



PWYLLGOR ARCHWILIO A SICRWYDD RISG AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	19 April 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	Counter Fraud Work Plan 2022/23
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)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA

SBAR REPORT

NHS bodies in Wales must implement anti-fraud, bribery and corruption measures in accordance with Government Directions on Counter Fraud Measures and the service agreement under section 83 of the Government of Wales Act 2006. As well as the Welsh Government directions, NHS bodies are also obliged to demonstrate compliance with NHS Counter Fraud Authority Requirements of the Government Functional Standard GovS 013: Counter Fraud, which came into force from 1st April 2021.

A self-review assessment against each of these 12 standards is completed on an annual basis using a RAG rating system.

This document provides to Audit & Risk Assurance Committee the Counter Fraud Work Plan which sets out the intended actions for 2022/23. The Work Plan is devised to address identified fraud risks and to ensure compliance with both the Government Functional Standards 013 - Counter Fraud (GovS 013) and Welsh Government Directions to NHS Bodies on Counter Fraud Measures.

The workplan refers to a draft Self-Review Assessment that has been undertaken and has been appended to the report. The Assessment provides an overall rating of Green, with one identified area of improvement. An approved and submitted version of this Assessment will be presented at the 21st June 2022 meeting.

Cefndir / Background

To evidence the provision of services within a sound governance framework and provide a basis and strategic direction for counter fraud work in 2022/23.

Asesiad / Assessment

The Work Plan presented covers all aspects of applicable standards and directions as well as encompassing work around identified fraud risks. Contingency is built into the Plan to ensure response to emerging fraud risks.

Argymhelliad / Recommendation

The Audit & Risk Assurance Committee is requested to approve the Counter Fraud Work Plan 2022/23.

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: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol:

Further Information:

Ar sail tystiolaeth: Evidence Base:	Government Functional Standards 013 - Counter Fraud (GovS 013) and Welsh Government Directions to NHS Bodies on Counter Fraud Measures.
Rhestr Termiau: Glossary of Terms:	LCFS – Local Counter Fraud Specialist/s
Partion / 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



Counter Fraud Work Plan 2022/23

Ben Rees
Head of Counter Fraud Services

19th April 2022

COUNTER FRAUD WORK PLAN 2022/23

Introduction

The Health Board employs 2 full time Accredited Counter Fraud Specialists within the Counter Fraud Team to operationally deliver the obligations for countering fraud bribery and corruption. Ben Rees is the nominated Lead Local Counter Fraud Specialist (LLCFS) and has been an accredited LCFS since 2017. Terry Slater is the Health Board's second LCFS and successfully obtained his Accreditation in 2021. Both Ben and Terry have previously worked as Police Officers and bring with them 44 years' worth of Policing knowledge.

The Counter Fraud Team works closely with the Director of Finance, Fraud Champion, and reports regularly to the Audit & Risk Assurance Committee on fraud, bribery, and corruption matters.

The Local Counter Fraud Team also liaises with NHS Counter Fraud Service Wales (CFS Wales) on all investigations, recording each investigation on the Counter Fraud Authorities new data management system, Clue3. CFS Wales are responsible for co-ordinating the fraud, bribery, and corruption response on a national level through investigation support and collation of information from each of the Health Board's within Wales. The LCFS updates CFS Wales with regard to developments from criminal investigations, as well as providing quarterly performance statistics on behalf of the Health Board.

In line with the Welsh Government Directions on Counter Fraud Measures, the counter fraud work undertaken by the Counter Fraud is set around four key principles:

Key Principle 1: Strategic Governance - to ensure that Strategic Governance arrangements are in place to ensure that Anti-Crime measures are embedded at all levels across the organisation. Good communication with Senior Staff within key staff areas as well as regular attendance and oversight from the Audit & Risk Assurance Committee will continue.

Key Principle 2: Inform and Involve – to raise awareness of fraud risks against the Health Board with the overall aim to have a workforce that is fraud aware, vigilant, and intolerant of fraud bribery and corruption in the NHS. Effective use of multi-media channels in order to reach staff across the Health Board will be vital to effective delivery of this principle.

Key Principle 3: Prevent and Deter – to utilise all available means to identify and mitigate anomalies indicative of fraud and to produce a 'fraud-proofed' environment to discourage individuals who may be tempted to commit fraud against the NHS and ensure that opportunities for fraud to occur are minimised.

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Key Principle 4: Hold to Account - to ensure that all suspicions of fraud are investigated in a timely, professional manner and that all appropriate sanctions and redress actions are applied to send the message that fraud against the Health Board will not be tolerated.

NHS bodies in Wales must implement anti-fraud, bribery, and corruption measures in accordance with Government Directions on Counter Fraud Measures and the service agreement under section 83 of the Government of Wales Act 2006. As well as the WG directions, NHS bodies are also obliged to demonstrate compliance with the Government Functional Standards 013 - Counter Fraud (GovS 013), which came into effect from 1st April 2021. A self-review assessment against each of these 12 standards is completed on an annual basis using a RAG rating system.

Full compliance with the new standards is not due to be enforced until 2023/24, to allow organisations to adjust. This year's self-review has been undertaken in line with the new standards, enabling the Counter Fraud function to fine tune and embed the new standards in readiness for 2023/24.

From an initial assessment, the Health Board is in a relatively healthy position to align to the new standards. Areas that will require development have been identified as:

NHS Requirements Government Functional Standard 013 Counter Fraud (GovS 013) Component 3, Requirement 3 – Fraud bribery and corruption risk assessment. This is an area that has continued to be developed throughout 2021/22 in preparation for the new standards, and work to date enabled the Health Board to receive a Green Rating against previous standards; however, this is a developing area across NHS Wales and England.

Work to date includes Fraud Risk Assessments, which have been undertaken as a result of ongoing investigations or Fraud Prevention Notices issued by the Counter Fraud Authority, with a view to utilising the assessments to identify future proactive activities. The new Clue3 system allows the LCFS to record and monitor outcome of such activities and provide outcome-based metrics to meet formal Key Performance Indicators (KPIs).

The Government Functional Standards and NHS Requirements to meet those standards are available in full at <https://cfa.nhs.uk/government-functional-standard/NHS-requirements>.

COUNTER FRAUD WORK PLAN 2022/23

This work plan has been developed to maintain the areas of work in which the Health Board is already strong, improve in the areas of potential weakness and ensure overall alignment to the new Standards. Where a Work Plan action is directly applicable to a Standard Component these have been referenced (GovS 013 component X).

INFORM AND INVOLVE		
	TASK/OBJECTIVE	PROPOSED DELIVERY
1	Design and deliver a programme of counter fraud awareness presentations to staff at all levels within the Health Board, including participation in the Health Board induction and Managers Passport programme, with the aim of ensuring that the organisation is proactive in raising fraud awareness and building an anti-fraud culture in line with GovS 013 component 11. Review and maintain materials and media used. Evaluate presentations, collate results, and amend presentations as a result of the feedback received. Report outcomes to the Director of Finance.	Throughout the Year
2	Undertake a suitable exercise to identify the level of fraud awareness within the organisation utilising compliance data associated with ESR Mandatory Training and further develop communications / learning in areas of low compliance.	Q1
3	To develop and maintain the counter fraud information contained on the Health Board intranet site and Newsletter, to include details of successfully prosecuted Counter Fraud cases – both local and national.	Q2 and Q4
4	Enhance awareness of the Health Board's "Counter Fraud" Policies, and promote the correct lines for reporting fraud, bribery, or corruption (including the freephone Fraud, Bribery and Corruption Reporting Line, online reporting tool and local reporting mechanisms).	Throughout the Year
5	Actively raise staff awareness of the now forthcoming mandatory Counter Fraud E-learning and measure compliance.	Throughout the Year
6	Arrange for pay-slip messages to be utilised during the year as appropriate.	As Appropriate

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INFORM AND INVOLVE		
	TASK/OBJECTIVE	PROPOSED DELIVERY
7	Develop a digital Counter Fraud newsletter that can be incorporated into the general communication briefings that are currently being circulated amongst staff via the communications department, which will allow for greater awareness throughout the year.	Throughout the year
8	In conjunction with the Health Board Communications Team, review the strategy in place for raising awareness of economic crime risks and publicise the work of the LCFS, to ensure that it remains fit for purpose and that all appropriate awareness-raising mechanisms are being fully exploited.	Q2
9	In line with GovS 013 Components 4, 7 and 12 undertake targeted surveys of staff to measure awareness of: Counter Fraud, Bribery and Corruption Policy and Response Plan; Fraud, Bribery and Corruption incident reporting routes; and Policy and procedures relating to Conflicts of Interests, Gifts and Hospitality and Bribery Act.	Throughout the Year
10	Engage with the communications department to develop bitesize presentations / animations on identified trends, with a view of disseminating the information to staff via global messaging systems, working with others to raise awareness of more than one topic, e.g., Governance and Counter Fraud 'bite-size' animation on declarations of interest and how this is associated with abuse of position and bribery allegations.	Q1 and 2
TOTAL DAYS ALLOCATED		85

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PREVENT AND DETER		
	TASK/OBJECTIVE	PROPOSED DELIVERY
11	Review key organisational policies, procedures and documents, to ensure that they are adequately robust in terms of counter fraud. The communication of revised policies, procedures, and documents as appropriate, emphasising the organisational commitment to countering fraud.	As Appropriate
12	Carry out risk analysis in line with Government Counter Fraud Profession (GCFP) fraud risk assessment methodology. Record and manage assessed risk in line with the Health Board's Risk Management policy and include on the risk registers where appropriate in line with GovS 013 component 3.	Throughout the Year
13	Develop a fraud risk profile from risk assessment work to effectively evaluate, evidence, and measure the effectiveness of counter fraud work in mitigating and reducing fraud risk or expenditure and influencing of policy and procedure aimed at reducing fraud in line with GovS 013 component 2 and GovS 013 component 5.	Throughout the Year
14	Liaise with Corporate Governance colleagues around measuring effectiveness and staff awareness of conflicts of interest policy and registers that include gifts and hospitality with reference to fraud, bribery and corruption, and the requirements of the Bribery Act 2010 in line with GovS 013 component 12.	Throughout the Year
15	Review and update information sharing protocols currently in place.	Q1 and 2
16	Regular meetings with the Head of Internal Audit (NWSSP Audit & Assurance)	Throughout the Year
17	Record and respond to ad-hoc requests for assistance received.	Throughout the Year
18	Action Fraud Prevention Notices issued by NHS Counter Fraud Authority and/or Counter Fraud Services Wales as and where appropriate.	As Appropriate

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PREVENT AND DETER		
	TASK/OBJECTIVE	PROPOSED DELIVERY
19	Issue of fraud alerts to all appropriate staff.	As Appropriate
20	Regular liaison with the Post Payment Verification Location Manager (NWSSP Primary Care) and Primary Care leads to ensure that any contractor visits which result in the identification of anomalies are reported to the LCFS.	Throughout the Year
21	Participate in mandatory national proactive exercises, as instructed by NHS Counter Fraud Authority, Auditor General for Wales and/or the Cabinet Office (e.g., NFI).	Throughout the Year
22	Participate in thematic fraud risk evaluation exercises as instructed by the NHS Counter Fraud Authority.	As Required
23	Conduct proactive work to detect fraud using relevant information and intelligence to identify anomalies that may be indicative of fraud, bribery, and corruption. Results of this work will be recorded on Clue3, evaluated and where appropriate feed into improvements to prevent and deter fraud, bribery, and corruption in line with GovS 013 component 10. Any losses, recoveries or savings are to be identified and reported (data metrics).	Throughout the Year
24	Membership of Local Intelligence Network and attendance at meetings.	As Required
25	Provide outturn reports for managers to recommend appropriate action following any weaknesses identified through investigative work. Monitor and report findings to the Director of Finance / Audit & Risk Assurance Committee.	As Required
26	Periodically review the Risk Register for entries which may have a fraud or corruption bearing.	Throughout the Year
27	To undertake proactive exercise in conjunction with the CFS Wales Regional Team and Health Board Pharmacy Leads to identify any possible instances of fraud and loss.	Quarter 3

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PREVENT AND DETER		
	TASK/OBJECTIVE	PROPOSED DELIVERY
28	To complete and report on a pro-active exercise linked to travel expenses and undertake a Fraud Risk Assessment, which will be recorded as a Local Pro-active Exercise on Clue3.	Quarter 2
29	To undertake a proactive exercise in relation to Overpayments of Salary, reviewing payroll feed data in conjunction with Finance Analysts. This is to include awareness work within the high-risk areas identified via workforce.	Quarter 1
30	To undertake further Local Pro-active Exercises as identified via Fraud Prevention Notices or identified Fraud Risks.	Throughout the Year
TOTAL DAYS ALLOCATED		120

HOLD TO ACCOUNT		
	TASK/OBJECTIVE	PROPOSED DELIVERY
31	Conduct investigations into all allegations of economic crime as required, in line with the requirements of the NHS Counter Fraud Authority Counter Fraud Manual, and all relevant guidance and legislation.	As Required
32	Appropriate use of Clue3, the prescribed case management system, in line with NHS Counter Fraud Authority and NHS CFS Wales requirements.	As Required
33	Assist the NHS CFS with information as required for any regional or national fraud cases. Ensure comprehensive information to enable risk exercises to be carried out effectively is submitted in a timely manner.	As Required

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HOLD TO ACCOUNT		
	TASK/OBJECTIVE	PROPOSED DELIVERY
34	Ensure the application of sanctions in line with legislation and the policy document 'Applying Appropriate Sanctions Consistently'.	As Required
35	Identify and maintain appropriate records and, wherever possible, seek financial redress/recovery in respect of any proven loss to the Health Board, having due regard to the circumstances of each case.	As Required
36	Review professional competencies and capabilities of accredited staff nominated to undertake the full range of counter fraud work to assess requirements for professional development opportunities in line with GovS 013 Component 9.	Q1
37	Undertake review of information held, stored, and processed in relation to case files and evidence store.	2
38	Provision of information via Clue3 and secure information exchange channels to enhance national intelligence sharing.	As Required
39	Maintain an appropriate and correct interaction with NHS CFS Wales regarding the conduct and progression of an investigation.	As Required
TOTAL DAYS ALLOCATED		175

STRATEGIC GOVERNANCE		
	TASK/OBJECTIVE	PROPOSED DELIVERY
40	Attendance at all Fraud Forum meetings held by CFS Wales.	As Required

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STRATEGIC GOVERNANCE		
	TASK/OBJECTIVE	PROPOSED DELIVERY
41	Nominate a Fraud Champion for the Health Board in line with GovS 013 component 1 and continue to engage with on a bimonthly basis.	Throughout the Year
42	Completion and agreement of the annual work plan with Director of Finance in line with GovS 013 component 2.	Q4
43	Completion and agreement of the annual report with Director of Finance	Q1
44	Regular meetings/liaison with Director and/or Assistant Director of Finance	Throughout the Year
45	Preparation for and attendance at Audit Committee meetings.	As Required
46	Full participation in the quality assurance process as directed by NHS Counter Fraud Authority	Q4 and As Required
47	Undertake additional training as required by the Health Board or NHS Counter Fraud Authority.	As Required
48	Implementation of the revised case management CLUE3, as mandated by the NHS Counter Fraud Authority. Utilise system to record all fraud, bribery, and corruption investigative activity, including all outcomes, recoveries and system weaknesses identified during investigations and/or proactive prevention and detection exercise in line with GovS 013 component 8.	Q1 and Throughout the Year
49	Provide regular reports and <i>ad hoc</i> information to NHS Counter Fraud Authority and Welsh Government as required	Throughout the Year
50	Review the Health Board's Counter Fraud Policy and Response Plan to ensure up to date and relevant contents as well as alignment to Government Functional Standards in line with GovS 013 component 4 and GovS 013 component 7.	Q1

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STRATEGIC GOVERNANCE		
	TASK/OBJECTIVE	PROPOSED DELIVERY
51	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. Develop ability to evidence performance against set metrics in line with GovS 013 component 6.	Throughout the Year
52	Provide quarterly statistical reports to NHS Counter Fraud Authority and Welsh Government.	Quarterly
53	Review tools and resource to ensure Counter Fraud work can be sufficiently delivered.	Annually
54	Record and report on Investigation Recommendations to both Department leads and the Audit Committee, tracking relevant recommendations via the Corporate Governance Team, who will assist in tracking recommendations and reporting back compliance to the committee.	Throughout the Year
TOTAL DAYS ALLOCATED		40

SUMMARY TOTALS		
	STRATEGIC AREA OF ACTIVITY	RESOURCE ALLOCATED (in days)
A	INFORM AND INVOLVE	85
B	PREVENT AND DETER	120
C	HOLD TO ACCOUNT	175
D	STRATEGIC GOVERNANCE	40
TOTAL		420

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Conclusion

Key areas of work for this year will be a focus on Inform and Involve and awareness raising to further embed the culture fostered over preceding years, as well as further developing areas of work associated with Prevent and Deter, including building on Fraud Risk Analysis, identifying specific fraud risk-based proactive exercises and recording outcomes on Clue3.

Overall, this work plan has been developed in response to identified fraud risks and in line with the Health Board's obligations derived from the new Welsh Government Directions on Counter Fraud Measures and the Welsh Government Directions on Counter Fraud Measures. The actions contained therein are aimed at reducing fraud, bribery, and corruption within the Health Board to an absolute minimum and embedding an anti-fraud culture.

It is recommended that the Committee **approve** the work plan as presented.

Huw Thomas
Director of Finance

Ben Rees
Lead Local Counter Fraud Specialist

For presentation to Audit and Risk Assurance Committee: 19th April 2022