

# APPENDIX 1



## Swansea Bay University Health Board

**Audit & Risk Committee – 14 September 2021**

**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**

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

## **3. STRATEGIC GOVERNANCE**

The Health Board's Director of Corporate Governance has been formally nominated as the Organisation's Fraud Champion in line with Component 1 of the NHS Requirements for Government Functional Standards: Counter Fraud.

## **4. INFORM AND INVOLVE**

The Counter Fraud Team have issued a Summer edition of the Counter Fraud Newsletter, The Fraud Reporter. A copy is appended to this report for the Committee's perusal.

The Counter Fraud Team have delivered 22 fraud awareness sessions so far this year via a blend of face to face and MS Teams delivery. The total number of staff reached via these sessions is 453. The Counter Fraud Team have targeted bespoke risk based training towards Teams and Departments at higher risk of exposure to fraud. This includes Finance, Workforce & OD and Estates colleagues. There are a further 35 sessions planned throughout the year.

The Counter Fraud Team have disseminated 7 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.

## **5. PREVENT AND DETER**

The NHS Counter Fraud Authority (NHS CFA) are undertaking a post event assurance exercise based around Covid-19 procurement activity. The exercise is split into 2 parts and covers spend as well as performance relating to revised procurement policy notices.

Specifically, Part 1 is submission of questionnaire around PO vs Non-PO spend form 2019/20 and 2020/21 split by quarter and in line with NHS eClass categories. Part 2 is submission of questionnaire around testing PPNs issued during pandemic; PPN 01/20, PPN 02/20 and PPN 04/20 referenced. Questions are based around contract cancellations, direct award and supplier relief payments linked to the PPNs.

This data has been submitted on behalf of the Health Board. Data analysis will be conducted by NHS CFA and a report issued to participants. This will be presented to Committee once available for discussion with follow up work potentially needed on a local basis.

Work on the Health Board's NFI matched datasets is progressing. Where issues are identified these will be included in future update reports. There is opportunity to utilise the data within the Health Board as part of a proactive exercise around declaration of interests compliance within the context of the Standards of Behaviour Policy. The NFI supplies matched data around Payroll to Companies House and Creditors to identify where employees have interests that should potentially be declared under that Policy. Proactively seeking assurance around compliance with this area delivers good evidence of the Health Board taking action to prevent potential for bribery and corruption which is included in the Functional Standards and a requirement for defence against s.7 Bribery Act liability. Discussions will be held with the Corporate Governance Team to establish approach to this potential exercise.

Information from within the NHS Counter Fraud community was raised regarding a case dealt with by Police of an individual registering themselves at multiple GP Practices across the South Wales region with the intent to source drugs believed to be for onward sale. The individual was initially arrested and formally cautioned by Police before reoffending within a matter of days in same manner of registration at GP Practices. The Counter Fraud Team have been reviewing the current arrangements of GP registration as a result to measure risk in this area. Work is still ongoing but initial meetings suggest that there is a lack of control in GP registration with basic checks easily circumnavigated and a fragmented approach amongst GP practices in undertaking checks at point of registration. As well as access to Primary Care services including access to drugs via prescription there is potential to access Secondary Care when this may be chargeable or that individual is out of area and therefore not funded appropriately. A full report will be presented to Committee once work is complete in this area.

## **6. HOLD TO ACCOUNT**

The Counter Fraud Team have linked with the Cyber Security Team and purchased kit to enhance abilities to recover digital information in-house from the full range of digital devices. The Team now have the capability to forensically interrogate laptops, PCs, tablets, mobile phones, memory cards to produce evidence to a criminal standard for use in investigations. There remains the ability to utilise NHS CFA Forensic Computing Unit via Welsh Government arrangements for such work. This involved delivering devices to Newcastle-upon-Tyne however. Having this ability in-house allows investigations to maintain momentum and focus whilst gathering evidence available.

Counter Fraud Service Wales have collated Operational Performance statistics from across NHS Wales. Across Wales the number of new fraud referrals is gradually increasing as normal NHS working patterns resume, a total of 44 referrals were recorded in Q1 of 2021/22 compared to a total of 25 new referrals in Q1 of the

previous year. This is reflected within the Health Board with increase in contact received by the Team.

The status of the LCFS investigative caseload is summarised in a separate report.