



Cwm Taf Morgannwg University Health Board

Audit & Risk Committee – 14 December 2020

Counter Fraud Progress Report

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1. INTRODUCTION

The purpose of this report is to update the Audit Committee on key areas of work undertaken by the Health Board Local Counter Fraud Specialists (LCFS) since the last meeting.

2. BACKGROUND

Meetings are held on a regular basis with the Director of Finance, where progress against the annual work plan and with the LCFS case workload is discussed and monitored.

The following sets out activity under the Key Principles specified within the Fraud, Bribery and Corruption Standards for NHS Bodies (Wales).

3. RESOURCE UTILISATION

AREA OF WORK	Planned Days	Days to Date
Strategic Governance		
Ensuring that anti-crime measures are embedded at all levels across the organisation	75	29
Inform and Involve		
Identifying the risks and consequences of crime against the NHS, and raising awareness of these risks amongst NHS staff, stakeholders, and the public.	90	25
Prevent and Deter		
Discouraging those who may want to commit crimes against the NHS and ensure that such opportunities are minimised.	100	30
Hold to Account		
Detecting and investigating crime, prosecuting those who have committed crimes and seeking redress as a result.	255	113
TOTAL	520	197

4. STRATEGIC GOVERNANCE

The Head of Local Counter Fraud Services (HoLCFS) attended a Counter Fraud Steering Group meeting in early November. An agenda item included the potential for NHS Wales to introduce Government Functional Standards on Counter Fraud to replace NHS Counter Fraud Authority's (NHS CFA) 'NHS Counter Fraud Standards (Wales)'.

NHS England plan to replace current standards with the Government Functional Standards in 2021/22; additionally, NHS CFA will not be maintaining their Standards going forward following the replacement. The replacement in NHS Wales requires Welsh Government authorisation who await the finalised version of Government Functional Standards from NHS CFA to consider; it is anticipated that the new standards will be adopted.

The HoLCFS maintains a good working relationship with NHS CFA Quality Assurance Inspectors leading work on the replacement standards for the organisation and has had detailed meetings directly with those officers. The new standards broadly align to the existing standards but with additional emphasis on fraud risk management and particularly the recording of this work. These practices are already underway within the Health Board, being reinforced throughout this year. It is expected that impact of replacement standards, if adopted, will be minimal with only slight changes in strategy required. The Health Board's Counter Fraud Work Plan 2021/22 will be appropriately devised to meet the standards in place at that time.

The Counter Fraud Team will be conducting a recruitment exercise for a new LCFS to bring the Team up to full capacity. The Director of Finance is currently considering plans for that recruitment.

5. INFORM AND INVOLVE

The Counter Fraud Team are now fully equipped with the necessary equipment to undertake cloud and virtual based work. The Team have established a cloud based filing structure to enable more efficient work between the wider Counter Fraud Team building resilience in service. The Team have also commenced delivery of counter fraud awareness sessions in a virtual setting carrying out 3 sessions so far with more planned throughout the remainder of the financial year.

The Counter Fraud Team took part in International Fraud Awareness Week 15-20 November alongside NHS and public sector partners. During this event the Team produced refreshed literature based around available resources issued from Counter Fraud Service Wales and NHS Counter Fraud Authority. The Team also created content such as 'Ethical Dilemmas' which posed fraud risk based situations asking staff what they would do in those circumstances, a special edition Newsletter and a counter fraud leaflet. The event was run virtually with resources disseminated to staff on multi-platform basis throughout the week.

The HoLCFS is concerned however around the reach that this event has had at a time when the communication landscape and people's minds are focussed on Covid, particularly within the CTM area which has been amongst the areas with higher rates of positive cases. It is planned that this event will run again within the Health Board in late Q4 utilising the resources already collated with greater cut through and impact anticipated once winter pressures are declining. Resources issued as part of event are at Appendix 1 of this report, including Newsletter, for the Committee's Perusal.

The Counter Fraud Team have disseminated 42 awareness messages, alerts and bulletins to staff in this year. They cover targeted communications to local Departments and Teams around specific fraud risks to their area to all staff communications via SharePoint.

6. PREVENT AND DETER

The LCFS attended the Controlled Drugs Local Intelligence Network to discuss issues arising relating to controlled drugs; the network isn't Health Board specific being linked to Controlled Drugs Accountable Officer for the area instead. Attendance of other parties, such as Police, is resulting in establishment of good links outside the Health Board.

A proactive fraud detection exercise is now underway around pre-employment checks. This will cover Agencies, Nurse Bank and substantive recruitment. Verification of pre-employment checks undertaken by agencies by NHS Organisations was raised as a risk area by NHS Counter Fraud Authority in 2019/20 who established there was an over reliance on the contract terms which state that it is the responsibility of the Agency to undertake pre-employment checks. The undertaking of an exercise was also recommended by the NHS Counter Fraud Authority Quality Assurance Inspectors following a proactive risk management exercise earlier this year.

Verification of pre-employment checks for substantive and Nurse Bank staff will cover recruitment completed in 2019 A review of Internal Audit findings in relation to Covid recruitment will be undertaken to assess requirement for proactive fraud detection work around that intake.

7. HOLD TO ACCOUNT

The Counter Fraud Team recently received training on a new case management system to be introduced next year. The new system will incorporate existing case management processes in line with legislation governing investigation with additional functionality around intelligence sharing and management information statistics. The HoLCFS will scope the statistics for use in future reports to Committee.

The status of the LCFS investigative caseload is summarised in Appendix 2. A summary of basic investigation KPI data is presented at outset of appendix. Case information presented is split by between those cases which are currently open and under active investigation by the LCFS; contained in Open Cases table.

The Pending Cases table reflects those cases where active investigation by the LCFS has concluded, however the case must remain open due to other outstanding actions from third parties such as (but not limited to) disciplinary, professional body enquiries, financial recoveries.

A table of Closed Cases is also presented to review outcomes of investigations.