



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

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	14 December 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 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

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:	3. Striving to deliver and develop excellent services 6. Sustainable use of resources
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: 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**

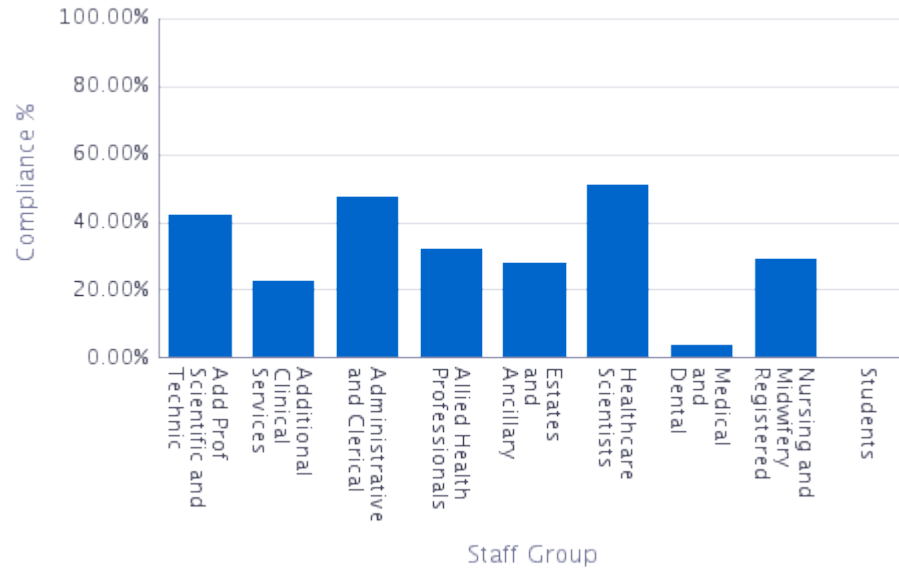
**For Presentation 14<sup>th</sup> December 2021**

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) 2021/22	Resource Used (days) as at 30/11/2021
STRATEGIC GOVERNANCE	50	17
INFORM AND INVOLVE	90	59.5
PREVENT AND DETER	100	63
HOLD TO ACCOUNT	180	152
TOTAL	420	291.5

Work Area	<i>Summary of work areas completed</i>
<b>Inform and Involve</b>	<ul style="list-style-type: none"> <li>• All new inductees have completed the Health Board's induction programme and the Counter Fraud mandatory training program.</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>• This year's International Fraud Awareness Week (IFAW) took place between 15<sup>th</sup> and 19<sup>th</sup> November 2021. In order to raise awareness as safely as possible the Counter Fraud (CF) team took the campaign online, utilising social media to engage with both employees and the public, utilising a dedicated intranet page, which included Fraud awareness material, FAQs and awareness Animations courtesy of the NHS Counter Fraud Authority. Mass publications were sent out to all staff, which included an IFAW newsletter (a copy of which is appended to this report for Committee Members' perusal - Appendix 1).</li> <li>• The department has continued to provide Fraud Training Sessions, presenting at a recent GP training day, presenting to the NWSSP Payroll Department and the Post Payment Verification Team.</li> <li>• Since the last report, a total of 6 Global awareness messages were issued, including an issue involving the inappropriate charging of electric vehicles utilising Health Board resources.</li> <li>• As of 30<sup>th</sup> November 2021, a total of 3958 employees have now completed the Counter Fraud Mandatory Training package, up from 3279 6 weeks ago. The below graph demonstrates areas of compliance. Discussions are underway with the ESR team to identify means of improving compliance going into Q4.</li> </ul>



## Prevent and Deter

- The CF Department have assisted in the review of 4 Policies / Financial Procedures, providing an input to raise awareness of Fraud and mitigate potential risks.
- The NHS Counter Fraud Authority (NHS CFA) have released a second assurance exercise linked to Fraud Prevention Notices (FPN) issued by them. The purpose of the assessment is to review the quality and usefulness of the FPN's supplied, and where Fraud investigations were undertaken in those areas the value of the Fraud is to be reported.
- A third pro-active exercise has concluded in relation to the annual review of Requisitions associated with the Estates Directorate and Purchase Orders that were invoiced prior to a Purchased Order Number being generated. The exercise was a follow up from a 2020/2021 exercise, as such a brief report has been appended to this report – Appendix 2. In summary, no Fraud was identified, and the recording of relevant information was both clear and uniform across all 4 sites.

	<ul style="list-style-type: none"> <li>Following a request to review the Overpayment / Underpayments Policy by Workforce, a meeting was held where a number of topics were discussed, including the need for better management engagement in the process, which would involve a lesson learned approach. This is currently being discussed, with a view to a further update being made available to the Committee in February 2022.</li> </ul>
<b>Hold to Account</b>	<ul style="list-style-type: none"> <li>Several new referrals have been received into the department over the last two months, with interviews under caution taking place. These are noted within in a separate report, for discussion during the closed In-Committee session.</li> <li>LCFS Slater has received login credentials to Clue 3, the national crime reporting system and as previously stated all cases are now being recorded and updated via this system.</li> </ul>
<b>Strategic Governance</b>	<ul style="list-style-type: none"> <li>As discussed, this area of work has been reviewed and as a result it is decided from Q4 onwards work associated with Fraud Risks will be allocated to this area, with any pro-active work linked to the assessments being recorded as a local proactive exercise on Clue 3 and time worked attributed to Prevent and Deter.</li> <li>A meeting has taken place between the Lead LCFS and Fraud Champion as per the new functional standards. These meetings will assist in developing a counter fraud culture by way of a top-down approach.</li> </ul>

***Report Provided by:***  
***Ben Rees, Lead Local Counter Fraud Specialist***

***Report agreed by:***  
***Huw Thomas, Director of Finance***

For presentation; 14<sup>th</sup> December 2021



NOVEMBER 2021

# THE FRAUD REPORTER

FRAUD AWARENESS WEEK 15-19 NOVEMBER 2021

## Welcome to the Fraud Awareness Week Edition of The Fraud Reporter

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

The NHS Counter Fraud Authority (NHSCFA), the national level body leading the counter fraud effort for the NHS in England and Wales, is once again supporting the growing global event of International Fraud Awareness Week.

We are marking International Fraud Awareness Week 2021 (15-19 November 2021) in the Health Board by joining a national

campaign to raise awareness of NHS fraud. We are calling on all to support IFAW and commit to reducing fraud in the NHS. Fraud has grown considerably this year with fraudsters jumping on opportunities that Covid-19 has presented them.

Anyone with a genuine interest in countering fraud can join in. You might be an NHS employee, contractor, agency staffer or volunteer in any NHS or related organisation in England and Wales – or a related organisation of any kind, from a union to a professional network to a small informal



social group. As always get in touch if you have any fraud concerns. Our contact details are on the back page.

## Inside this issue:

Scam Advice	2
NHS Fraud Do and Don't's	2
Fraud Fighter	3
Reporting Concerns	3
LCFS Contact Details	4

## Introduction to the Counter Fraud Staff

**Ben Rees**—Prior to joining Hywel Dda University Health Board in 2017 Ben was a South Wales Police Officer, joining the force in 2004.

Ben has worked in several departments throughout the force, including Front Line Teams, Community Teams, Pro Active teams, Prisoner processing teams and the CID. Ben has conducted investigations within the forces Volume Crime Team, the Hub - prisoner processing and CID.

Ben was also a Medic within the forces Police Support Unit (aka Riot Police), where he policed numerous large scale public events, including spending three weeks in London during what is commonly referred to as the 'London Riots'.

Since joining Hywel Dda Ben has obtained Counter Fraud Accreditation and is now the Lead Local Counter Fraud Specialist (LCFS).

Ben says;

*"I love to help people in whatever way I can and am very much a people person, so please don't*

*ever be shy to come and chat with me or ask me for help.*

*The Counter Fraud Department may be a small in numbers, however we recognise that we are part of a larger team, as such we recognise the importance of collaborative working, as such we welcome contact from any department who would like us to work with them in meeting our goal of reducing fraud to an absolute minimum."*

**Terry Slater**—Prior to joining Hywel Dda University Health Board Terry worked as a Police Officer working for both Essex and Dyfed Powys Police, retiring as a Police Sergeant after 30 years service.

Terry has recently joined the Counter Fraud team as an LCFS, however prior to this he was employed within the Health Boards Assurance, Safety and Improvement Team.

Terry states;

*"Hello, I am Terry Slater and its been a years since I was appointed to the Counter Fraud Team as a new Local Counter Fraud Specialist. Some of you*

*will already know me as I transferred from the Assurance, Safety and Improvement Team at Glangwili General Hospital. In the ASI Team I investigated serious incidents involving patients in order to identify the factors that caused or brought about the serious incident and highlight good practices and procedures and also any activities that needed reviewing. Before working for Hywel Dda University Health Board my main employment was in the police service, I served eighteen years in Essex Police before I transferred to Dyfed Powys serving in Newtown, Machynlleth, Aberystwyth and then Carmarthen and Police Headquarters where I completed my thirty years' service. My duties in the police were mostly operational and in uniform but included a short attachment to Special Branch and other specialist duties on Roads Policing, Riot Policing, Hostage and Suicide Intervention and Custody Training and Quality Assurance.*

*I am very much looking forward to working with you all and hopefully preventing fraud from taking the valuable funds and resources from our health board and the NHS."*

As always get in touch if you have any fraud concerns. Our contact details on the back page.

## 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 relevant to your area of work, and can be delivered at a time and place that suits you and your team.

Contact the LCFS to arrange your fraud training:

Tel: 01267248627 / 01267283025

Email:

HDUHB.CounterFraudTeam.HDD@wales.nhs.uk







# THE FRAUD REPORTER

Page 2

## Coronavirus-related frauds increase by 400%

**Law enforcement, government and private sectors partners are working together to encourage members of the public to be more vigilant against fraud, particularly about sharing their financial and personal information, as criminals seek to capitalise on the Covid-19 pandemic.**

Criminals are experts at impersonating people, organisations (e.g. your bank or HMRC) and the police.

### Social Engineering

Social Engineering is defined as "The clever manipulation of the natural human tendency to trust." It's easier to trick you into opening an infected email than it is to hack into your account. Due to this, social engineering has become much more prominent, and cyber criminals are trying more diverse ways to get people to undertake tasks, provide information or hand over money using these techniques.

Types of social engineering;

**Phishing** – fraudulent emails sent by cyber criminals pretending to be someone else, for example a bank, NHS or government department. The aim of the email is to install malicious software on your device or obtain Personal Identifiable Information including login credentials.

**Spoofing** – is the act of disguising a communication from an unknown source as being from a known, trusted source. This can apply to emails, phone calls and websites.

**Smishing** – fraudulent text messages purporting to be from reputable companies in order to get individuals to reveal personal information, such as passwords or financial details.

**Vishing** – criminals making phone calls or leaving voice messages pretending to be from reputable organisation in order to induce individuals to reveal personal information such as bank details and credit card numbers.

## Take part in International Fraud Awareness Week (IFAW) 15-19 November 2021 with help from NHS CFA and Hywel Dda UHB

**Be a fraud fighter and help make sure NHS money goes to patient care**

It has been a momentous year for the NHS and health sector since International Fraud Awareness Week (IFAW) 2020 and the anti-fraud week is more important than ever in 2021. What will YOU be doing to 'think globally, act locally' to fight fraud?

The NHS Counter Fraud Authority (NHSCFA), the national level body leading the counter fraud effort for the NHS in England and Wales, is once again supporting this growing global event. NHSCFA is distributing a suite of materials to all allies in the fight against fraud throughout England and Wales, not least at the local NHS level.

Over 110 NHS organisations supported IFAW publicly last year, many of them using dedicated campaign resources developed by the NHSCFA. We hope to beat that this year.

Fraud is the crime you are most likely to experience during your lifetime, yet there is a good chance you will never actually see a fraud happening. Fraud is a hidden crime, as fraudsters use deception and target weaknesses in people and systems to make a financial gain. Fraudsters are also increasingly sophisticated in their use of technology, as you may have noticed if you ever received a very 'believable' email or letter asking you to send money or provide your financial details.

No individual or organisation is immune from the threat of fraud, and the NHS is no exception. The NHS Counter Fraud Authority (NHSCFA) estimates that the NHS is vulnerable to over £1.2 billion of fraud each year – that is equivalent to the cost of 40,000 nurses.

## NHS FRAUD DOs AND DON'Ts

What to do and what not to do if you suspect that a fraud may be occurring in the NHS

DO...	DON'T...
Make an immediate note of your concerns (dates, times, facts, people involved)	Do nothing, be afraid, or worry about being mistaken. If you have a concern, no matter how small, we want to hear from you.
Keep any records secure. Confidentiality is very important, particularly at the outset of any investigation.	Try and investigate the matter yourself. There are strict laws surrounding criminal investigations which the LCFS are trained to work within
Report any suspicions you have to the LCFS HDUHB.CounterFraudTeam.HDD@wales.nhs.uk	Confront the subject of your concern. This may give them the opportunity to conceal or destroy vital evidence.
Report your concerns promptly, as any delay may result in further loss.	Inform anyone else of your suspicions, even your manager. Remember the person you suspect may not be the only person involved.

## Calling all Fraud Fighters

Join us as we promote awareness of #NHSFraud together with @NHSCFA in this year's International Fraud Awareness Week!

### Be a Fraud Fighter

#### Everyone has a part to play in fighting NHS fraud

Fraud costs the NHS over £1.2 billion a year. That is enough money to pay over 40,000 nurses. Staff in Hywel Dda can join in the fight against NHS Fraud by being vigilant, knowing how to report your suspicions or concerns and stop fraud from happening. It's not just the right thing to do – it is also vital to protect NHS resources.

Remember when the NHS loses money to fraud, we ALL bear the cost.

If you have any concerns regarding any NHS Fraud you can report it to

HDUHB.CounterFraudTeam.HDD@wales.nhs.uk

#### REPORTING YOUR CONCERNS

**People often have concerns about reporting any suspicions they may have about fraud, bribery or corruption issues. The following are some questions and answers which will hopefully help to alleviate some of those concerns.**

##### **"I don't know who to report my concerns to."**

In the first instance you should contact the Local Counter Fraud Specialists (LCFS) HDUHB.CounterFraudTeam.HDD@wales.nhs.uk Alternatively you can telephone the LCFS on 01267248627 or call the NHS Fraud and Corruption Reporting Line on **0800 028 40 60**. All calls are confidential and concerns can be reported anonymously. You can also report fraud online at <https://reportfraud.cfa.nhs.uk/>. All of the relevant contact details can be found on the back page of this Newsletter.

##### **"I am uncertain if fraud is being committed."**

Don't worry; that is what the role of the LCFS is all about. It is the LCFS' responsibility to investigate and establish if there is enough evidence to indicate that a fraud has taken place, not yours. You should contact the LCFS if you have **any** concerns, or even if you just need some advice.

##### **"I wouldn't want to get anyone into trouble."**

The person who reports the actions of a fraudster does not get them into trouble - the fraudster gets himself or herself into trouble by committing fraud in the first place. Remember that this is **your** NHS, we all pay for it and need to protect its valuable resources. Don't rely on somebody else to report **your** concerns.

##### **"Nothing will be done so why bother?"**

Every single referral of a fraud, bribery or corruption concern is reviewed, and appropriate action is always taken. Not every report received will result in a full investigation by the LCFS, as some issues turn out not to be criminal in nature and are better dealt with in other ways, such as changes to policies and procedures or via disciplinary measures. However where concerns do progress to full investigations, these cases can be extremely complex and time-consuming. This can sometimes give the impression that reports are not taken seriously, but it must be remembered that all information relating to fraud investigations and subsequent action is strictly confidential. It is often only if and when cases reach a criminal court that specific detail can be made known to staff and the public.

##### **"It's only a minor issue, so I won't bother."**

This Health Board is committed to the elimination of any fraud, bribery or corruption within or effecting the organisation, and to the rigorous investigation of any such reported cases no matter how small.

##### **"I'm concerned about repercussions and reprisals."**

Don't be concerned. All reports of suspected fraud are treated in the strictest confidence. Provided that your concerns are genuine there would be no repercussions for you in reporting them, no matter what the outcome may be. If you wish you can make the report anonymously, but the LCFS would much prefer it if you told us who you are in case we need to speak to you to get more information.

##### **"Suppose it was my manager whom I suspected?"**

It doesn't matter. You should always report your suspicions directly to the LCFS, or via the national reporting line or online tool. You don't need to tell your manager that you are reporting a concern, whether or not you think they may be involved.



### Be a fraud fighter

Everyone has a part to play in fighting NHS fraud. Join us and read our latest advice at [cfa.nhs.uk](https://cfa.nhs.uk)





## THE FRAUD REPORTER

### 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.

Following this link for Action Fraud <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 a report anonymously you can call the Fraud & Corruption Reporting Line on

**0800 028 40 60**

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



# LOCAL COUNTER FRAUD SPECIALIST REPORT

## Requisition's review - Estates Directorate.

PRODUCED BY: Ben Rees

Lead Local Counter Fraud Specialist

HYWEL DDA UNIVERSITY HEALTH BOARD (H DUHB)

INTENTIONALLY BLANK

## **Introduction**

Fraud within the NHS Estates and Facilities functions has been highlighted in recent years following a successful prosecution in the Powys area by the Counter Fraud Services Wales team, where three individuals were prosecuted and sentenced for defrauding the NHS.

Following an Internal Audit report (Estates Directorate Governance Review) and NWSSP Specialist Services Unit report (Financial safeguarding – Maintenance Team led work) of the HDUHB Estates Function in 2019/2020 financial year, the Lead Local Counter Fraud Specialist (LLCFS) was tasked with reviewing the findings of the reports and undertaking a further review from a Fraud Perspective.

This was completed and presented to the committee in October 2020. A follow up, smaller review of requisitions was planned during the 2021 / 2022 financial year and has now been completed.

## **Objectives**

In order to facilitate his review LLCFS Rees set out the following objectives.

- Review requisitions with a value exceeding £1000 in line with the guidance set out within the directorates operational flow chart (Appendix A).
- Identify whether systems, including Multi Quote and Catalogue, are being utilised for both value for money and reducing the risk of bribery and corruption.
- Establish whether there is any evidence of criminality.
- Identify system weaknesses and make recommendations to ensure that robust systems are in place to prevent recurrence.

## **Findings**

The NHS Wales Oracle Ordering System (Oracle) is currently being used by each of the visited sites and each site is complying with the NHS Wales No Purchase Order (PO) No Payment Policy.

The Catalogue ordering system and Multi Quote system are in use by the Health Board and should be utilised by the Estates Department. Staff are aware that both systems should be used when ordering goods, Multi Quote specifically for requisitions exceeding £1000 (Pre 2021 value).

It is noted that the national guidance states that Multi Quote should be used for requisitions over £5000, the HB had previously decided to reduce this to a £1000, however this has since been reviewed and reverted back to £5000. The operational flow chart will therefore require amending.

Both systems offer a degree of fraud risk reduction from a HB perspective, they protect staff from allegations of fraud, bribery and corruption and offer a potential financial saving for the HB. All three systems are administrated by Shared Services, whose buyers can act as gate keepers for HB purchases.

On requisitions exceeding £5000, where three quotes / Multi Quote system has not been utilised, it is noted that the Single Tender Arrangements / Single Quotation Arrangements processes should be followed, however this should be a last resort.

A sample of requisitions exceeding £1000 were obtained and a random sample of 25 requisitions from each of the 4 sites, Bronglais General Hospital, Glangwili General Hospital, Prince Philip Hospital and Withybush General Hospital were reviewed, resulting in the following observations being made:

#### Bronglais General Hospital (BGH)

It was noted that correct procedures were being followed and there was sufficient information on Oracle to identify and justify and each requisition.

Multiquote was in operation and it was noted that although the threshold has now been increased to £5000, multiquote was also being used for some requisitions below that value.

It was noted that for contracts of an increased value, NWSSP support was sought, and quotations and contracts were managed in accordance with policy.

The information recorded in electronic format via excel spreadsheets and on Oracle was sufficient to review each requisition and provided a good level of assurance.

#### Prince Philip Hospital (PPH)

It was noted that correct procedures were being followed and there was sufficient information on Oracle to identify and justify and each requisition.

There was evidence that multiquote was being used for some orders exceeding £5000 and some below this value.

It was noted that for contracts of an increased value, NWSSP support was sought, and quotations and contracts were managed in accordance with policy.

The information recorded in electronic format via excel spreadsheets and on Oracle was sufficient to review each requisition and provided a good level of assurance.

#### Glangwili General Hospital (GGH)

Again, It was noted that correct procedures were being followed and there was sufficient information on Oracle to identify and justify and each requisition.

There was evidence that multiquote was being used for some orders exceeding £5000 and some below this value.

There were instances where requisitions exceeding £5000 had been ordered outside of Multiquote, however these appear to relate to on-contract lift providers, who subsequently invoice for required parts etc.

It was noted that for contracts of an increased value, NWSSP support was sought, and quotations and contracts were managed in accordance with policy.

The information recorded in electronic format via excel spreadsheets and on Oracle was sufficient to review each requisition and provided a good level of assurance.

#### Withybush General Hospital (WGH)

As above.

#### **Summary of Evidence**

It is noted that all four sites understand the processes involved in raising an order and making a requisition. It appears that Multiquote is now being utilised by all four sites and the approval process is being recorded appropriately on both the spreadsheets and Oracle.

There were instances where multiquote was either not used or another supplier, not connected to this process was used, however on each occasion the decision process was justified within Oracle itself, before being approved by the appropriate individual.

There were a number of orders exceeding £1000, but below £5000 where multiquote was not being used and there was no information that three quotes had been obtained (best practice), however there was no evidence of foul play. Some of the quotes associated with these were in email format, by way of direct communication between the supplier and Estates employee. These tended to be local companies who had been used previously.

For orders of increased value, NWSSP assistance was sought, and relevant processes followed.



---

One single tender action was identified, and this will be reviewed independently.

**Conclusion:**

The information recorded and maintained electronically across all four sites was consistent and allowed for an appropriate review.

The threshold at which Multiquote should be used has been increased, however it is still being used on occasions for lower value orders.

The CF dept will liaise with the Estates department to discuss the possibility of reviewing the threshold amount associated with Multiquote.

No instances of Fraud have been identified, however the CF dept would like to take the opportunity to undertake a Fraud Risk Assessment associated with the requisition of orders under £5000 with the department. This will be planned for Q4.

In addition to reviewing estates requisitions, the LLCFS also reviewed a sample of non-compliant purchase orders, where it was noted that services were obtained prior to a Purchase Order being generated.

An initial review was undertaken with a Procurement Department employee and no concerns were identified, however a national review into Purchase Orders was being undertaken at the same time, so this element of the exercise has been paused pending the outcome of the national procurement exercise (reported to ARAC in October 2021).

**Recommendations:**

1. Undertake a Fraud Risk Assessment for requisitions below £5000.

**Report completed by:**

Ben Rees

Lead LCFS

Hywel Dda University Health Board.

## Appendix A - Minor Development / Small Capital Schemes

