



Fighting fraud in the NHS

An introduction to the NHS Counter Fraud Authority

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

Welcome

Some people react with surprise when they hear that the NHS is a target for fraud. Indeed, most people would never dream of exploiting NHS resources for their own personal gain.

However, fraud and other economic crime against the NHS is a real problem, causing a loss of £1.29 billion a year according to our latest estimates.

There are many types of NHS fraud, for example organised crime gangs targeting health bodies' payment systems, or members of staff falsifying their timesheets. However all fraud against the NHS has an impact on patients, as money meant for their care ends up in the pockets of criminals.

The NHS Counter Fraud Authority (NHSCFA) was established in November 2017 to stop this by identifying, investigating and preventing fraud and other economic crime against the NHS. This brochure provides a brief overview of how we do that.

Fraud is a growing problem, affecting both individuals and organisations in all sectors. The scale and complexity of the threat means that the response to fraud must be coordinated and highly professional. Recognising this, the Cabinet Office has done a lot of work in the last few years to develop a counter fraud community across government, culminating with the launch of the

Government Counter Fraud Profession in October 2018. The NHSCFA has contributed to this work from the start, and we are pleased that our fraud investigators are among the founding members of the new profession.

Counter fraud work is a collaborative effort, involving colleagues in different roles and from a wide range of professional backgrounds. In the NHS, local counter fraud specialists, directors of finance and audit committee chairs play an essential role in health bodies across the country, and we work closely with them to protect NHS resources from fraud. Sharing information and expertise with counter fraud partners in both the public and private sectors is also a vital part of what we do.

Everyone has a part to play in the fight against NHS fraud, and we can only succeed together. We hope you will join us in this important work.



Tom Taylor
Chair



Susan Frith
*Chief Executive
Officer (interim)*



Who we are

With over 1.2 million staff, the NHS is one of the largest employers in the world. Its annual budget, paid for from the public purse, is over £109 billion. As a large and complex organisation that is facing significant financial challenges, the NHS must constantly change and adapt to meet people's health needs.

The NHS Counter Fraud Authority (NHSCFA) leads the fight against fraud, bribery and corruption in 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 and Social Care (DHSC).

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.

The NHSCFA's 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 staff in three offices in London, Coventry and Newcastle.

Our values

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

- fairness
- expertise
- integrity
- objectivity
- professionalism
- vision



"Fraud in the NHS is harmful to patients and staff. We will work with the NHS Counter Fraud Authority to stamp it out."

Ian Dalton, *Chief Executive,
NHS Improvement*



We employ over
170 staff



Call our **24 hour** reporting line
anonymously on **0800 028 40 60**



Based in **3 offices** in
London, Coventry and Newcastle



You can also report **online** at
www.cfa.nhs.uk/reportfraud



Fighting NHS fraud

According to our latest estimate, fraud costs the NHS £1.29 billion a year - enough money to pay for over 40,000 staff nurses, 5,000 frontline ambulances or 116,000 hip replacements. This is taxpayers' money that is taken away from patient care and falls into the hands of criminals.

When we say 'fraud', we refer 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.

Those who commit fraud against the NHS are a minority, however they

are having a serious impact on us all. Experience shows that this minority can include all kinds of people, from patients to NHS staff, from contractors to members of the public and organised criminals. Unfortunately there is no such thing as a 'typical' NHS fraudster.

Fraud against the NHS takes many forms; here are just a few examples:

- **False claims.** This can range from patients claiming for free treatment when they are not entitled to it, to NHS professionals claiming money for services they have not provided.
- **Payment diversion fraud.** This happens when fraudsters trick an



NHS organisation into paying money to them, for example by pretending to be from one of the organisation's suppliers.

- **Procurement fraud.** This relates to the purchasing of goods and services by an NHS organisation. An example is bid rigging, when bidders agree between themselves to eliminate competition, denying the organisation a fair price or leading to the delivery of poor quality goods or services.
- **Misrepresentation of qualifications or experience.** This occurs when someone applying for a job claims to have qualifications or experience they do not actually have. This is particularly serious in senior and medical positions.
- **Timesheet fraud.** This happens

when staff falsify their timesheets, for example to obtain payment for hours they haven't actually worked.

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. Fraud against the NHS has a direct impact on the resources available for patient care. The NHSCFA is equipped and determined to lead the fight against NHS fraud, working closely with our stakeholders in the NHS and beyond.

Estimated losses to fraud in some key areas of NHS spend, 2016-2017

NHS staff frauds
£94.2m

Procurement
fraud
£266m

Dental contractor
fraud
£126.1m

General practice
fraud
£88m

European Health
Insurance Card
fraud
£21.7m

Pharmaceutical
contractor fraud
£111m

Our objectives

Our vision is for an NHS which can protect its valuable resources from fraud. To help us achieve this, our strategy for 2017-2020 sets out five key objectives:

1

Deliver the Department of Health and Social Care strategy, vision and strategic plan and lead 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 in the NHS

3

Lead, guide and influence the improvement of standards in counter fraud work

4

Take the lead and encourage fraud reporting across the NHS and wider health group

5

Invest in and develop NHSCFA staff

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“The NHS is committed to providing safe and high quality care to patients while securing the best possible value for taxpayers’ money. It is essential that this ambition is not undermined by fraud. So we welcome the creation of the new NHS Counter Fraud Authority.”

Paul Baumann, *Chief Financial Officer, NHS England*

The £1.29 billion
lost to fraud each year
equates to the cost
of over

116,000
hip replacements



Our expertise

The NHSCFA is the centre of excellence for combating fraud, bribery and corruption against the NHS.

Our experienced and committed staff includes specialists in intelligence, fraud prevention, computer forensics, fraud investigation, financial investigation, data analysis and communications.



We provide a range of specialised services to tackle NHS fraud.



Intelligence – As an intelligence-led organisation, the NHSCFA uses the latest in intelligence and information gathering techniques to build an accurate picture of the fraud risks facing the NHS, to inform preventative action and to support investigations.



Investigations – We are experts in investigating the most serious, complex and high-profile cases of fraud, and work closely with the police and the Crown Prosecution Service to bring offenders to justice. Our specialist financial investigators have powers to recover NHS money lost to fraud, and we have a forensic computing team who collect and analyse digital evidence.



Fraud prevention – We develop a range of targeted fraud prevention solutions to address identified fraud risks. This may include reviewing and redesigning whole systems or developing tailored guidance or other solutions.



Information analytics – We use complex algorithms and data mining tools to identify both normal behaviour and outliers in NHS data, within which fraudulent behaviour can be found. The resulting analyses are used to support ongoing investigations, inform the intelligence picture and guide fraud prevention steps.



Standards – We set standards for counter fraud work across the NHS. We assess commissioners and providers of NHS services for compliance with the standards through our quality assurance programme.



Staff and organisational development – Our staff are the NHSCFA's most important asset. We are committed to developing a skilled workforce, in line with the government's counter fraud professional standards. We ensure continued compliance with legislation and professional standards.



Communications – By raising awareness of fraud against the NHS and publicising the work of the NHSCFA, we encourage NHS staff, other stakeholders and the public to join the fight against NHS fraud.



Digitalisation and technology – We strive to be a digital by default organisation, using technology to make our work quicker, smarter and more data-driven.

Working in partnership

While it is the NHSCFA's responsibility to fight fraud against the NHS, we can't do this on our own. We work with a wide range of partner organisations, including the Department of Health and Social Care, NHS England and NHS Improvement. We also work with local counter fraud specialists, directors of finance and audit committee chairs in NHS health bodies to develop and further strengthen counter fraud work across the NHS.

Sharing information is an increasingly important part of the fight against fraud and we have data sharing agreements in place with other regulatory and law


enforcement agencies. This is vital as criminals often operate in multiple sectors and across geographical boundaries.

We actively support the development of a counter fraud community across government and have worked closely with the Cabinet Office on the development of the Government Counter Fraud Profession and counter fraud professional standards. NHSCFA investigators are among the founding members of the profession.



“Fraud is a threat across the public sector and damages the public services we deliver. This is why all organisations have a role to play in rooting out fraud. Counter fraud specialists and the new Government Counter Fraud Profession (GCFP) work with organisations to protect public services and fight economic crime. Those working in counter fraud in the Health Service have played a key role in developing the GCFP and are looking to lead the way in government in this area.”

Mark Cheeseman, *Deputy Director - Public Sector Fraud, Cabinet Office*



The £1.29 billion
lost to fraud each year
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40,000
staff nurses



How you can help

Everyone has a part to play in fighting fraud. Being aware of the risk and remaining vigilant are the most important first steps, followed by knowing how to report any suspicions or concerns you may have about fraud.

It is easy to report fraud, bribery or corruption affecting the NHS. You can call our anonymous, 24-hour reporting line on **0800 028 40 60** (powered by Crimestoppers) or you can report online, completely confidentially, at **www.cfa.nhs.uk/reportfraud**.

By reporting fraud you can help the NHSCFA to ensure offenders are brought to justice and that money is returned to the NHS to care for patients. Reporting fraud will also help us to form a better picture of the ongoing fraud risks and trends so that the NHS is better equipped to prevent it.

NHS fraud.

Spot it.

Report it.

Together we stop it.



“Currently over £1.2 billion is lost to the NHS each year through fraudulent behaviour so we welcome the launch of the NHS Counter Fraud Authority to tackle this very serious issue. It will support the NHS to develop the open culture where each and every member of staff feels confident to report any concerns. It is unacceptable that the money lost each year is depriving patients of investment in their services.”

Danny Mortimer,
*Chief Executive,
NHS Employers*



“Crimestoppers charity is delighted to work with the NHS Counter Fraud Authority to offer NHS staff a safe way to pass on information about crime whilst remaining 100% anonymous. Defrauding the NHS can deny precious resources for vital health services. We understand that for some employees it can be difficult reporting wrongdoing or suspicious behaviour. We are pleased our charity’s unique service is helping staff to have the confidence to speak up and protect the NHS.”

Mark Hallas,
*Chief Executive Officer,
Crimestoppers*

NHS Counter Fraud Authority

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