



# Counter Fraud Services in NHS Wales

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# 1 Purpose

- 1.1 This document has been produced to clarify the current counter fraud resources, roles and responsibilities, operational structure and reporting lines within NHS Wales.

# 2 Policy Statement

- 2.1 The Welsh Government has adopted a zero tolerance toward fraud, bribery and corruption (economic crime). Fraud, bribery or corruption in NHS Wales is unacceptable, as it takes away vital resources intended for the provision of high quality patient care.
- 2.2 Whilst controls to prevent economic crime are in place, these must continually evolve over time to reflect learning, progress and an understanding of new potential risks and system weaknesses. As such NHS Wales will focus its resources on prevention and detection activity, where these are likely to have the most impact.
- 2.3 Where sufficient evidence exists, NHS Wales will pursue appropriate criminal, civil or disciplinary sanctions and will always seek to recover identified losses and relevant investigation costs. All criminal cases will be submitted to the Crown Prosecution Service (CPS) for independent legal advice on the suitability of prosecution action.
- 2.4 Health bodies will be able to retain any monies recovered.

# 3 Background

- 3.1 In 2001, the National Assembly for Wales launched the document 'Countering Fraud in NHS Wales' and also issued Directions on Counter Fraud Measures to all health bodies in Wales.
- 3.2 This resulted in the creation of the NHS Counter Fraud Service (CFS) Wales Team, funded by Welsh Government, and the requirement for all health bodies to nominate an accredited Local Counter Fraud Specialist (LCFS).
- 3.3 In addition, these documents set out the terms of an initial joint working partnership on counter fraud with the Directorate of Counter Fraud Services (DCFS) in NHS England, which saw agreement for the provision of a number of key support functions. This partnership working arrangement has continued, evolving in line with the various reorganisations which have occurred within the NHS in England and Wales until, on the 1st November 2017, Welsh Ministers entered into a new service agreement under section 83 of the Government of Wales Act (2006) with the newly established NHS Counter Fraud Authority (England) (NHSCFA England).

## 4 Welsh Government

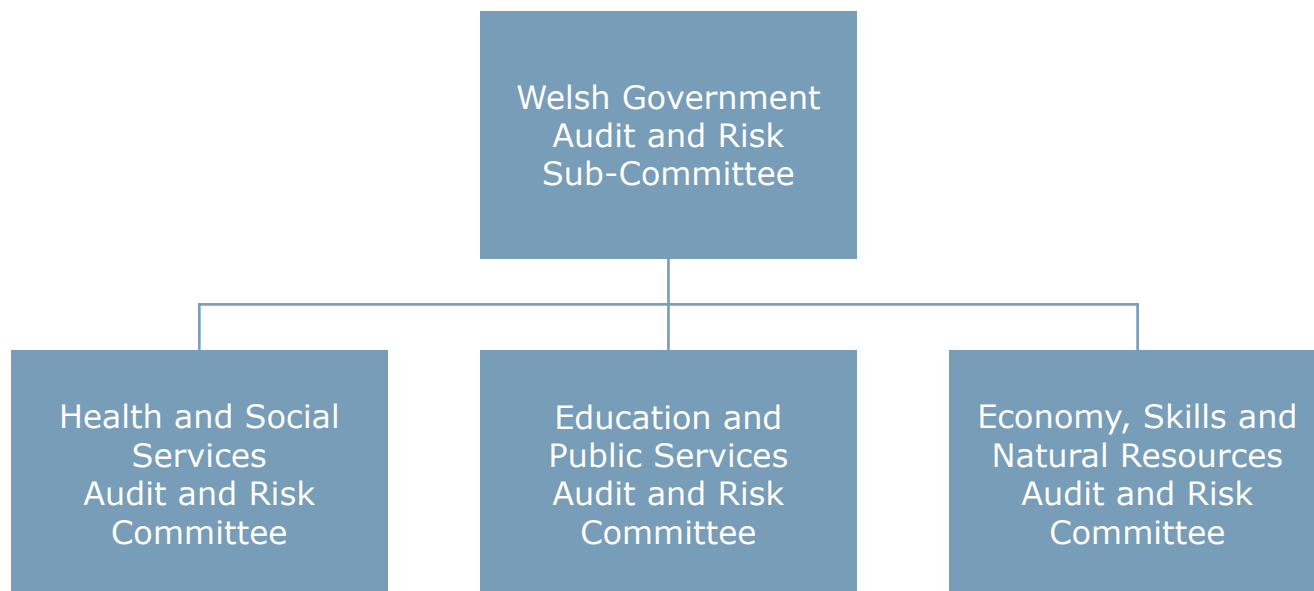
- 4.1 The Welsh Government has overall responsibility for the development and implementation of strategy designed to hold economic crime within NHS Wales at an absolute minimal level, and has put in place three levels of resources/expertise to deliver Counter Fraud Services within NHS Wales.



- 4.2 Practical implementation of the strategy is achieved primarily through action in the following key areas:

- Creating and maintaining an anti-economic crime culture
- Maximising the deterrence of economic crime
- Successful prevention of economic crime which cannot be deterred
- Prompt detection of economic crime that cannot be prevented
- The professional investigation of detected economic crime
- Effective sanctions, including appropriate legal action against those committing economic crime
- Effective methods for seeking redress in respect of identified loss

- 4.3 As part of a risk-based approach, NHS Wales also commission loss measurement exercises on specific NHS service areas e.g. optical services. These exercises are designed to identify and measure potential losses or risk within systems in place, allowing further investigation or review and the implementation of system change where required. By their very nature, these exercises often highlight potential losses which are the result of 'irregularities' or 'errors' as opposed to intentional or deliberate economic crimes. Where this proves to be the case, these matters would be referred to the appropriate body for further action. This may include a revision of the systems and processes in place and, where appropriate, the recovery of any losses. In the small number of instances where recovery would not be possible or appropriate, losses would be recorded and dealt with in accordance with the relevant Standing Financial Instructions, and guidance set out in the Welsh Government's Manual for Accounts.
- 4.4 The Welsh Government commissions clear information about the extent and success of anti-economic crime work in the NHS in both Primary and Secondary care sectors. The CFS Wales Operational Fraud Manager presents regular updates on NHS Wales counter fraud activity, proactive work, potential risks, and accurate data on resources and sanctions to the Health and Social Services Audit and Risk Committee.



4.5 The current counter fraud resource is tailored to the needs of NHS Wales, it remains cost effective and within the Welsh Government's resources.

## 5 NHS Counter Fraud Authority

5.1 On the 1st November 2017, Welsh Ministers entered into an Arrangement with the newly established NHS Counter Fraud Authority under section 83 of the Government of Wales Act (2006). This Arrangement sets out the provision of specialist counter fraud support functions to NHS CFS Wales and the Local Counter Fraud Specialists based at health bodies in NHS Wales. They include:

- IT Support Services (including Information Systems & Analytics)
- Intelligence (including the provision of the Fraud and Corruption Reporting Line in association with Crime Stoppers)
- Operations (including access to a Forensic Computing Unit, provision of a programme of assurance and appraisal for CFS Wales, access to Dental Fraud Advisors and generic operational management, guidance and direction to CFS Wales)
- Training and Development to CFS Wales
- Communications (including the use of media publicity, the production of articles within Wales and maintenance of a specific NHS Wales counter fraud section on the NHSCFA external website)
- Quality and Compliance (including annual quality assurance assessments in accordance with NHS Counter Fraud Standards for Wales)
- Guidance (including the provision of the NHS Counter Fraud Manual)
- Stakeholder Liaison (including membership of the NHS Wales Counter Fraud Steering Group)

- 5.2 The scope, range and volume of the support functions are determined by an annual agreement between Welsh Ministers and the NHSCFA. The Arrangement also makes provision for the specification of standards of conduct in relation to the Welsh Language.
- 5.3 Regular liaison takes place between the NHSCFA and the Welsh Government to update, consult on and discuss particular issues or risks that have arisen and may impact on the health service in Wales.
- 5.4 The NHSCFA produce quarterly reports detailing all support work completed and ongoing for NHS Wales, and outlining actual and projected outcomes to the Welsh Ministers. An annual report is also produced by NHSCFA on the discharge of their counter fraud support functions for NHS Wales over the previous 12 months of each reporting year. These reports are shared with the NHS Wales Directors of Finance and Counter Fraud Steering Group.
- 5.5 As part of their work to provide a clear focus on the prevention and investigation of economic crime across the health service, the NHSCFA has produced the NHS Counter Fraud Manual. Primarily intended for use by investigators at a national and local level, the manual aims to ensure that a consistent approach and best practice in accordance with relevant legislation is applied to all economic crime investigations undertaken across the NHS in England and Wales.

## 6 NHS Counter Fraud Service Wales

- 6.1 The NHS Counter Fraud Service (CFS) Wales team is hosted by the NHS Wales Shared Services Partnership (NWSSP) - part of Velindre NHS Trust who employs the team.
- 6.2 The CFS Wales team consists of experienced investigators whose primary role is the investigation and prosecution of potentially serious, complex, or large scale economic crime cases. This includes economic crimes that involve more than one organisation, cross border investigations and all corruption and bribery cases in NHS Wales.
- 6.3 The CFS Wales team manager completes an annual risk based work plan which identifies proactive priorities and also highlights potential risk areas for the year. This work plan is based upon intelligence work completed by NHSCFA and a review of ongoing cases, referrals and proactive work in Wales. The work plan is submitted to the NHSCFA Head of Operations for review and is also endorsed by the Counter Fraud Steering Group (CFSG).
- 6.4 The team provides a specialist independent investigation resource to health bodies. This is a valuable service designed to investigate complex cases and instances where senior executives or management may be implicated, as suspects or witnesses, to provide the health bodies with the level of independent assurance required.
- 6.5 The CFS Wales team provide an operational lead for NHS Wales / Welsh Government and help to ensure a consistent approach to countering economic crime across health bodies in Wales. While the team's main role is providing a reactive specialist investigation resource, they also conduct regular presentations to key NHS staff, highlight potential economic crime risks to key stakeholders, attend national fraud forums, routinely liaise with the media and also arrange training events and good practice forums for LCFS.
- 6.6 There is a collaborative partnership approach between all counter fraud parties in NHS Wales. The CFS Wales team enjoy a good working relationship with the LCFS teams and routinely provide specialist investigation skills, support and guidance to the network of LCFS in NHS Wales, while the NHSCFA provides generic management, guidance and direction to CFS Wales in relation to operational matters and training.

- 6.7 The CFS Wales team's employers, Velindre NHS Trust, are listed as a regulatory body under the Proceeds of Crime Act (POCA) 2002. This enables accredited Financial Investigators on the CFS Wales team to conduct financial investigations and also restrain and recover funds from convicted persons.
- 6.8 The CFS Wales team are authorised to conduct covert directed surveillance work under the Regulation of Investigatory Powers Act 2000. This work is limited to static surveillance work only.
- 6.9 The management structure of CFS Wales is answerable directly to the Welsh Government for its operational work within Wales and for its effectiveness in the delivery of the Welsh Government's Counter Fraud Policy. The CFS Wales Manager also reports to the Head of Finance NWSSP on budgetary issues.
- 6.10 CFS Wales has clear and consistent reporting, recording and oversight arrangements in place within NHS Wales. The CFS Wales Team inform Welsh Government, NHSCFA and relevant Finance Directors of any significant developments on active cases. The team also produce a quarterly case update report for each of their active investigations and seek to promote media reports on appropriate cases.
- 6.11 A consolidated quarterly summary on all active CFS Wales and LCFS investigations is compiled by CFS Wales and forms part of the NHSCFA quarterly report to Welsh Government. The CFS Wales Team's activities are also subject to inspection reviews and scrutiny by the NHSCFA Governance and Assurance Manager; this is similar to the review arrangement for the national operational teams within NHSCFA.

## 7 Local Counter Fraud Specialists (LCFS)

- 7.1 Individual health bodies are responsible for dealing with economic crime matters occurring at a local level. As such, the Welsh Government Directions on Counter Fraud require each health body to nominate a qualified Local Counter Fraud Specialist (LCFS) who is recognised and accredited by the Counter Fraud Professional Accreditation Board.
- 7.2 LCFS are the primary point of contact for all economic crime concerns within each health body. Their work is closely aligned to the delivery of the Fraud, Bribery and Corruption Standards for NHS Bodies (Wales), which are reviewed and updated annually by the NHSCFA. These Standards are split into four key principles:

### **Strategic Governance**

- Producing and delivering an annual risk-based work plan to counter economic crime within the organisation. Progress against the plan is reported to and monitored by the health body's Finance Director and Audit Committee on an ongoing basis.
- Fully participating with the NHSCFA Quality Assurance process, including the completion of an annual self-review of the organisation's implementation of the Fraud, Bribery and Corruption Standards for NHS Bodies (Wales).
- Undertaking all necessary training and Continuing Professional Development in order to maintain Accredited Counter Fraud Specialist status.
- Providing regular and ad-hoc information and reports to CFS Wales, NHSCFA and/or Welsh Government as required.

## Inform and Involve

- Developing and implementing an ongoing programme of work to raise awareness of fraud, bribery and corruption risks within NHS Wales and their implications, designed to create a strong anti-economic crime culture where fraudulent and corrupt activity is not tolerated, and all staff and contractors are aware of their responsibility to protect NHS resources.
- Creating and implementing a counter fraud, bribery and corruption policy and response plan for the health body, which ensures that staff are aware of the correct way to report any suspicions or concerns they may have, and the action which will be taken as a result.
- Fostering and maintaining effective relationships with other organisations and agencies, in order to assist in countering fraud, bribery and corruption, and to permit the appropriate and lawful exchange of information and intelligence to protect public resources.
- Assisting in the development and implementation of the organisation's code of conduct. This sets out acceptable standards for staff and ensures that potential conflicts of interest are declared and acted upon.
- Putting in place systems and processes designed to measure levels of economic crime awareness within the organisation, and to take appropriate action in those areas where further work is required.

## Prevent and Deter

- The review of relevant new and existing policies and procedures, to ensure that they remain suitable for preventing loss to the public purse, and that emerging economic crime risks and system weaknesses are addressed.
- The use of all available information and intelligence to identify anomalies that may be indicative of fraud, bribery and corruption, and to take appropriate action to address them.
- Full participation in the National Fraud Initiative exercise, a biennial exercise which sees data matched within and between public and private sector bodies in order to identify, prevent and deter fraudulent and erroneous payments.
- Developing appropriate mechanisms for the prompt dissemination of fraud, bribery and corruption warnings and alerts to all relevant staff and the wider NHS community.
- Undertake appropriate pro-active work in areas of locally and nationally identified risk, designed to identify issues of non compliance or potential economic crime risks within systems in place.

## Hold to Account

- Professionally investigate all allocated allegations of economic crime in line with the requirements of all relevant legislation and guidance.
- Consistently pursue the full range of available sanctions against those found to have committed economic crime in primary and/or secondary care sectors, including:
  - ◇ Criminal
  - ◇ Internal Disciplinary
  - ◇ External or Regulatory Body Action
  - ◇ Civil Recovery
- Fully utilise the NHSCFA's electronic information gathering, intelligence dissemination and case management tool (known as FIRST).

7.3 All LCFS in NHS Wales are employed by health bodies in Wales. They are directly accountable to the Finance Directors at their health bodies, and report to their respective Audit Committees on the delivery of their annual work plans.

## 8 Counter Fraud Steering Group

8.1 The Counter Fraud Steering Group (CFSG) was set up in 2014, and is a sub-group of the NHS Wales Directors of Finance Group.

8.2 The role of the CFSG is to provide strategic oversight and review of the counter fraud service provided to NHS Wales, and to make recommendations for change to Welsh Government and to the NHS Wales Directors of Finance Group for adoption.

8.3 The Group is currently chaired by the NWSSP Director of Finance and Corporate Services, with a current membership which includes:

- Welsh Government representative
- NHS Wales Directors of Finance representative
- NHS Wales Audit Committee Chairs representative
- NWSSP Director of Audit & Assurance
- NWSSP Director of Primary Care Services

8.4 In addition to its core membership, CFSG meetings are also attended by:

- NHS CFS Wales Operational Fraud Manager
- NHS Counter Fraud Authority representative
- NHS Wales LCFS representative
- NWSSP Head of Corporate Services
- NWSSP Legal & Risk Representative
- Wales Audit Office representative (Observer)

8.5 The CFSG full terms of reference have been included at **Appendix 1**.

## 9 Fraud, Bribery & Corruption Standards for NHS Bodies in Wales

- 9.1 One of the five stated main objectives of the NHSCFA is to lead, guide and influence an improvement in standards of counter fraud work. A significant element in achieving this is the production and annual review and revision of the Fraud, Bribery and Corruption Standards for NHS Bodies, and administration of the accompanying quality assurance process.
- 9.2 These Standards have been developed to support NHS Wales in implementing appropriate measures to counter fraud, bribery and corruption. Having appropriate measures in place helps to protect NHS Wales' resources against economic crime and ensures they are used for their intended purpose, the delivery of patient care. It is the responsibility of each health body to ensure it has the appropriate resources to meet the required standards.
- 9.3 The Standards themselves are set out under the following four key principles:
- Strategic Governance
  - Inform and Involve
  - Prevent and Deter
  - Hold to Account
- 9.4 The Standards apply to all NHS organisations in Wales and are designed to ensure that counter fraud work is carried out in accordance with agreed requirements. The accompanying assessment processes comprises two main elements:
- An annual self-review of performance against the Standards, which is conducted by each health body and submitted to NHSCFA.
  - A programme of on-site assessments conducted by NHSCFA Quality & Compliance team in partnership with each health body.
- 9.5 A more detailed synopsis of the quality assurance process has been included at **Appendix 2**.

## 10 Intelligence / Information Sharing

10.1 The nature of economic crime is ever changing and evolving, with new risks to NHS Wales constantly emerging. The appropriate and lawful sharing of information and intelligence with key stakeholders is an important element in the fight against economic crime within NHS Wales. These include:

- Department of Health Anti Fraud Unit
- NHS Counter Fraud Authority
- NHS Scotland Counter Fraud Services
- NHS Northern Ireland Counter Fraud Services
- Wales Audit Office
- Welsh Government Counter Fraud
- Wales Fraud Forum
- Health Inspectorate Wales

10.2 CFS Wales host a six-monthly LCFS forum where current economic crime trends and recent investigations are discussed and reviewed. Key skills training development sessions and good practice are also covered in order to ensure compliance with CPD requirements. The forums are well attended by NHS Wales LCFS and form a valuable networking and intelligence sharing opportunity.

10.3 The CFS Wales Manager and the NHSCFA Quality Assurance Lead for Wales also arrange regular meetings for Lead LCFS. This provides a smaller forum where current economic crime risks, proactive work in the practitioner services sector and developing trends and priorities can be discussed in more detail.

## 11 National Fraud Initiative

11.1 The National Fraud Initiative (NFI) is a biennial exercise which matches data between public and private sector bodies, with the aim of identifying, preventing and deterring potentially fraudulent, duplicate or erroneous payments from the public purse.

11.2 The NFI in Wales is run by the Wales Audit Office, and all of the health bodies in Wales take part in the exercise. Since its commencement in 1996, the exercise has resulted in the detection and prevention of more than £30 million of fraud and overpayment in Wales.

## 12 Additional Assurance Sources

- 12.1 In addition to the work directly undertaken by the NHS Counter Fraud Authority, Counter Fraud Service Wales and the Local Counter Fraud Specialists, NHS Wales is also able to benefit from additional assurance provided by the work of other NHS stakeholders:

### **NWSSP Audit & Assurance**

The NWSSP Audit & Assurance function was formed in April 2011, and provides bi-lingual internal audit, specialist audit and consultancy services to the whole of NHS Wales. Their work centres on the provision of audit assurance through the independent and objective assessment of governance, risk management and internal control.

The Audit & Assurance function should not be relied upon to detect economic crime or other irregularities, and is not expected to have the expertise of a person whose primary responsibility is detecting and investigating fraud.

However internal auditors must have sufficient knowledge to evaluate the risk of economic crime and the manner in which it is managed by each health body, and give due regard to the possibility of economic crime and other irregularities in the work they undertake. They should seek to identify weaknesses in control that could permit fraud to occur and refer any fraud concerns to CFS Wales or the LCFS. An updated protocol was agreed in May 2018 between Audit & Assurance and the Lead LCFS at each health body in Wales.

### **NWSSP Primary Care Services (PCS)**

The NHS Wales Shared Service Partnership Primary Care Services function is responsible for undertaking Post Payment Verification (PPV) duties on behalf of Health Boards across Wales. PPV checks are undertaken within General Medical Services, General Ophthalmic Services and Community Pharmacy. Similar checks on Dental Services in NHS Wales are conducted via an agreement with NHS Dental Services part of the NHS Business Services Authority in England.

The purpose of the PPV process / Dental Services checks is to provide assurance to the Health Boards that claims for payment made by primary care contractors are appropriate, and that the delivery of the service is as defined in the NHS service specification and relevant legislation. Regular meetings now take place between PPV, CFS Wales and Lead LCFS to discuss potential economic crime issues and the PPV process.

Where PPV work identifies any potential economic crime concerns, these will be immediately notified to the health body's Finance Director, CFS Wales and LCFS for further investigation. The CFS Wales Manager and the Lead LCFS for the health body will discuss the referral and agree the most appropriate investigative resource to conduct initial enquiries into the issue.

## 13 Conclusion

- 13.1 Fraud has been identified as the crime that people are most likely to experience in the UK, and no individual or organisation is immune from the risk.
- 13.2 Economic crime in the NHS is unacceptable, and it is right and proper that the NHS in Wales should protect itself from the minority who would seek to deprive it of resources which are vital to the provision of high quality patient care.
- 13.3 The Welsh Government, working with key stakeholders within the NHS Wales community and beyond, is absolutely committed to reducing the level of economic crime within NHS Wales to an absolute minimum. The robust measures and collaborative working arrangements detailed in this document outline the comprehensive structures, systems and processes which have been put in place in order to achieve this aim.



## Appendix 1: Counter Fraud Steering Group Terms of Reference

<b>Purpose</b>	The role of the CFSG is to provide strategic oversight and review of the Counter Fraud Service provided to NHS Wales. It will make recommendations for change to Welsh Government and to the NHS Wales Directors of Finance Group for adoption.
<b>Authority</b>	The CFSG will report to the NHS Wales Directors of Finance Group. The draft minutes of the Group will be reported to the Directors of Finance Group at the earliest opportunity after each meeting.  The Terms of Reference will be reviewed at least annually and approved by the NHS Wales Directors of Finance Group.
<b>Chair</b>	The CFSG will be Chaired by a Director of Finance of an NHS Wales organisation.
<b>Membership</b>	<p><b>Chairman</b></p> <ul style="list-style-type: none"> <li>• Director of Finance of an NHS Wales organisation</li> </ul> <p><b>Steering Group Membership</b></p> <ul style="list-style-type: none"> <li>• Welsh Government, represented by the Head of NHS Wales Financial Management</li> <li>• Nominated Chair of an NHS Wales Audit Committee</li> <li>• Director of Finance, NWSSP</li> <li>• Director of Audit and Assurance, NWSSP</li> <li>• Director of Primary Care Services, NWSSP</li> <li>• Nominated representative from NHS Wales Directors of Finance Group</li> </ul> <p><b>In attendance</b></p> <ul style="list-style-type: none"> <li>• Operational Fraud Manager, CFS Wales</li> <li>• Nominated representative, NHSCFA</li> <li>• Nominated representative, LCFS Wales</li> <li>• Head of Corporate Services</li> <li>• Legal Solicitor</li> <li>• PA to Director of Finance, NWSSP (secretarial support)</li> </ul> <p><b>Observer</b></p> <ul style="list-style-type: none"> <li>• Wales Audit Office</li> </ul>
<b>Meeting frequency</b>	Initial meeting frequency to be determined by the Group. No less than quarterly.
<b>Main responsibilities</b>	<ul style="list-style-type: none"> <li>• To provide strategic leadership and direction to the Counter Fraud Services provided to NHS Wales as a whole.</li> <li>• Develop a strategic direction for Counter Fraud Services across Wales which encompasses the three requirements of: <ol style="list-style-type: none"> <li>1. Inform and Involve those who work for or use the NHS about economic crime and how to tackle it.</li> <li>2. Prevent and Deter economic crime in the NHS to take away the opportunity for economic crime to occur or to re-occur and discourage those individuals who may be tempted to commit economic crime.</li> <li>3. Hold to account those who have committed economic crime against the NHS.</li> </ol> </li> <li>• Focus on improving proactive fraud work, including improving: <ol style="list-style-type: none"> <li>1. External communications, to educate and inform employees and the public;</li> <li>2. Fraud risk assessment;</li> <li>3. Data analysis and interrogation.</li> </ol> </li> <li>• To ensure that NHS Protect, CFS Wales and Local Counter Fraud Services are co-ordinated effectively and that the benefits of working across Wales are maximised.</li> <li>• Agree and approve the annual work plan for CFS Wales in association with NHS Protect.</li> <li>• Review the reporting arrangement process for CFS Wales.</li> <li>• Receive regular progress reports from CFS Wales.</li> <li>• Review the results of the quality assurance process for health bodies across Wales.</li> <li>• Review the Service Level Agreement and support arrangements provided by NHS Protect to NHS Wales.</li> <li>• Review performance measures for NHS Protect, CFS Wales and LCFS in Wales.</li> <li>• Make recommendations to Welsh Government and/or NHS Wales Directors' of Finance on changes to service provision.</li> <li>• To review Welsh Government Directions where appropriate and recommend changes.</li> </ul>

## Appendix 2: The Counter Fraud Quality Assurance Process

### 1 Background

- 1.1 A key function of the NHS Counter Fraud Authority (CFA) is to quality assure the delivery of counter fraud, bribery and corruption work with stakeholders in order to ensure that the highest standards are consistently applied.
- 1.2 Using the Fraud, Bribery and Corruption Standards for NHS Bodies (Wales), NHSCFA support health bodies in Wales through regular benchmarking, compliance testing and evaluation of effectiveness. The quality assurance programme enables the analysis of trends and patterns in performance and provides robust assurance to stakeholders, including the Welsh Government.
- 1.3 The quality assurance programme has been shown to drive up standards through the use of monitored action plans, which ensure that counter fraud work carried out mitigates both national and locally identified risks.

### 2 Fraud, Bribery and Corruption Standards for NHS Bodies (Wales)

- 2.1 The Fraud, Bribery and Corruption Standards for NHS Bodies (Wales) were first produced in May 2013, and have subsequently been reviewed and updated on an annual basis. The current Standards are applicable to all NHS organisations in Wales, and are designed to ensure that counter fraud, bribery and corruption measures are implemented in accordance with the Minister for Health and Social Services Directions, and the service level agreement between the Welsh Government and NHS Counter Fraud Authority (formerly NHS Protect) under Section 83 of the Government of Wales Act 2006.
- 2.2 There are currently a total of 23 Standards which have been developed to support NHS organisations in implementing appropriate measures to counter fraud, bribery and corruption. They are grouped under the following four key principles:
  - Strategic Governance** – which sets out the standards in relation to the organisation’s strategic governance arrangements, with the aim of ensuring that counter fraud, bribery and corruption measures are embedded at all levels across the organisation.
  - Inform and Involve** – which sets out the requirements in relation to raising awareness of fraud, bribery and corruption risks against the NHS, and working with staff, stakeholders and the public to highlight the consequences.
  - Prevent and Deter** – which sets out the requirements in relation to discouraging individuals who may be tempted to commit economic crime against the NHS, and ensuring that opportunities for it to occur are minimised.
  - Hold to Account** – which deals with the requirements relating to detecting and investigating fraud, bribery and corruption, applying the appropriate sanctions, and seeking redress.
- 2.3 The quality assurance programme comprises of two main processes; assurance and assessment. The assurance process primarily focuses on an annual self review against the Standards, which is conducted by the organisation and submitted to the NHSCFA. The assessment process is then conducted by the NHSCFA Quality and Compliance team in partnership with the organisation.

## 3 Self Review

- 3.1 The self review process is facilitated via the completion of an online Self Review Tool (SRT), which enables the organisation to produce a summary of the counter fraud, bribery and corruption work carried out over the previous 12 months. Each health body is required to complete the SRT annually and submit it to the NHSCFA by a specified deadline.
- 3.2 The SRT utilises a traffic light system, with performance against each of the Standards being assessed as red, amber or green (RAG). This in turn generates an overall RAG rating for each Key Principle, and a final RAG rating for the organisation as a whole. Further detail on the red, amber and green ratings can be found at Section 5.

## 4 The Assessment Process

- 4.1 The assessment process is a means of evaluating a health body's effectiveness in dealing with the fraud, bribery and corruption risks it faces, and reviews all activity carried out during the two years immediately before the date of the assessment.
- 4.2 All completed SRT are reviewed by the NHSCFA Quality and Compliance team, and a risk-based decision is taken on which organisations are to receive an assessment visit, and which of the four types of assessment will be undertaken:

**Full Assessment** – This would normally take place where an organisation's counter fraud arrangements are identified as at significant risk, and involve an assessment of all key areas of activity outlined in the Standards.

**Focussed Assessment** – This would be undertaken in cases where an organisation either demonstrates a risk in a particular area of counter fraud activity, or effective practice in one or more areas. A focussed assessment will typically involve a review of activity in no more than two key areas.

**Thematic Assessment** – This would typically apply to a number of organisations and may be conducted regionally or across organisations of a similar type. The focus of such an assessment is likely to be fairly narrow, possibly only one Standard rather than the whole of a key area.

**Triggered Assessment** – At any stage during the year, organisations may be selected for a triggered assessment. These are driven by emerging risk, normally of a serious nature, which may come to the attention of the Quality and Compliance team through Senior Quality and Compliance Inspector (SQCI) liaison with other parts of the NHSCFA or the NHS CFS Wales Manager. If an organisation is selected for a triggered assessment, this can be either Full or Focussed.

- 4.3 Prior to any assessment visit, the SQCI will notify the organisation of the date and type of assessment to be undertaken, and will request information from the organisation in relation to the areas that will be reviewed. This information enables the SQCI to formulate relevant questions in advance, and assist in the review of further evidence collected during the course of the visit.
- 4.4 During the course of the visit, the SQCI will speak to the Lead Counter Fraud Specialist in relation to the work conducted. Depending on the area of enquiry and the type of assessment being conducted, the SQCI may also wish to speak to the member of the Executive Board responsible for overseeing counter fraud, bribery and corruption work, and any other key staff deemed appropriate.

- 4.5 Based on a review of the evidence gathered and meetings held during the site visit, the SQCI will draft an assessment of the organisation's performance in implementing each of the Standards included in the review, together with any relevant recommendations for the organisation to take forward. The draft ratings and recommendations will then be discussed at a closing meeting. At this stage, it is expected that the rating, recommendations and proposed actions can be agreed.
- 4.6 A finalised report will follow the site visit within four weeks. The report will outline the findings of the visit in full and include the ratings and recommendations discussed and agreed at the closing meeting. Within another four weeks, the organisation is expected to complete an action plan for the recommendations and return it to the SQCI.
- 4.7 Where it is deemed necessary in the opinion of the SQCI, some organisations may be subject to a further assessment visit between nine and twelve months following the original. This second review should only focus on the progress made against recommendations following the original, unless there are significant matters which have arisen in the meantime.

## 5 Performance Ratings

- 5.1 As a result of both the assurance and assessment processes, organisations are rated as being at a level of **RED**, **AMBER** or **GREEN** depending on how well they have performed against the NHSCFA requirements.
- 5.2 The definitions for each performance level are as follows:

### **RED – Non-Compliance**

A risk has been identified but no action has been taken to mitigate it, or the action taken is insufficient in scope.

### **AMBER – Partial compliance, but little or no impact of work undertaken**

A risk has been identified and action has been taken to mitigate that risk. There is evidence of compliance through outputs. However, the effectiveness of the work undertaken has not yet been evaluated, or there is no reduction of the risk. There is therefore little or no evidence of outcomes.

### **GREEN – Full compliance demonstrating impact of the work**

A risk has been identified, work has been carried out and the effectiveness of this work has been measured. The risk has been mitigated, or significant progress has been made in mitigating the risk. Outcomes are therefore present.

- 5.3 Organisations which fulfil the NHSCFA requirements and can provide evidence of this through evaluation, can determine performance to be **GREEN** for that Standard. Organisations which can provide evidence of activity carried out, but cannot yet demonstrate that the activity has been assessed for effectiveness will determine performance to be **AMBER** for that Standard. Organisations which have carried out no activity or do not have evidence of sufficient activity will need to determine performance at the **RED** rating. Each rating reached for each standard contributes to an overall rating for the relevant key area of activity, as well as an organisational rating for achievement against all of the Standards.

