



Cwm Taf Morgannwg University Health Board

Audit & Risk Committee – 04 October 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

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	66	17
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.	135	38
Prevent and Deter		
Discouraging those who may want to commit crimes against the NHS and ensure that such opportunities are minimised.	135	46
Hold to Account		
Detecting and investigating crime, prosecuting those who have committed crimes and seeking redress as a result.	255	216
TOTAL	591	318

4. STRATEGIC GOVERNANCE

NHS Counter Fraud Authority have organised workshops relating to fraud risk assessments and local proactive exercises which will be attended by the Counter Fraud Team in October. Workshops will cover aspects of how and when risk based LPE's should be undertaken and recorded and will include scenario-based exercises which are key elements of the new Government Functional Standards the Health Board is expected to comply with.

5. INFORM AND INVOLVE

The Counter Fraud Team have issued an Autumn 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 disseminated 7 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.

Awareness articles have been shared by the Team including what is fraud?, overpayment of salary, charitable funds process, claiming expenses and working whilst sick. These relate to common identified fraud issues. The messages have been shared via SharePoint latest news and are held on the Counter Fraud pages of that site. The Team have also sought a contact list of senior managers and directors at the Health Board and will forward communications towards PAs and Managers for onward cascade within the Organisation. This more direct approach has worked well at Swansea Bay and also allows for targeted communications to specific areas that may be at risk of increased impact from developing fraud risks.

The Counter Fraud Team have utilised MS Forms to develop a booking system to allow staff to self-book onto a counter fraud awareness session delivered via MS Teams. The bookings feed into an MS Excel mailer system. This semi-automated process frees resource from administration tasks on to awareness work which presents more value to the Health Board.

6. 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.

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.

The Cyber Security Team have recently undertaken a HMRC Phishing Campaign which was carried out on 50% of staff with a first name beginning with D-I. The Phishing email was created using the Health Board's MetaPhish program. The email offered staff a tax refund of £150, but required the staff member to click on an embedded URL to claim it. Out of the 980 users that received the email, 20.8% of users (203) opened the email, with 79.2 % (777) of users not opening the email. Out of the 203 people that opened the email, 147 people clicked the link. The Cyber Security Team concluded that the results from the campaign are very disappointing and it demonstrates that staff were not as aware of identifying suspicious emails as the previous tests have shown. In terms of response it is important to understand what their thought process around this was. There are training packages available that are beneficial in raising staff awareness levels which are the mandatory ESR Information Governance training and non-mandatory ESR Cyber Awareness training.

Whilst this is primarily Cyber Security work there is cross over with Counter Fraud as the outcome of a successful Phish is inevitably fraud loss. Cyber Awareness is becoming a key area in this regard with evidence of increasingly sophisticated cyber enabled fraud attempts including recently successful mandate fraud against the NHS in Wales by a suspected Organised Crime Group. The Cyber Security and Counter Fraud Teams have a close working relationship within the Health Board engaging in regular meetings to remain up to date in an area that can change quickly. The Teams are planning joint awareness work up to and including Fraud Awareness Week in November.

7. HOLD TO ACCOUNT

The Counter Fraud Team have linked with the Swansea Bay UHB 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 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 the 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.