



**ANEURIN BEVAN UNIVERSITY
HEALTH BOARD**

**COUNTER FRAUD ANNUAL REPORT
2024/25**

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1. Introduction

NHS bodies in Wales must implement anti-fraud, bribery, and corruption measures in accordance with Welsh Government Directions on Counter Fraud Measures and the service agreement under section 83 of the Government of Wales Act 2006. This report has been written in accordance with such provisions and is produced annually to demonstrate how the directions and subsequent standards for delivery are achieved.

The Directions to NHS bodies identify functions and responsibilities in relation to countering fraud and prescribe through set standards for NHS bodies, how best to achieve compliance with these directions. The Health Board is required to comply with NHS Counter Fraud Authority's fraud, bribery, and corruption standards for providers, and produces this annual report in compliance with the direction.

The report provides detail of the work carried out by the Health Board that relates to countering fraud, bribery, and corruption over the preceding financial year. The work is reported under the following work activity areas:

- Strategic Governance
- Inform & Involve
- Prevent & Deter
- Hold to Account

The report style follows a prescribed format as recommended within the NHS Counter Fraud Authority's annual report template.

A separate report that is a self-review of compliance against the 'Government Functional Standards 013 – Counter Fraud and NHS Requirements' will be completed in due course. The deadline for completion is 31st May 2025. This report is known as the Counter Fraud Functional Standard Return (CFFSR) and as part of the NHSCFA quality assurance process it presents an overall (R)ed (A)mber (G)reen for each of the 12 requirements. The requirements that all NHS bodies must comply with can be found at the link below.

[Government Functional Standard 013 Counter Fraud | NHS Counter Fraud Authority | NHSCFA](#)

The CFFSR is completed by the Head of Counter Fraud and is required to be reviewed and signed off by the Director of Finance and the Audit Committee Chair. A summary of the CFFSR will be provided to ARAC as a separate paper.

Resource 2024/25

At the close of the financial year the Counter Fraud Department is resourced by four staff members. One Head of Service and three LCFS'. All are fully accredited Counter Fraud Specialists (ACFS). This resource is equal to 3.4 WTE equivalent.

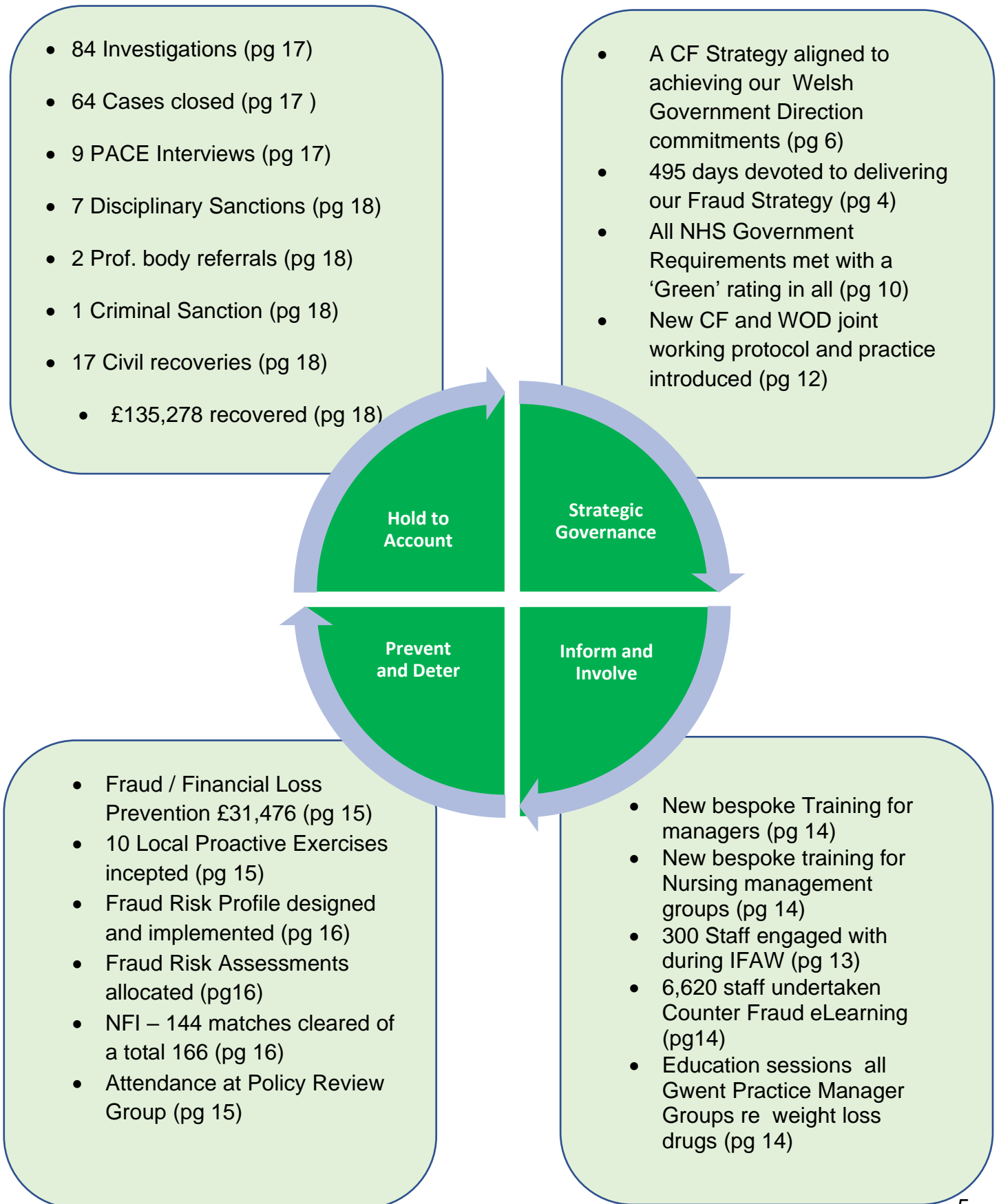
AREA OF ACTIVITY	Resource Allocated (days)	Resource Used (days)
STRATEGIC GOVERNANCE	109	90
INFORM AND INVOLVE	176	94
PREVENT AND DETER	80	60
HOLD TO ACCOUNT	265	300
TOTAL	630	544*

*Days provided in total are less than planned due to reduced resources when Head Counter Fraud changed and team were a staff member down for a period of time.

Cost	£
Proactive costs (Strategic Governance, Inform and Involve, Prevent and Deter)	£70,191
Reactive costs (Hold to Account)	£105,286
Total costs for counter fraud, bribery, and corruption work	£175,477*

*Actual Spend 24-25

2. Management Overview



3. Welsh Government Direction

The following grid identifies the key requirements under Welsh Government (WG) Directions July 2006 and outlines current activity within each section. The table illustrates that, in line with WG directions, supported through compliance with the standards for Wales, Aneurin Bevan University Health Board Counter Fraud provision is illustrating positive performance in delivery of its Counter Fraud Strategy.

Para.	Instruction	Action taken by health body
2 (1)	Each NHS body must take all necessary steps to counter fraud in the NHS in accordance with these Directions and in accordance with. <ul style="list-style-type: none"> (a) the NHS Counter Fraud and Corruption Manual; and (b) the policy statement “Applying appropriate sanctions consistently” published by the CFS, (c) and having regard to guidance or advice issued by the CFS. 	Achieved
2 (2)	Each NHS body must require its Chief Executive and Director of Finance to monitor and ensure compliance with these Directions.	Achieved
3 (1)	Each NHS body must co-operate with the CFS to enable the CFS efficiently and effectively to carry out its counter fraud functions and in particular each NHS body must, subject to the following paragraphs of this direction. <ul style="list-style-type: none"> (a) enable the CFS to have access to its premises. (b) put in place arrangements which will enable the CFS to have access, as appropriate, to the NHS body’s staff; and (c) supply such information including files and other data (whether in electronic or manual form) as the CFS may require for the purposes of the CFS counter fraud functions. 	Achieved
3 (2)	In the case of information required under paragraph (1)(c) in connection with the CFS responsibility for quality inspection, fraud measurement, National Proactive Exercises (NPEs) and fraud prevention reviews, inspections and instructions, an NHS body must respond to any request from the CFS as soon as reasonably practicable.	Achieved

Para.	Instruction	Action taken by health body
3 (3)	In the case of information required under paragraph (1)(c) for the purposes of investigations relating to the CFS' counter fraud functions, an NHS body must respond to a request as soon as reasonably practicable and in any event within seven days from the date the request was made.	Achieved
3 (4)	Nothing in paragraph 1(b) contravenes any right a member of staff may otherwise have to refuse to be interviewed.	N/A
3 (5)	Nothing in paragraph 1(c) or direction 7(f) obliges or permits an NHS body to supply information which is prohibited from disclosure by or under any enactment, rule of law or ruling of a court of competent jurisdiction or is protected by the common law.	N/A
3 (6)	<p>Without prejudice to the generality of direction 2(1)(a), each NHS body must comply with the requirements specified in the NHS Counter Fraud and Corruption Manual concerning.</p> <ul style="list-style-type: none"> (a) the arrangements for reporting fraud cases to the LCFS and to the NHS body's audit committee and auditors. (b) the arrangements for agreeing to undertake a criminal prosecution and to refer a matter to the police. (c) the confidentiality of information relevant to the investigation of suspected fraud. (d) the arrangements for the LCFS to report weaknesses in fraud related systems to the CFS and the NHS body's audit committee and auditors; and (e) the arrangements for gathering information to enable the Director of Finance to seek recovery of money lost through fraud. 	Achieved
5 (1)	Each NHS body must nominate at least one person that it proposes to appoint as the body's LCFS within six weeks of the date on which these Directions come into force.	Achieved
5 (2)	A person nominated under paragraph 5(1) may be either employed by the NHS body or a person whose services are supplied to it by an outside organisation.	Achieved
5 (3)	The name of the nominee must be notified to the CFSMS together with the information specified in the NHS Counter Fraud and Corruption Manual within 7 days of the nomination.	Achieved

Para.	Instruction	Action taken by health body
5 (4)	Without prejudice to the generality of direction 2(1), before making a nomination each NHS body must consider any guidance issued by the CFSMS on the suitability criteria for an LCFS.	Achieved
5 (5)	After a nominee has. (a) been approved by the CFS as a person suitable for appointment. (b) successfully completed any training required by the CFS; and (c) been accredited by the Counter Fraud Professionals Accreditation Board, the NHS body may appoint the person as its LCFS.	Achieved
5 (6)	Where an NHS body nominates a person, whose services are provided to it by an outside organisation, it must: (a) comply with the requirements of the CFS as to the suitability of the organisation in question. (b) satisfy itself and the CFS that the terms on which those services are provided are such as to enable the LCFS to carry out his functions effectively and efficiently and in particular that he will be able to devote sufficient time to that NHS body; and (c) give to the CFS a copy of the contract under which the services of the LCFS are supplied to it.	N/A
5 (7)	A further nomination must be made within 3 months of the date on which an NHS body learns that there is to be a vacancy for an LCFS.	Achieved
5 (8)	The procedures in paragraphs (3) to (6) also apply to a person nominated under paragraph (7).	Achieved
6 (1)	Each NHS body must specify a job description for its LCFS which includes the operational and liaison responsibilities specified by the CFS.	Achieved
6 (2)	The job description under paragraph (1) must include a requirement that the LCFS must adhere to the CFPAB Principles of Professional Conduct as set out in the NHS Counter Fraud and Corruption Manual.	N/A

Para.	Instruction	Action taken by health body
6 (3)	An LCFS must report directly to the NHS body's Director of Finance.	Achieved
6 (4)	An LCFS must not undertake responsibility for or be in any way engaged in the management of security for any NHS body.	Achieved
7	Each NHS body must. (a) require that in addition to the job description mentioned in direction 6(1), the LCFS and the Director of Finance agree, at the beginning of the financial year, a written work plan which outlines the LCFS's projected work for that financial year by reference to the seven generic areas of counter fraud activity set out in the NHS Counter Fraud and Corruption Manual.	Achieved
	(b) enable its LCFS to attend the NHS body's audit committee meetings.	Achieved
	(c) require its LCFS to keep full and accurate records of any instances of fraud or suspected fraud.	Achieved
	(d) require its LCFS to report to the CFS any weaknesses in fraud related systems of the NHS body and any other matters which may have fraud related implications for the NHS.	Achieved
	(e) ensure that its LCFS has all necessary support including access to the CFS secure intranet site to enable him efficiently and effectively to carry out his responsibilities.	Achieved
	(f) subject to any contractual or legal constraint, require all of its staff to co-operate with the LCFS and in particular that those responsible for human resources disclose information which arises in connection with any matters (including disciplinary matters) which may have implications in relation to the investigation, prevention, or detection of fraud.	Achieved
	(g) enable its LCFS to receive training recommended by the CFS.	Achieved

Para.	Instruction	Action taken by health body
	(h) require its LCFS, its other employees and any persons whose services are provided to the NHS body in connection with counter fraud work to have regard to guidance and advice on media handling of counter fraud matters which may be issued by the CFS.	Achieved
	(i) enable its LCFS to participate in activities in which the CFS is engaged, including national anti-fraud measures, where he is requested to do so by the CFS.	Achieved
	(j) enable its LCFS to work in conditions of sufficient security and privacy to protect the confidentiality of his work.	Achieved
	(k) enable its LCFS generally to perform his functions effectively, efficiently, and promptly.	Achieved

** Please note in the above CFSMS is now the NHS Counter Fraud Authority.

4. NHS Counter Fraud Authority Quality Assurance Standards

The previous NHS specific Standards have been aligned to the new NHS CFA Requirements and the four areas of activity are:

Strategic Governance - (Organisational governance / Staff Resource / Training)

Inform and Involve – (Fraud Awareness / development of Anti- Fraud Culture)

Prevent and Deter – (Reducing opportunity / Policy review and improvement)

Hold to Account – (Detection and investigation of Fraud / Sanctions / Criminal Process)

Area of activity	RED / AMBER / GREEN
Strategic Governance	GREEN
Inform and Involve	GREEN

Prevent and Deter	GREEN
Hold to Account	GREEN
Overall level	GREEN

4.1 Strategic Governance

The Counter Fraud Work Plan agreed with the Director of Finance was presented to ARAC for approval in Q4 2024 and progress reports have been submitted for information throughout the year.

Meetings with Health Board Senior Managers have continued and the identification of further areas of risk from a local perspective, with the application of their professional experience within the Health Board, has been achieved.

The LCFS attended both Wales Counter Fraud Conferences, where further training was received in accordance with NHS CFA requirements. Staff have also benefitted from training in the areas of Datix Web, Risk Management, Purview and various O365 products.

Submission of the return for NHS Counter Fraud Authority Quality Assurance Assessment was made within the due deadline of 31st May 2024.

The LCFS continue to work closely with NHS CFS Wales Regional Team to provide appropriate information and to liaise on all referrals with particular use made of the financial investigation capabilities of the Regional Team including use of Proceeds of Crime Act powers. Casework is reported on a quarterly basis for the NHS CFS Wales to monitor activity and provide Welsh Government with the Counter Fraud statistics.

Liaison between both internal and external auditors has been maintained, in conjunction with regular review of Audit Papers submitted by internal audit via ARAC. In addition, the

Local Counter Fraud Champion and Board Secretary provides a governance link to the Counter Fraud Department, raising any concerns when appropriate.

The necessary support has been received from the Health Board, allowing LCFS to perform their functions effectively. Continued training for specialist delivery has been maintained for all staff.

Regular contact has been maintained between the Head of Counter Fraud and Fraud Champion throughout the year, ensuring a top-down approach to developing an effective Counter Fraud Culture within the organisation. With the retirement of the Assistant Director of Corporate Finance, Q4 has seen the introduction of a new counter Fraud Champion in their replacement. The new Counter Fraud Champion has been nominated to the NHSCFA accordingly.

The Head of Counter Fraud has attended all Counter Fraud Steering Group meetings as an NHS Wales Counter Fraud representative. They also sit on the Counter Fraud Liaison Group, which is newly established to ensure that best practice, trends, and proactive exercises are shared across NHS Wales. In addition, along with the Director of Finance and the Assistant Director of Finance, the Head of Counter Fraud is a member of the task and finish group that has been incepted in order to provide robust future proofing for counter Fraud Services in NHS Wales. This group assists also in the re writing of the Welsh Government Directions (Section 3 above) that require review and renewal.

A new WOD and Counter Fraud Joint Working Protocol has been introduced to provide a guide to achieving best practice in parallel investigations. This year has seen the introduction of a much closer working partnership between the two departments. Subsequently, the Head of Counter Fraud meets with the Head of HR on a fortnightly basis to discuss all joint investigations, ensuring a timely and diligent process with the aim of minimising the impact to all involved.

4.2 Inform and Involve

There is an anti-fraud, bribery and corruption policy in place that outlines the responsibilities of staff in countering fraud and corruption within Aneurin Bevan University Health Board. This has been reviewed and modified during this financial year. It now incorporates the joint working protocols with Internal Audit and WOD, the communication strategy, and the response plan into one Financial Control Procedure. This has been reviewed and approved by ARAC. The policy is available for staff on the AB pulse pages and is promoted in all awareness exercises.

Bespoke virtual and face to face Counter Fraud learning has been provided to targeted staff groups, identified as higher risk of contact with fraud or there has been a fraud investigation within that area.

Evaluations of sessions have been conducted, with positive comments received regarding the value of receiving these awareness sessions. Evaluations and feedback have informed tailoring of learning, to ensure that bespoke guidance can be offered.

The Team has also maintained and updated its digital offerings. This will allow for a more interactive approach to delivering awareness, including utilising, and embedding digital material into the documents.

Examples of key work areas and successful outcomes include:

- Virtual/ In-person presentations conducted to staff and key contacts. All new staff currently receive the Counter Fraud presentation video at Induction, but a request has been made by Counter Fraud to replace this with in-person or via Teams in the future.
- During 2024/25 the Counter Fraud Department has undertaken **15** awareness events.
- This year's Fraud Awareness Week was again delivered in person and each of the major hospitals were visited. During this week an estimate of **300** staff members were spoken too as well as a number of members of the public. This was coupled with daily communications via the intranet issued to both the staff and public, highlighting National

Fraud Week the NHS Fraud Risks, reporting mechanisms, and making awareness materials available.

- In February 2024 Counter Fraud E-Learning was mandated for all staff. Within a short period 45% of staff completed the training. A good uptake has continued throughout the 24-25 financial year. In the 24-25 reporting period **6620** staff members have completed the training. The training includes information not only about the types of fraud committed within the NHS but also provides information about bribery, conflicts of interest, and hospitality and gifts. This training also signposts participants to reporting routes if they have concerns.
- In the latter part of the year a new bespoke educational package has been developed specifically targeted at managers within the organisation. This has been informed through the trends in referrals in relation to areas of leave, remote working, staff salary changes and terminations, declarations of interest and expenses. This package will be rolled out to divisional management groups in the forthcoming year with the aim of improving understanding around these issues in relation to fraud and reducing the referrals of suspected frauds within these topic areas. In addition, an educational package has commenced into the area of controlled stationary (prescriptions) and controlled drugs. The aim is to deliver this package to senior nursing management groups throughout the forthcoming year. Liaison has commenced with the Corporate Nursing Division and Divisional Nursing Directors. This has already resulted in Counter Fraud being involved in the development of a new Standard Operating Procedure for the above.
- As the result of a local proactive exercise conducted into the mis-prescribing of weight loss medications in Primary Care, the team has delivered a number of educational sessions across the organisation and at Primary Care Management Groups across all districts in the Gwent Health Care area. It is envisaged that in so highlighting the issues that have been identified that significant financial savings will be reported in the near future.

4.3 Prevent and Deter

Fraud Loss Prevention is a relatively a new type of counter fraud activity that is being driven by NHS Counter Fraud Authority. Capture of data is now undertaken in this area in an attempt to provide insight into the impact of counter fraud work in the form of savings made

(or fraud losses prevented) A new standardised formula to calculate the value of fraud prevention figures has been approved by the cabinet office and rolled out by the Counter Fraud Authority. Some examples of this are: The work carried out jointly with the ABUHB Community Pharmacy lead into Out-of-Pocket expenses showing a saving for the Health Board of **£21,600**; education work carried out with Primary Care contractors preventing an attempted invoice fraud of **£9876.00**; the work conducted into preventing the mis-prescribing of weight loss drugs in primary care will show a financial saving in due course but the figure is not available at the time of reporting.

A total of **£31,476.00** has been recorded in fraud prevention figures this year.

The LCFS have effectively liaised with the Health Board's Communications Department when reporting cases or fraud trends, to ensure that a consistent approach is taken, and the message is sent out that fraud will not be tolerated within the Health Board.

The LCFS sits on the policy review group and provides fraud proofing input to relevant policies and procedures. CF are currently working closely with the Corporate Nursing team in developing a new Standard Operating Procedure for the handling of Controlled Stationary and Controlled Drugs.

A member of the team sits on the Local Intelligence Network (LIN) group for the region, alongside partners both internally and externally.

Staff alerts displayed on the Health Board website and circulated through mass communications have also encouraged engagement and demonstrated real advantages to maintaining an anti-fraud culture.

The LCFS has continued to monitor Post Payment Verification (PPV) reports with the relevant Primary Care Lead officers. Further collaborative work is being undertaken with bi-monthly meetings at an all Wales and local level.

A Fraud Risk Profile has been designed and implemented. This will be utilised to more effectively manage the Fraud Risks identified as relevant to the Health Board. Thirty-Four

(34) Inherent Risks, and a number of emerging and locally specific risks have been identified. The inherent risks have been identified by the NHSCFA and are relevant to most NHS Organisations. All identified risks are shared at regular meetings of the Counter Fraud Liaison Group in order that the wider NHS Wales organisation is protected.

When complete the risk assessments will be shared with the relevant Divisional stakeholders for review and remedy. They will be reported in line with the Health Boards Risk Management policy and be recorded on the relevant risk register on Datix Web. As a result, all CF staff have been provided with Datix Web and risk management training. Fraud risk work that takes place will be reported through the ARAC via the Counter Fraud progress reports.

The team has commenced **10** Local Pro-Active Exercises (LPEs), most of which have been informed by local trends. Each area is first subject to formal risk assessment prior to the identification of remedial action. The areas targeted so far are :

- Agile working
- Staff expenses
- Hospital prescriptions
- Primary Care prescriptions
- Mis-prescribing of weight loss medications
- Out of pocket expenses - Pharmacy
- Staff leavers
- Various elements of special leave
- Agency workers
- Petty cash
- Job Planning

Work continues into these areas with the aim of making further savings.

The LCFS have maintained their activity with regard to the National Fraud Initiative (NFI), carrying out checks across all matched data reports, updating privacy notices and submitting data for the next data exercise. The work has also supported other Public Sector

Organisations in their NFI activity. There have been several requests for information via the system which have been actioned and reported back on. There are a total of 166 matches to investigate in the 24-25 data release for ABUHB. Thus far 144 have been closed with no issue. One match has resulted in a formal investigation being commenced and this is ongoing. 22 matches in total remain open and are being processed.

4.4 Hold to Account

The LCFS receives information from several sources and processes are in place to ensure referrals are prioritised and investigated. As part of the required reporting processes, all notified concerns are reported utilising the NHS CFA crime reporting system, Clue3. All current cases are logged on this system.

The system ensures the effective and secure recording of sensitive information relation to ongoing investigation. The Clue3 system will allow for users to accurately document the types of investigations being undertaken, outcomes and systems weaknesses at an all-Wales level. This will enable the NHS CFA to release more accurate benchmarking and trend analysis data in the future. In addition, the system allows users to record data associated with pro-active exercises undertaken at a local level, including any fraud risks identified and potential savings produced. This information allows the NHS CFA to demonstrate a financial value associated with Pro-active work, something which has been difficult to demonstrate over the years.

During 2024/25, the Counter Fraud Team carried over **26** active cases from the previous year, received and recorded **58** new referrals. During the year **64** cases were closed. **19** cases remain open and under review at the end of this financial year and will be carried over into the next. **1** case was referred to CFS Wales Team after creation. In this year **9** Interviews Under Caution (IUC) have taken place.

In conjunction with the Health Board's Workforce & Organisational Development (WOD) Directorate, all cases that were linked to a current employee were referred to the relevant workforce contact. Subsequent workforce reviews have been completed and employment processes undertaken as a result of information sharing protocols.

Additionally, as a matter of routine practice, where investigations have involved members of professional bodies, referrals have been made to each respective body, allowing them the opportunity to consider undertaking their own investigations with regards to the conduct of the specific individual involved. Such relationships and professional working practices will continue, and liaison and investigative support will remain for cases carried forward.

Of those investigations that were finalised and closed in 202/25, there have been **7** internal disciplinary sanctions and **2** professional body onward referrals. **17** civil remedies were sought, which has resulted in the recovery of funds totalling **£135,278.23**. The majority of this amount (£121,485) has been as a result of recoveries made by the Accounts Receivable team within Corporate Finance Department relating to significant overpayment of salary cases. There have been no cases of salary overpayment during the year where prosecution has been sought.

The thematic areas investigated with the highest volume of referral were:

- Working elsewhere whilst sick
- False sickness
- Timesheet/Overtime
- Overpayments of salary
- Prescription fraud
- Dual working/working elsewhere in contracted time

Update reports on current case positions have been supplied to the ARAC on a regular basis. The reports are discussed during the in-committee section of the meeting to ensure confidentiality of investigation and fairness to investigation subjects.

5. Conclusion

The Health Board's Counter Fraud provision has demonstrated compliance with the requirements of the Welsh Government Directions to NHS Bodies on Counter Fraud Measures.

The Health Board's counter fraud provision has demonstrated compliance with the requirements of the Welsh Government Directions to NHS Bodies on Counter Fraud Measures.

The overall 'Green' rating from the Quality Assurance assessment (SRT), demonstrates the continued efforts from the LCFS in working in an innovative way to achieve a balance of both reactive and proactive work to meet the NHS Counter Authority's Standards.

During the course of the year the team have identified a number of areas of weakness that have undermined investigative efforts in pursuit of successful prosecution. Under the Criminal Procedures and Investigatory Powers Act 1996 investigation and disclosure officers (LCFS) are required to identify and reveal to defence counsel, any issues that may undermine prosecution or assist the defence. Examples of this that have been identified during investigations throughout the year include: Senior Doctors Job Plans unsigned/not in place and / or not managed; PADR processes not being followed appropriately; special leave not being managed/processed properly; agile workers not being managed appropriately. The Counter Fraud team continue to work diligently through risk assessment and education to address issues identified and affect organisational change.

The Counter Fraud Team can demonstrate a continued trajectory of improvement across the service, with continued success shown across key areas. Priorities for the new financial year will be, to maintain focus on inform and involve, continuing to raise awareness of Fraud, Bribery and Corruption, both with specific groups in face to face settings and with an improved digital awareness offering; further development work associated with Prevent and Deter, including building on Fraud Risk Analysis, identifying further specific fraud risks that will be assessed and actioned for proactive exercise as necessary; continued high quality investigation work into referrals where fraud is suspected.

Author

Gareth Lavington

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11/04/2025