UNIVERSITY LHB reflects the work reported and considered by the Audit Committee.

**Submitted by: Acc13311**



### Counter Fraud Functional Standard Return – DOF Declaration

I declare that the anti-fraud, bribery and corruption work carried out during the year to date has been self-reviewed against the NHS CFA requirements for WALES anti-fraud, bribery and corruption.

As the responsible member of the executive board or equivalent body I confirm that by ticking this authorisation box the information contained in this self-review for HYWEL DDA UNIVERSITY LHB is correct and complete.

**Submitted by: dof12512**

### Counter Fraud Functional Standard Return Declaration

Please ensure that this Functional Standard Return has been fully completed. If your director of Finance and/ or audit committee chair have not authorised or reviewed the functional standard return you will not be able to submit it. Once you have submitted the functional standard return, no further changes are possible.

**Submitted by: lcfs12510**