

Welcome and induction pack

For accredited counter fraud specialists and associated roles

March 2020

Version 2.0



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

Version control

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Table of contents

| | |
|--|-----------|
| About this induction pack | 4 |
| Introduction to the NHSCFA..... | 4 |
| NHSCFA agreements with stakeholders | 5 |
| Legal context of counter fraud work | 5 |
| Secretary of State Directions to NHS bodies | 6 |
| The Health and Social Care Act 2012..... | 6 |
| NHS Standard Contract..... | 6 |
| NHSCFA standards..... | 6 |
| Quality assurance and engagement | 7 |
| Accreditation training..... | 8 |
| Nominations of Local Counter Fraud Specialists..... | 8 |
| Accessing restricted information | 10 |
| Employment arrangements for LCFs..... | 10 |
| NHS.net email | 10 |
| The six principles of good practice | 10 |
| Roles and responsibilities | 11 |
| Role and responsibilities of the Local Counter Fraud Specialist..... | 11 |
| Role and responsibilities of the Director of Finance | 11 |
| Chair of audit/audit committee | 12 |
| Changes in contact details | 12 |
| What happens next... .. | 13 |
| Appendix A – Standards of Business Conduct | 14 |

About this induction pack

Welcome to the NHS Counter Fraud Authority (NHSCFA).

This is a welcome and induction pack to assist you in understanding your new counter fraud role and introduce you to the remit and work of the NHSCFA.

It is for you if you are:

- new to the role of Local Counter Fraud Specialist (LCFS) or Director of Finance (DOF)
- new to the NHS if you already hold a relevant accreditation from a recognised training provider but have worked in another field
- returning from a long period of absence or requiring information about refreshing your skills or continuing professional development (CPD)

It may be that not all the information contained within this pack is relevant to you; however everything that you need to understand about your new role is contained in this document with further information available on the [NHSCFA website](#) and on the NHSCFA's [extranet](#) (a password-protected service which is available to LCFSs and DOFs).

The information contained within this pack is designed to make you aware of, and point you to, the policies, procedures and documentation which may be relevant to you as one of the roles mentioned above or in an associated role such as chair of audit committee.

Any comments about the content should be emailed to generalenquiries@nhscfa.gsi.gov.uk

Introduction to the NHSCFA

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.

Local NHS organisations are primarily accountable for dealing with fraud risks in the NHS. A network of Local Counter Fraud Specialists (LCFSs) takes forward counter fraud work for providers of NHS services and NHS commissioners. LCFSs are typically accountable to the organisation's Director of Finance. More details on these roles are provided below.

The Department of Health and Social Care Anti-Fraud Unit (DHSC AFU) is the departmental sponsor for the NHSCFA.

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.

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.

NHSCFA agreements with stakeholders

The NHSCFA is committed to working with a range of other organisations to identify and tackle crime across the NHS. Our relationship with key stakeholder partners is often supported by formal memorandums of understanding (MOUs) and information sharing agreements, which are important in promoting joint working and good data protection practice in information sharing. Listed below are a number of our key stakeholders with which there are current agreements in place, please note this list is not exhaustive:

- HMRC
- Health and Care Professions Council
- General Optical Council
- General Pharmaceutical Council
- Nursing and Midwifery Council
- NHS Scotland CFS

Our key stakeholders include NHS England and NHS Improvement and the Cabinet Office. We work collaboratively with them, as well as with the DHSC Anti-Fraud Unit, to deliver the full range of counter fraud activity across the NHS and the wider health group. You can view the full range of agreements currently in force on the [NHSCFA website](#).

Legal context of counter fraud work

Historically, NHS bodies were required to put in place arrangements to counter fraud under Secretary of State Directions. Provisions introduced under the Health and Social Care Act 2012 mean that such arrangements are now set out in the NHS Standard Contract. The commissioning contract and its clauses apply to all providers. Service Condition 24.2 of the NHS Standard Contract requires those providers which are licensed by Monitor and NHS trusts, to take the necessary action to meet the counter fraud standards. Standards are also issued in conjunction with NHS England for commissioners.

The counter fraud, bribery and corruption remit is delivered locally through an extensive network of professionally trained and accredited LCFs. These specialists are put in place by health bodies to undertake this work. The NHSCFA produces a range of guidance and information to accredited specialists and their organisations on tackling fraud; this is available on the NHS Counter Fraud Authority's website and extranet.

Secretary of State Directions to NHS bodies

Secretary of State Directions to NHS bodies on counter fraud measures are still applicable. Following the enactment of the Health and Social Care Act 2012, Secretary of State Directions to NHS bodies on counter fraud and security management measures still apply to NHS trusts and NHS special health authorities.

For NHS trusts, the counter fraud and security management requirements of the NHS Standard Contract effectively sit alongside the provisions in the Secretary of State Directions.

The directions to identify functions and responsibilities in relation to counter fraud measures in the NHS and how they are allocated are available on the [NHSCFA website](#).

The Health and Social Care Act 2012

Under the Health and Social Care Act 2012, strategic health authorities and primary care trusts were abolished from 1 April 2013, with some of their functions transferred to NHS England (legally known as the NHS Commissioning Board) and clinical commissioning groups (CCGs).

NHS England guidance states that CCGs should have clear counter fraud arrangements and access to appropriate accredited counter fraud specialist support in the form of Local Counter Fraud Specialists.

NHS Standard Contract

Most NHS healthcare services are commissioned under the NHS Standard Contract. Service conditions within the standard contract require providers to put in place and maintain appropriate counter fraud arrangements.

The NHSCFA has produced counter fraud standards.

NHSCFA standards

The NHSCFA is committed to raising the standards of counter fraud work within the NHS. Standards have been developed to support NHS providers and commissioners in implementing appropriate measures to counter fraud.

The standards have been developed to support NHS providers bodies in ensuring they have appropriate arrangements in place to protect NHS resources from fraud, bribery and corruption. They will also help organisations to identify areas requiring improvement and develop their own plans to address them. It is the responsibility of the health body to ensure the required standards are met. The work undertaken by the LCFS on behalf of the health body will be measured by the NHSCFA against these standards.

We are also committed to ensuring that effective counter fraud arrangements continue to be in place in the NHS at a time of significant change. We are working with NHS England to continually review the way crime affecting NHS commissioning should be tackled.

NHSCFA standards cover the following areas:

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

Further information is available on the [Counter fraud standards pages](#) of the NHSCFA website.

Quality assurance and engagement

Through our quality engagement programme we assist NHS commissioners and providers in raising standards and improving the performance of those delivering counter fraud work in the NHS.

The quality assurance programme comprises two main processes: assurance and engagement.

The assurance process includes an annual self review against the standards, which is conducted by organisations and submitted to the NHSCFA. The engagement process is conducted by the NHSCFA's Quality and Compliance team in partnership with the organisation.

The engagement process is a means of evaluating an organisation's effectiveness in dealing with the risks it faces. The process is designed to be flexible, transparent and responsive to locally and nationally identified fraud risks. Where required, we shall provide organisations with recommendations to support them in mitigating their risks.

The Quality and Compliance team also provide data benchmarking information to assist and support organisations in driving improvements in anti-fraud work locally. The information, collated across five key performance outcomes, is available to DoFs, Audit Committee Chairs and LCFs. By utilising this data, organisations will be able to monitor organisational counter fraud performance locally.

Further information about Quality and Compliance processes may be obtained by viewing the standards corresponding to your organisation on the [Counter fraud standards pages](#) of the NHSCFA website.

Accreditation training

To take up the LCFS role, individuals must successfully complete the relevant accreditation training course as provided by a recognised training provider.

The requirement for health bodies to employ or contract an accredited person (or persons) to undertake counter fraud work is set out in NHSCFA standards. Training is mandatory in order to obtain accreditation.

Training is not available from the NHS Counter Fraud Authority. A list of providers of accredited counter fraud specialist training can be found on the [Counter Fraud Professional Accreditation Board \(CFPAB\) website](#).

Further information about continuing professional development (CPD) can also be found on the [CFPAB website](#).

Nominations of Local Counter Fraud Specialists

All accredited LCFSs must be nominated to NHS Counter Fraud Authority by the NHS organisation(s) which employs them (or contracts them in) before they can take on the LCFS role.

In order to become a nominated LCFS, the following documents must be sent to nominations@nhsdfa.gsi.gov.uk:

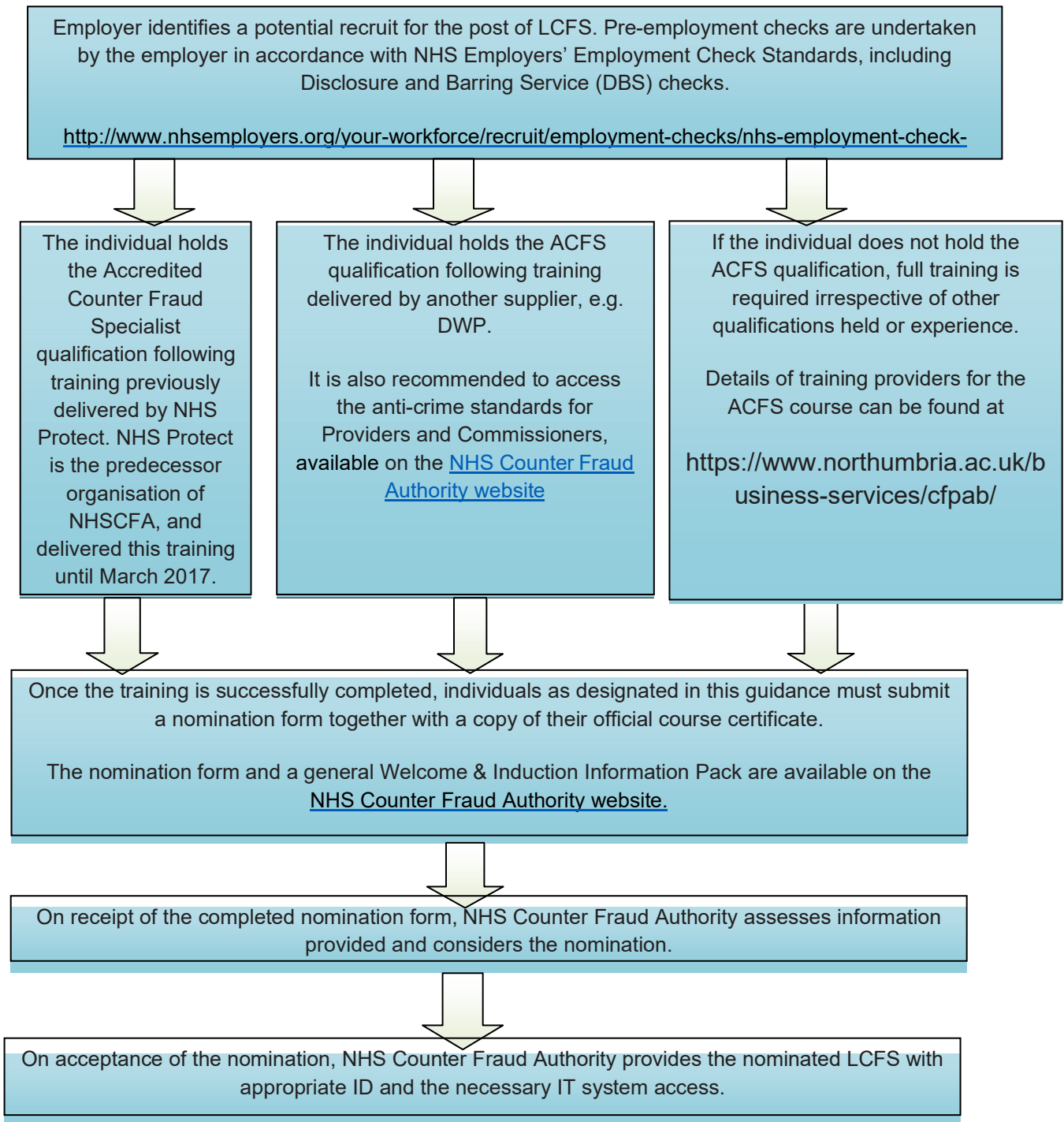
- a copy of your Local Counter Fraud Specialist accreditation certificate or certificate number
- your completed [nomination form](#)
- the completed [security information sheet](#) (this is used to set security questions for password resets)
- one head and shoulders photo of yourself, taken against a plain background and saved as a JPEG file (for your LCFS ID card)
- preferred address for us to send your ID card to (it is sent recorded delivery so it will need to be signed for)

If possible, please send all the items above at the same time.

Subject to security checks and the nomination being approved, an LCFS ID card will be issued. Once received, access will be granted to the FIRST case management system, and to the NHSCFA's extranet.

For more information and guidance about the nomination process, please read our [Guidance on the nomination of Local Counter Fraud Specialists](#) (updated March 2020).

Overview of the nomination process



Accessing restricted information

Once nominated as an LCFS, further guidance and information will be available on the [NHSCFA Extranet](#).

The NHSCFA Extranet is an important channel for the NHSCFA to share counter fraud resources, information and updates with NHS health bodies. It is available to Local Counter Fraud Specialists and Directors of Finance/Chief Finance Officers.

To gain access to the NHSCFA Extranet you must be connected to the [N3 Health service network](#).

If issues occur accessing the [Extranet](#), please contact the NHSCFA Service Desk on 020 7895 4545, servicedesk@nhscfa.gsi.gov.uk

Employment arrangements for LCFSs

The NHSCFA does not employ LCFSs.

Health bodies in England currently engage LCFS provision through direct NHS employment, service level agreements or contracted services.

Health bodies in Wales currently engage LCFS provision through direct employment only.

NHS.net email

All nominated LCFSs require an NHS.net email address for communications in line with Government Security Classifications. NHS.net email can be obtained through the nominating health body. Further information is available from NHS Digital at <http://systems.digital.nhs.uk/nhsmail/using>

The six principles of good practice

The CFPAB requires all accredited counter fraud specialists to adhere to six principles of good practice. These are:

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

Roles and responsibilities

The key roles involved in counter fraud work in NHS health bodies are:

- LCFS
- DOF or member of the executive board/equivalent body responsible for counter fraud, bribery and corruption at strategic level
- Chair of Audit/Audit Committee

Role and responsibilities of the Local Counter Fraud Specialist

The LCFS role incorporates a range of activities to ensure that the health body is meeting the NHSCFA's counter fraud standards.

The LCFS is required to work and act in accordance with NHSCFA published guidance and documentation. All LCFSs are also expected to adhere to the 'Health Service Guidance (93) 5 Standards of Business Conduct for NHS staff'; further information is available in Appendix A.

Key LCFS functions include (this list is not exhaustive):

- Develop and maintain close working relationships with relevant stakeholders, including the NHSCFA.
- Create a counter fraud culture through fraud awareness communications and delivery across the health body, professional groups and stakeholders.
- Deliver professional, comprehensive and ethical counter fraud provision.
- Produce counter fraud workplans and annual reports in line with NHSCFA standards.
- Conduct investigations into referrals of fraud, bribery and corruption (having regard to the NHSCFA published case acceptance criteria).
- Apply a range of sanctions against those responsible for committing fraud against NHS resources.

Role and responsibilities of the Director of Finance

The Director of Finance (DOF) or member of the executive board/equivalent body responsible for counter fraud, bribery and corruption at strategic level, is responsible, along with the chief executive, for monitoring and ensuring that appropriate counter fraud measures are implemented.

These measures should be managed and reviewed at board level, or equivalent, within the organisation and this should be documented. Where additional or corrective measures are necessary, the DOF should ensure that appropriate action is taken.

The DOF should communicate and support the counter fraud, bribery and corruption needs of the NHS health body at the executive board level, ensure compliance with legal and regulatory requirements and any NHSCFA guidance, and appoint and manage the LCFS. This includes overseeing the work of the LCFS through submitted workplans and annual reports, and informing third parties such as the external auditors of any significant cases of fraud when appropriate.

Appointing and managing the LCFS

The DOF has overall responsibility for the appointment and subsequent nomination of an LCFS to their health body. They should also support and monitor the LCFS on an ongoing basis to ensure that counter fraud work is being carried out to the highest standard.

An LCFS may be employed internally, shared with neighbouring NHS health bodies or employed through an external contractor, such as an audit consortium.

It is important that LCFS provision is proportionate to the organisation's risks, needs and requirements. The DOF should consider local issues such as the number of staff employed by the trust, the type of trust (for example, acute or mental health), the geographical spread of the trust, and budgetary restraints.

In order to carry out their duties, the LCFS needs to be able to:

- work in sufficient security and privacy to protect the confidentiality of their work
- attend the NHS body's audit committee meetings where required

The LCFS also needs access to all external and internal contacts necessary to perform their function, as well as the cooperation of other staff (subject to contractual or legal constraints) in disclosing information for the investigation, prevention or detection of fraud.

Chair of audit/audit committee

The audit committee oversees and monitors, along with the DOF or other executive board member with responsibility for counter fraud work, all counter fraud work carried out on behalf of the organisation. It will review the LCFS's final reports and consider any necessary improvements to controls. In line with responsibilities outlined in the audit committee handbook, the audit committee chair (ACC) is required to review

Following any engagement as part of the NHSCFA's quality assurance programme, the audit committee will be provided with a copy of the final report highlighting recommendations on mitigating any fraud risks.

Changes in contact details

It is a requirement that if contact details for any of these three roles change, sections A and B of the Organisation Role Nominations Form be submitted to

nominations@nhscfa.gsi.gov.uk. This is to ensure record accuracy. However, if an LCFS role is being nominated to a new organisation, sections A, B and C of the form must be completed.

What happens next...

If you are an LCFS, once your nomination has been processed you will be granted access to the NHSCFA's extranet, where further information and guidance is available.

It is recommended that you familiarise yourself with the counter fraud standards that are applicable for your organisation and the range of available information and guidance material on the [NHSCFA website](#).

The NHSCFA wishes you every success in your new role and is grateful for the contribution that you will be making to fighting crime committed against the NHS.

Appendix A – Standards of Business Conduct

All LCFSs are expected to adhere to the 'Health Service Guidance (93) 5 Standards of Business Conduct for NHS staff'. These require NHS staff to:

- ensure that the interests of patients remain paramount at all times
- be impartial and honest in the conduct of their official business
- use public funds entrusted to them to the best advantage of the service, always ensuring value for money
- ensure that they do not abuse their official position for personal gain or to benefit their families or friends
- ensure that they do not seek to gain personal advantage or further private business or other interests in the course of their official duties.

It is for these reasons that LCFSs have an ongoing duty to notify their employer of any interests which might impinge, or might reasonably appear to others to impinge, upon their employment in their role. In cases of doubt advice should be sought from the NHSCFA. Examples of conflict of interests include:

- Any controlling or significant financial interests which an employee, or a close relative or associate of theirs, holds in a business (including a private company, public sector organisation, other NHS employer and/or voluntary organisation) which may compete for an NHS contract to supply goods or services to the employer.
- Any additional outside employment, including representation in the role of LCFS at another NHS body.
- Trusteeships, directorships or memberships of any organisations which may have dealings with the NHS, contractors with the NHS, or the Department of Health or may be reasonably considered by others to constitute a special interest (e.g. Freemasons, Rotary Club, Inner Wheel, Mechanics).
- Any interests, activities, events or circumstances which may reasonably be considered to affect the employee's performance or their public duties.

The organisation for which the LCFS is nominated has an ongoing responsibility to ensure that the person remains suitable to be nominated.

The Bribery Act 2010 defines the offence of bribery as giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so.

Under the Act, any money, gift or consideration received by an employee in public service from a person or organisation holding or seeking to obtain a contract will be deemed to have been received corruptly unless the employee proves to the contrary.

It is for that reason that no LCFS should accept any gift without seeking authorisation from their employer.

Beyond these generally applicable standards, the LCFSs are in an especially sensitive and responsible position. They are entrusted with the important task of reducing fraud within the NHS so that more NHS resources can be used to provide patient care. They often have privileged access to confidential information involving very large sums of public and private money and to personal and private data.

LCFSs are charged with creating a counter fraud culture, deterring and preventing fraud, detecting and professionally investigating fraud, working towards the imposition of effective sanctions and creating effective measures to recover monies lost. It is not enough merely to ensure that propriety is maintained, it is essential that there is never any perception of impropriety. It is for this reason that particularly stringent checks are in place in relation to LCFSs.

Any case of actual suspicion of fraud by a person employed as an LCFS will be treated in the same way as cases of suspicion elsewhere in the NHS, with appropriate enquiries and, if necessary, disciplinary procedures being undertaken. This procedure is designed to ensure that those circumstances do not arise.