



Cwm Taf Morgannwg University Health Board

Audit & Risk Committee – 08 February 2021

Counter Fraud Progress Report

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1. INTRODUCTION

The purpose of this report is to update the Audit & Risk 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 | 33 |
| 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 | 27 |
| Prevent and Deter | | |
| Discouraging those who may want to commit crimes against the NHS and ensure that such opportunities are minimised. | 100 | 34 |
| Hold to Account | | |
| Detecting and investigating crime, prosecuting those who have committed crimes and seeking redress as a result. | 255 | 163 |
| TOTAL | 520 | 257 |

Planned days for 2020/21 anticipated a reduction of deliverable days at outset of year due to known staffing issues. Those issues extended beyond what was anticipated resulting in loss of additional available resource days. It is now expected that the reduction in available resource within the Counter Fraud Team will be 220 days by year end.

Estimated projections show that the Counter Fraud Team will deliver around 340 total days by year end. The shortfall will have an impact on the ability to deliver all actions

outlined within the 2020/21 Counter Fraud Workplan – the Team have been pragmatic in approach throughout year and have laid foundation to build on into 2021/22.

4. STRATEGIC GOVERNANCE

A revised SLA has been agreed by the Director of Finance. In line with this agreement the Health Board Counter Fraud provision will be changed to remove provision at Band 7 level to be replaced by Band 6. This frees budget to include further resource days from a Support Counter Fraud Officer Band 4 releasing the accredited resource to focus on areas more aligned to their level. Overall the revised SLA gives a 7% increase of deliverable counter fraud resource days with a marginal 0.1% increase to overall costs even when accounting for higher salary costs following pay award.

A recruitment exercise will be commenced for a new Band 6 Local Counter Fraud Specialist to bring Team up to full capacity in line with SLA.

The below table provides update on progress in relation recommendations made within Audit Wales' report 'Effectiveness of Counter Fraud Arrangements – Cwm Taf Morgannwg University Health Board'

| Improvement area | Management Response | Current Position |
|--|--|--|
| Implement mandatory counter-fraud training for some or all staff groups. | Counter Fraud will be Included within the Health Board's induction training more distinctly than it is now. Additionally, there are a range of options from face to face delivery of training to mandatory counter fraud elearning to apply to sections of staff at higher risk of fraud that can be explored to supplement the established programme of awareness work undertaken by the Health Board's Counter Fraud Team. | <p>Counter Fraud materials have been provided to the Health Board's Learning and Development Team for Inclusion on the Health Board's mandatory Corporate Induction.</p> <p>The Counter Fraud Team are exploring mandatory training for sections of staff at higher risk of exposure to fraud. Staff groups are being identified in liaison with Senior Managers for Departments/Teams assessed at increased risk. The form of training will then be agreed with those Managers in line with agreement from Learning and Development Colleagues. This work is on track for formal plan to be tabled by year end.</p> |

| Improvement area | Management Response | Current Position |
|---|--|--|
| Implement consistency in the recording and monitoring of economic fraud risk in line with the Health Board's risk management policy and strategy. | Fraud risk will be managed in line with the Health Board's risk management framework; utilising established policy, procedure and systems. This will enable effective management of risk by the risk owners with specialist support from the Counter Fraud Team. | The Counter Fraud Team now approach fraud risk in alignment with the Health Board's risk management Policy and Procedures. The Team have been undertaking risk assessments in areas identified by NHS Counter Fraud Authority as key strategic fraud risks within the NHS. This work will feed into a fraud risk profile for the Health Board that will form the basis of future work planning. The assessed fraud risks will sit as part of the Finance Risk Register to enable tracking and management in response to emerging issues. |

5. INFORM AND INVOLVE

The Counter Fraud Team have undertaken a staff survey to better understand awareness levels within the Health Board. An analysis of returns is presented at Appendix 1 to this report. We received only 46 responses to the Counter Fraud All Staff Survey. In comparison the Counter Fraud Team ran the same survey at the same time within Swansea Bay University Health Board (SBU) with over 900 responses. The method of delivery within SBU was broadly similar except that direct emails were sent to staff within SBU utilising mailing lists developed by the Counter Fraud Team. Methods of message delivery will be reviewed with colleagues from the Communications Department. Consideration will also be given to developing mailing lists to directly reach out to CTM staff with Counter Fraud messages. Overall this poor response rate is an indication of low counter fraud awareness levels within the Health Board – actions have already been taken to resolve this but awareness work will be a key consideration when planning for 2021/22.

Slides covering Counter Fraud Awareness messages, including a short awareness video, have been provided to colleagues within Learning & Development for inclusion within the Health Board's Corporate Induction programme.

The Counter Fraud Team have disseminated 48 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

An updated document relating to Fraud threats to the NHS from COVID-19 Threats has been issued by NHS Counter Fraud Authority (NHSCFA). Emerging threats highlighted include:

- **Offering of financial incentives to access Covid-19 vaccines**

The NHSCFA has received intelligence to suggest that private companies may directly approach NHS practices with financial incentives for advanced access to the COVID-19 vaccine. This request is made under the pretences that some appointments are missed, and the vaccines would otherwise go to waste. A private company may purport to be a medical company with front line staff as an attempt to convey legitimacy for the request.

- **NHS Staff COVID 19 temporary register**

There is the potential that some fraudsters may present false/altered qualifications and identity documentation, yet register with the Nursing and Midwifery Council (NMC) COVID-19 temporary register. The creation of a COVID-19 temporary register was approved through emergency legislation by the government. As a result, whilst applications to join the permanent register are processed, the NMC is inviting nurses trained overseas to contribute to additional resourcing during the pandemic via the temporary register.

- **NHS Staff Selling Lateral flow devices (LFD's) online or using Lateral flow devices (LFDs) for travel certificates**

The NHSCFA has received multiple reports about LFD's being sold on online marketplaces, in one report the seller is reported to be working in a hospital and another reported the devices as stolen.

The NHSCFA have also received a report about medical staff who were offering PCR certificates for travel, however they were actually using LFDs to establish the test results.

- **Pharmaceutical contractor – Falsely representing associates as front-line NHS staff**

The NHSCFA received a report about staff at a pharmaceutical practice who colluded with other NHS staff to register their associates as employees at the practice. This was executed with the intent to secure a COVID-19 vaccine to which they were not yet entitled under the pretences that the individuals were frontline health care workers.

- **Cyber enabled fraud –Vaccine appointments**

The NHSCFA has received a report about a website link which was circulated via message amongst staff, claiming to offer the option to book appointments for a COVID-19 vaccination and displaying the logo of the health service.

There have also been reports of widespread phishing scams received via email and text message purporting to be from the NHS for receiver to book vaccine, the links included however seek payment and/or financial information.

The Counter Fraud Team are currently assessing the Health Board's exposure to these emerging threats.

A proactive fraud detection exercise is ongoing around pre-employment checks compliance amongst NHS recruitment and Nursing Agencies. The testing is at an advanced stage of the exercise and completion is anticipated by mid-February.

The Counter Fraud Team have established a regular liaison meeting with the Health Board's Cyber Security Team. Cyber enabled fraud is a growing area and a close working relationship between these teams is seen as mutually beneficial and we will continue to work cross functionally to minimise risks to the Health Board in both areas. The Cyber Security Team have recently supported an exercise run via MetaPhish Software which enables simulated cyber attacks on the Health Board via email systems. The exercise mimicked a real world CEO/Mandate Fraud attack in the spear phishing style utilising details of the Director of Finance requesting changes to be made to bank accounts. Further exercises are planned by the Cyber Security Team with intent to gain a better understanding of the Health Board's resilience to such attacks.

7. HOLD TO ACCOUNT

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.