

Business plan 2017-18

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Version 1.0

**NHS fraud.
Spot it. Report it.
Together we stop it.**



Version control

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Executive summary

The NHS Counter Fraud Authority (NHSCFA) is a new special health authority charged with the identification, investigation and prevention of fraud within the NHS.

Our mission is to lead the fight against fraud affecting the NHS and wider health service, and protect vital resources intended for patient care. Our vision is for an NHS which can protect its valuable resources from fraud. Our purpose is to lead the NHS in protecting its resources by using intelligence to understand the nature of fraud risks, investigate serious and complex fraud, reduce its impact and drive improvements.

The NHSCFA will be accountable to its board, which in turn will be accountable to the Department of Health Anti-Fraud Unit (DH AFU) for the delivery of its strategy.

The Department of Health's (DH) high level strategic objectives for the NHSCFA form the overarching framework for our work. They have also guided the establishment of the organisation as a new special health authority, to ensure it is fully functioning and able to deliver its role. These objectives are as follows:

- ensure that counter fraud work has the necessary independence from other health service bodies
- establish a solid governance structure that is truly accountable for delivering counter fraud services to the NHS and wider health group
- support the DH in retaining a clear sponsorship role, thus delivering accountability
- maintain close links to the health service to ensure appropriate intelligence flows on fraud, its risks and impact, are available to those with the ability to influence change in the NHS

The organisational objectives for the NHSCFA are to:

1. Deliver the DH strategy, vision and strategic plan, and be the principal lead for counter fraud activity in the NHS in England.
2. Be the single expert intelligence led organisation providing a centralised investigation capacity for complex economic crime matters.
3. Lead, guide and influence the improvement of standards in counter fraud work, in line with HM Government Counter Fraud Professional Standards, across the NHS and wider health group, through review, assessment and benchmark reporting of counter fraud provision across the system.
4. Take the lead and encourage fraud reporting across the NHS and wider health group, by raising the profile of fraud and its effect on the health care system.
5. Invest in and develop NHSCFA staff; recognise their expertise and passion to deliver high quality counter fraud work for the NHS; and ensure and demonstrate that our professionals are respected for their contribution and that they feel proud to work for the NHSCFA.

The NHSCFA will work collaboratively with the Department of Health and other key stakeholders in delivering these objectives.

The NHSCFA's values are Fairness, Expertise, Integrity, Objectivity, Professionalism, and Vision.

The organisational priorities for the NHSCFA in 2017-18 will be as follows:

- The improvement of the profile of the NHSCFA and increased reporting of fraud to it
- Procurement and commissioning fraud
- Payroll and identity fraud
- Optical fraud
- European Health Insurance Card fraud

1. About us

The NHS Counter Fraud Authority (NHSCFA) is a new special health authority charged with the identification, investigation and prevention of fraud within the NHS.

As a special health authority focused entirely on counter fraud work, the NHSCFA is independent from other NHS bodies and is directly accountable to the Department of Health (DH).

Our mission is to lead the fight against fraud affecting the NHS and wider health service, and protect vital resources intended for patient care.

Our vision is for an NHS that can protect its valuable resources from fraud.

Our purpose is to lead the NHS in protecting its resources by using intelligence to understand the nature of fraud risks, investigate serious and complex fraud, reduce its impact and drive improvements.

For the purposes of this document, the term ‘fraud’ refers to a range of economic crimes, such as fraud, bribery and corruption or any other illegal acts committed by an individual or group of individuals to obtain a financial or professional gain.

In 2016-17 it was estimated that fraud losses within the NHS exceeded £1.25 billion per annum¹. This should be seen in the context of total health spending of over £117 billion².

All types of financial loss to the public purse reduce the government’s ability to provide public services. Financial loss in the NHS due to fraud or other unlawful activity diverts precious resources from patient care and negatively impacts the health service’s ability to meet people’s needs.

The NHSCFA will be the single expert intelligence-led organisation providing centralised intelligence, investigation and solutions capacity for tackling fraud in the NHS in England. We will act as the repository for all information related to fraud in the NHS and the wider health group, and we will have oversight of and monitor counter fraud work across the NHS. We will provide strategic and tactical solutions to identified fraud risks, counter fraud standards and assessment of performance through the provision of comparative data.

¹ A breakdown of this figure, showing estimated losses in key areas of NHS spend, is provided in our strategy document ‘Leading the fight against NHS fraud: Organisational strategy 2017-2020’, available on the NHSCFA website at <https://cfa.nhs.uk/about-nhscfa/what-we-do>.

² Department of Health annual report and accounts 2016 to 17, available at <https://www.gov.uk/government/publications/department-of-health-annual-report-and-accounts-2016-to-2017>.

Working collaboratively with local counter fraud specialists and other stakeholders, we will drive improvements to counter fraud work that is undertaken across the NHS.

The NHSCFA's departmental sponsor is the DH Anti-Fraud Unit (DH AFU), which holds the NHSCFA board to account for the delivery of its strategy. This is set out in our strategy document 'Leading the fight against NHS fraud: Organisational strategy 2017-2020'³.

Our remit covers the NHS and the wider health service in England. In Wales we provide specialist counter fraud support functions to the Welsh Government under section 83 of the Government of Wales Act 2006.

We employ over 170 members of staff in three offices in London, Coventry and Newcastle.

Our strategic approach

Countering fraud requires a multi-faceted approach that is both proactive and reactive. The NHSCFA, working in partnership and collaborating with the NHS and other stakeholders, will adopt broad principles to guide our work to minimise the incidence of fraud and to deal effectively with those who commit fraud against the NHS.

The overall requirement underpinning these principles is effective strategic governance, strong leadership and a demonstrable level of commitment to tackling fraud from senior management within organisations.

The four principles, aligned to the DH AFU's strategy, are to:

1. **Inform and involve** those who work for or use the NHS about fraud and how to tackle it. NHS staff and the public should be informed and involved with a view to increasing understanding of the impact of fraud against the NHS. This can take place through communications and promotion such as public awareness campaigns and media management. Working relationships with stakeholders will be strengthened and maintained through active engagement. Where necessary, we will all work to change the culture and perceptions of fraud so that it is not tolerated at any level. The NHSCFA provides the tools to those who tackle fraud so that they are equipped to deliver counter fraud work at the local level. We will also provide local specialists with the information and intelligence they need in order to be able to detect and investigate fraud.
2. **Prevent and deter** fraud in the NHS to take away the opportunity for fraud to occur or to reoccur, and discourage those individuals who may be tempted to commit fraud. Successes will be publicised so that the risk and consequences of detection are clear to potential offenders. Those individuals who are not deterred should be

³ Available on the NHSCFA website at <https://cfa.nhs.uk/about-nhscfa/what-we-do>.

prevented from committing fraud by robust systems, which will be put in place in line with standards and guidance developed by the NHSCFA.

3. **Investigate, sanction and seek redress** from those who have committed fraud against the NHS. Fraud must be detected and investigated, suspects prosecuted where appropriate, and redress sought where possible. Where necessary and appropriate, this work should be carried out in partnership with the police and other crime prevention agencies. Investigation and prosecution should take place locally wherever possible. The NHSCFA will deal with cases which are complex or of national significance through the National Investigation Service. Where recovery of monies lost to fraud is viable, this should be pursued.
4. **Continuously review and hold to account:** fraud is constantly evolving and continuous re-evaluation and improvement is needed to ensure that we keep ahead of the problem. Where this does not take place, or where there is a reluctance to do so, then organisations must be held to account for their inaction.

Commissioners and providers of NHS services will be required to meet specific requirements or standards in each of the four areas outlined above, and will be assessed as part of the NHSCFA's quality assurance process. The relevant standards are available on our website at www.cfa.nhs.uk/counter-fraud-standards.

Department of Health strategic objectives

The Department of Health's high level strategic objectives for the NHSCFA form the overarching framework for our work:

- ensure that counter fraud work has the necessary independence from other health service bodies
- establish a solid governance structure that is truly accountable for delivering counter fraud services to the NHS and wider health group
- support the DH in retaining a clear sponsorship role, thus delivering accountability
- maintain close links to the health service to ensure appropriate intelligence flows on fraud, its risks and impact, are available to those with the ability to influence change in the NHS

Organisational objectives

Our vision is for an NHS which can protect its valuable resources from fraud. To help us achieve this, the initial five organisational objectives for the NHSCFA have been identified as:

1. Deliver the DH strategy, vision and strategic plan, and be the principal lead for counter fraud activity in the NHS in England.
2. Be the single expert intelligence led organisation providing a centralised investigation capacity for complex economic crime matters.
3. Lead, guide and influence the improvement of standards in counter fraud work, in line with HM Government Counter Fraud Professional Standards, across the NHS and wider health group, through review, assessment and benchmark reporting of counter fraud provision across the system.
4. Take the lead and encourage fraud reporting across the NHS and wider health group, by raising the profile of fraud and its effect on the health care system.
5. Invest in and develop NHSCFA staff; recognise their expertise and passion to deliver high quality counter fraud work for the NHS; and ensure and demonstrate that our professionals are respected for their contribution and that they feel proud to work for the NHSCFA.

Our values

All NHSCFA staff are expected to act in accordance with our six principles of good practice:

- Fairness
- Expertise
- Integrity
- Objectivity
- Professionalism
- Vision

2. Context

Fraud stands apart from most other types of crime, as the victim is often unaware that an offence has occurred. Fraud is by its nature a hidden crime. Losses can go unnoticed for some time before being discovered. Fraud is not randomly distributed, and fraudsters seek out weaknesses in controls and scrutiny and exploit these where they can.

Some NHS-specific examples of areas where controls and scrutiny may be lacking are:

- high-volume processes and payments systems where the focus is on speed of transactions
- limited post-payment verification at local level
- reliance on generic audit techniques to combat fraud
- reluctance to apply meaningful challenge (regarding conflicts of interest and single tender waivers, for example)
- separation in responsibilities between budget holders, policy holders and administrators

Other challenges to effective counter fraud work, in addition to fraud being a 'hidden' crime, is that fraud is underreported due to a range of factors. Long-term solutions to fraud and other unlawful activity will necessarily involve a proactive and collaborative approach, particularly given the complex and diverse nature of the NHS, and the fact that a single instance of fraud could span multiple organisations.

This underreporting and the hidden nature of fraud highlight the need for an intelligence led approach to countering fraud activity. Good quality intelligence is central to the development of an effective counter fraud strategy.

Ignorance of the true nature of the threat to the NHS results in staff underestimating the financial impact of fraud on their organisations. This highlights the importance of awareness raising among health staff about what fraud is and the impact of fraud on the health service.

3. Our structure

The NHSCFA's organisational structure, set up to deliver our aims, includes four main business areas:

- Intelligence and Fraud Prevention unit

- Operations unit
- Business Support unit
- Finance and Corporate Governance unit

The **Intelligence and Fraud Prevention** unit is made up of the following teams:

- **Intelligence.** This team leads on the collection, collation and analysis of information that holds intelligence value. They will develop processes to enable the best available understanding of current threats and emerging trends at operational, tactical and strategic levels. This will also allow for the identification of threats that may not be apparent when considered locally or in isolation. The team also leads on managing the process of generating fraud referrals and investigation of cases reported on the Fraud Information and Reporting Systems Toolkit (FIRST).
- **Fraud Prevention.** Informed by the intelligence assessment of the risks and vulnerabilities to fraud loss in the NHS, this team provides high level assurance that the NHSCFA is constantly identifying and assessing cross sector changes to the NHS that affect the currency of the information and crime reduction material that we produce for the NHS. The team will review expected, anticipated or future possible fraud reduction opportunities, proactively identifying areas of vulnerability, and produce solutions and information in the form of materials directly aimed at preventing loss occurring in the first place. It will lead on the management, coordination and development of an NHSCFA counter fraud resource centre accessible to local counter fraud specialists.

The **Operations** unit is made up of the **National Investigation Service (NIS)**, which conducts investigations into serious, organised and/or complex cases of fraud, bribery and corruption within a clear professional and ethical framework. This includes services provided by the Forensic Computing Unit to recover data from seized digital items, and the work of accredited financial investigation staff who seek to recover losses and investigation costs through the use of the Proceeds of Crime Act 2002.

The **Business Support** unit is made up of the following sections:

- **Organisational Development.** This team combines work streams such as communications, media relations and stakeholder engagement with staff training, professional development and corporate programme delivery. The team works with colleagues and stakeholders to raise awareness of NHS fraud and publicise the work of the NHSCFA. It is also responsible for developing a skilled workforce, in line with the government's counter fraud professional standards.
- **Information Systems and Analytics.** This team leads on the NHSCFA's digital, data and information strategies, ensuring they support the organisation's strategic

goals and objectives. It combines the data analytics, system security, system development and support and e-learning workstreams. The team also has responsibility for the ongoing management of all digital technology used within the organisation.

- **Quality and Compliance.** The team has responsibility for the development and management of the NHSCFA's intelligence-led, evidence-based quality assurance and compliance framework. The team reports on its findings using this framework to assist NHS commissioners and providers in raising standards and improving the performance of those delivering counter fraud work in the NHS.

The **Finance and Corporate Governance** unit supports the Board of the NHSCFA in the achievement of its strategic direction and organisational aims. It has responsibility for the delivery of robust independent governance and assurance systems (including information governance) to support the work of the NHSCFA and ensures that the strategy to protect NHS resources from fraud, bribery and corruption is delivered.

4. Organisational priorities

A strategic tasking exercise is undertaken annually in accordance with the NHSCFA control strategy to ensure that decisions about long term priorities and resources are made on the best available intelligence assessment of threats. As a result of this exercise, the organisational priorities for the NHSCFA for 2017-18 are as follows:

- The improvement of the profile of the NHSCFA and increased reporting of fraud to it
- Procurement and commissioning fraud
- Payroll and identity fraud
- Optical fraud
- European Health Insurance Card fraud

For more details about planned work on these priorities, please see our delivery plan in the Annex below.

5. Evaluation

Performance measures

The NHS is a large, complex and multifaceted workplace faced with diverse fraud risks. We will work to continuously build on and improve the intelligence we have, ensuring we

make accurate assessments of the threats affecting the NHS. The closing of intelligence gaps is an essential step towards the development of effective measures to mitigate fraud risks.

The NHSCFA will have a clearly defined governance framework linked to management reporting tools and backed up by an auditable assurance process. This will enable the organisation to develop and deliver a range of evidence based solutions, guidance and toolkits that, once implemented, will lead to measurable reductions in the level of fraud. This measurement will take the format of either a reduction in financial losses or the number of incidents reported.

This will be achieved by the production of statistically reliable metrics demonstrating that interventions introduced as a result of NHSCFA work provided the opportunity for local changes in practices to reduce the incidence or impact of fraud on health services and finances.

The NHSCFA will ensure that the importance of preventing fraud is at the forefront of our thinking and will produce fraud prevention solutions, guidance and toolkits that are regularly updated to keep relevant with the evolving NHS.

We will continue to raise awareness of fraud affecting the health service, ensuring staff, service users and the public understand of the impact of this crime. Increased awareness of fraud will lead to an increase in reporting, allowing the NHSCFA to take appropriate action against those committing fraud.

The successful investigation of fraud will enable the NHSCFA to seek to apply a range of sanctions against fraudsters, and, where possible, to recover funds that can be reinvested back into the NHS.

Review of performance

The NHS continues to evolve to meet the changing health care needs of the population, set against significant financial challenges. Our strategy for tackling fraud will keep pace with these changes by constant review and adaptation.

Monitoring performance is an important part of the NHSCFA's approach to ensure that the organisation is fulfilling its strategy commitments and performing to the very highest standard. To this end we will be accountable for producing annual reports on our performance against identified objectives.

The NHSCFA was established during 2017-18 with an initial three-year term, with key deliverables identified for its counter fraud work, both in the short and long term. Deliverables for 2017-18 are listed in the annex below.

Annex – NHSCFA delivery plan 2017-18

The NHSCFA's organisational objectives are:

1. Deliver the DH strategy, vision and strategic plan, and be the principal lead for counter fraud activity in the NHS in England.
2. Be the single expert intelligence led organisation providing a centralised investigation capacity for complex economic crime matters.
3. Lead, guide and influence the improvement of standards in counter fraud work, in line with HM Government Counter Fraud Professional Standards, across the NHS and wider health group, through review, assessment and benchmark reporting of counter fraud provision across the system.
4. Take the lead and encourage fraud reporting across the NHS and wider health group, by raising the profile of fraud and its effect on the health care system.
5. Invest in and develop NHSCFA staff; recognise their expertise and passion to deliver high quality counter fraud work for the NHS; and ensure and demonstrate that our professionals are respected for their contribution and that they feel proud to work for the NHSCFA.

The NHSCFA operational deliverables for 2017-18 are listed below, but it should be noted that they may be subject to change as a result of the need to respond to emerging issues/threats. This delivery plan is also automatically subject to a regular review in year in response to our strategic intelligence assessment and control strategy assessment. A new strategic intelligence assessment will be produced by the end of March 2018; this will help inform priorities for the 2018-19 financial year, in line with the process described in section 4 above⁴.

⁴ A three-year delivery plan covering the period 2017-2020 is provided in our strategy document 'Leading the fight against NHS fraud' (that is also subject to review in the same way).

Deliverable	Key aim	Target time	Organisational objective
<p>We will increase the levels of fraud reporting to the NHSCFA</p>	<ul style="list-style-type: none"> ▪ To target and then increase the level of fraud reporting in specific areas of NHS spend and risk by developing a range of communications and marketing strategies that increase the NHS's understanding of fraud threats and risks, thus increasing levels of reporting and the NHSCFA's profile ▪ To identify problem areas relating to invoice and procurement fraud within the NHS through the development of an intelligence profile that identifies key enablers to fraud occurring ▪ To increase the incidence of reporting of invoice and procurement fraud in order to improve understanding of the problem 	2017-2018	<p>Objective 4</p>

Deliverable	Key aim	Target time	Organisational objective
<p>We will increase the profile of the NHSCFA and the work it undertakes</p>	<ul style="list-style-type: none"> ▪ To develop and produce a wide range of communications and marketing strategies to increase the profile of the NHSCFA and to help counter fraud, along with evaluation measures ▪ To develop communications and information media in multiple formats (social media, digital media, public relations, print) 	2017-2018	<p>Objective 4</p>
<p>We will produce an accurate</p>	<ul style="list-style-type: none"> ▪ To understand the levels of threat posed by identity and right to work issues relating to un-vetted staff working in the NHS 	2017-2018	<p>Objective 2</p>

<p>intelligence profile of loss in specific areas</p>	<ul style="list-style-type: none"> ▪ To produce accurate information on the risks of historic and current pre-employment checks ▪ To produce a statistically viable picture of the loss to fraud in procurement and commissioning in a sample area enabling evidence based statistical comparison work on wider data sets 		
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<p>Deliverable</p>	<p>Key aim</p>	<p>Target time</p>	<p>Organisational objective</p>
<p>We will produce coherent fraud reduction strategies and interventions in response to the identified loss areas.</p>	<ul style="list-style-type: none"> ▪ To formulate strategies and solutions, working with others, that can be applied at a local level to prevent fraud in the EHIC system ▪ To develop an intelligence evidence base that allows for the future development of fraud solutions and reduction interventions that, working with others, can be applied at a local level to prevent NHS losses in the area of identity fraud and to increase identification of incidents for reporting ▪ To produce fraud solutions and reduction interventions that, working with others, can be applied at a local level to reduce loss to optical fraud by £1m 	<p>2017-2018</p>	<p>Objective 1</p>

Deliverable	Key aim	Target time	Organisational objective
We will review the effectiveness of delivery of identified interventions	<ul style="list-style-type: none"> ▪ To measure and produce qualitative reports on the effectiveness of interventions introduced to tackle specific loss types in optical fraud 	2017-2018	Objective 3

Deliverable	Key aim	Target time	Organisational objective
We will acquire targeted data sets from available sources to improve and enhance the intelligence picture	<ul style="list-style-type: none"> ▪ To establish an information sharing framework, with appropriate partner bodies, to enable the detection and identification of identity fraud and right to work fraud within the NHS workforce using data matching ▪ To identify and use data sets to identify fraud within the EHIC system 	2017-2018	Objective 2
We will develop and deliver organisational and staff development programmes	<ul style="list-style-type: none"> ▪ To produce a series of staff learning and development opportunities to meet identified needs ▪ To improve and promote the values and behaviours framework and staff use and understanding of it ▪ To promote and support the activities of the NHSCFA's staff 	2017-2018	Objectives 3 and 5

	<p>engagement group (SEG)</p> <ul style="list-style-type: none">▪ To develop and deliver an internal assurance and governance programme		
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