



Department of  
**Health, Social Services  
and Public Safety**

An Roinn

**Sláinte, Seirbhísí Sóisialta  
agus Sábháilteachta Poiblí**

[www.dhsspsni.gov.uk](http://www.dhsspsni.gov.uk)



# Counter Fraud Strategy

October 2005



## Foreword

The majority of public service staff are honest and adhere to the expected Code of Conduct. Notwithstanding this, we should not be complacent and recognise that fraud is an ever-present threat, has many forms and is always damaging, taking away valuable resources that could be used elsewhere, damaging trust between colleagues, and undermining the integrity which is fundamental to the management of public services. Fraud is not only illegal but it also creates a very real threat to the resources available to DHSSPS and its associated bodies for service provision. We all have a responsibility to ensure public monies are properly safeguarded.



We are all the victims of fraud in public services. Money provided by taxpayers is stolen and we are denied the proper level of service that we are entitled to expect. Fraud is theft and is morally wrong in itself, but in the case of fraud within public services, another reason it is so wrong is that it deprives society of resources which could otherwise be used for better systems and better services.

Combating fraud is a professional job requiring a well thought out approach based on sound information. The priority should be to prevent fraud by designing systems to stop it happening in the first place. Where it occurs there should be an equal presumption that its perpetrators will face tough action.

This document sets out a comprehensive approach to ensuring that fraud is reduced to an absolute minimum. It shows our determination to win the war on fraud. Success will depend on the co-operation of the public and everyone working within the public service in Northern Ireland. By working together, it is a war that we can win.

A handwritten signature in black ink, appearing to read 'Andrew McCormick'. The signature is written in a cursive, slightly slanted style.

**Andrew McCormick**  
Permanent Secretary

The first part of the document discusses the importance of maintaining accurate records in a business context. It highlights how proper record-keeping can lead to better decision-making and operational efficiency. The text emphasizes the need for consistency and thoroughness in data collection and analysis.

In the second section, the author explores various methods for data collection and storage. It compares traditional paper-based systems with modern digital solutions, noting the advantages of automation and cloud storage. The discussion includes practical tips for ensuring data integrity and security.

The third part of the document focuses on the application of data in strategic planning. It provides examples of how businesses can use analytics to identify market trends and optimize their operations. The author stresses the importance of interpreting data correctly to avoid misleading conclusions.

Finally, the document concludes with a call to action, encouraging businesses to embrace data-driven approaches to improve their performance. It offers resources and further reading for those interested in deepening their understanding of data management and analysis.

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## 1. The Strategic Approach

- 1.1** Effective health and personal social services and public safety service provision benefits us all in Northern Ireland. Substantial resources are required for and spent on the provision of high quality care and services. We should not allow this money to be lost to fraud instead of being used as intended. The hard truth is that, through depriving our health and personal social services, ambulance and fire services of the money they need, fraud damages the services provided and increases patients suffering.
- 1.2** Fraud is a crime that can be hard to identify. Its victims may not be immediately obvious. But we are all victims of fraud and corruption. Our work to deal with these problems should therefore be seen, not as an end in itself, but as the means by which we can maximise the resources available for the delivery of high quality health and personal social services and public safety services.
- 1.3** It is accepted that the majority of public service staff\* are honest and we have made substantial ground in our common fight against fraud. Notwithstanding this, we should not be complacent and recognise that fraud is an ever-present threat, has many forms and is always damaging, taking away valuable resources that could be used elsewhere. Fraud is not only illegal but it also creates a very real threat to the resources available to the Department and its associated bodies. Reports by the Northern Ireland Audit Office, the Audit Commission, the Healthcare Financial Management Association and the NHS indicate the existence of a wide range of types of fraud within the NHS and Health and Personal Social Services bodies (see Appendix A). We all have a responsibility to ensure public monies are properly safeguarded.

\* Staff includes independent contractors such as dentists, doctors, optometrists and pharmacists, as well as staff directly employed by Health Service bodies such as Boards, Trusts and Agencies.

## 1. The Strategic Approach

- 1.4** The approach that we adopt within this document is one whereby our counter fraud work is directed so as to reduce losses to fraud to the lowest possible figure within agreed timescales. It is also intended that this approach will allow effective counter fraud action to be taken in all areas within the context of the delivery of health, personal social services and public safety.
- 1.5** This document sets out the different types of generic action that we will take against fraud so as to achieve our aim of **“minimising fraud and its cost within the areas of health, personal social services and public safety.”** In each of the generic areas we have indicated the key measures that must be in place.
- 1.6** For information on this strategy and the programme of work that will support it, please contact: Sandra Lowe, Head of the Counter Fraud Policy Unit, DHSSPS on 028 9076 5616, Neil Carson on 028 9052 8564 or Joy McCullough on 028 9052 3389.



## 2. Objectives

2.1 This section sets out the seven specific objectives of our strategy.

These are:

- **Creation of an anti-fraud culture;**

A real anti-fraud culture ensures that all staff are aware of their active roles and responsibilities and are willing to report suspicions of fraud and assist in the re-design of policies and procedures.

- **Maximum deterrence of fraud;**

Effective deterrence will be achieved by having strong preventative, deterrent, investigative, sanctions and redress processes in place and ensuring that they are effectively communicated.

- **Successful prevention of fraud which has not been deterred;**

This can be achieved by undertaking systematic fraud risk assessments and ensuring that adequate controls are in place. This will also include lessons learned from investigative work.

- **Prompt detection of fraud which has not been prevented;**

We need to have in place effective ways of discovering fraud at the earliest stage. It is also important that these are communicated effectively so as to discourage potential fraudsters.

# 6

## 2. Objectives

- **Professional investigation of detected fraud;**

Having detected fraud it is essential that it is investigated in the most professional, objective and timely manner possible.

- **Effective sanctions including legal action against people committing fraud;**

We must seek to apply all appropriate sanctions in cases where fraud is proven.

- **Effective methods of seeking financial redress in respect of money obtained through fraud.**

We should always consider the options available to recover the monies lost through fraud which could include the freezing of assets.

**2.2** This strategy shows the interaction of the different areas of work and demonstrates how effective channels of communication with counter fraud structures are essential in order to allow the most positive development and integration.

### 3. Creation of an anti-fraud culture

#### Objective:

**To create an anti-fraud culture in which everyone has a part to play in countering fraud.**

- 3.1 Fraud, within the context of health, personal social services and public safety, is sometimes thought not to exist, or to have been exaggerated. It follows that one of the basic tasks of those charged with dealing with fraud is the development of an anti-fraud culture. All professionals and staff working within the areas of health, personal social services and public safety need to understand the implications that losses to fraud can have for their work and for the public. Also, the general public need to be made aware of the part that they can play in the creation of an anti-fraud culture through publicity campaigns, ensuring that avenues for reporting fraud are publicised and assuring whistleblowers that they can report their suspicions in the strictest confidence.
- 3.2 A successful anti-fraud culture needs to involve all of those who work within health, personal social services and public safety. Through promoting the need to value the service itself and to actively protect its resources, an anti-fraud culture can be disseminated throughout and supported by the honest majority of public servants.
- 3.3 Proactive work and initiatives to develop awareness of fraud issues, as well as publicity around action taken across the whole generic range, can serve to involve all those working within the areas of health, personal social services and public safety to see how they

### 3. Creation of an anti-fraud culture

themselves can support the counter fraud effort. Given the numbers and turnover of professionals and staff involved, this work requires continual attention and development of the means of communication involved.

#### Measures to promote an anti-fraud culture

DETERRENCE	PREVENTION	DETECTION	INVESTIGATION	SANCTIONS	REDRESS
Publicising action across the generic range to emphasise that fraud is serious and takes resources away from the areas of health, personal social services and public safety.	Systematic prevention methods support individual interventions to counter fraud that has not been deterred.	Individual vigilance supported by standardised detection systems ensures that fraud, which has not been prevented, is promptly detected.	Fraud of all types and values is tackled and all appropriate investigative methods are being used.	All appropriate sanctions are sought in cases of proven fraud, demonstrating that action will always be taken and fraud will not be tolerated.	Money lost to fraud is returned to the areas of health, personal social services and public safety for improved patient care and service provision.



#### ANTI-FRAUD CULTURE



Mobilising the honest majority of staff to be active in protecting the areas of health, personal social services and public safety.

### 3. Creation of an anti-fraud culture

- 3.4** Levels of awareness and how they develop are complex issues. This is not a question simply of people being aware or unaware. General awareness, depth of knowledge, levels of interest and willingness to actively support, and where necessary, assist counter fraud action are all-important elements.
- 3.5** The following diagram indicates the key measures that **must** be in place.



## 4. Deterrence

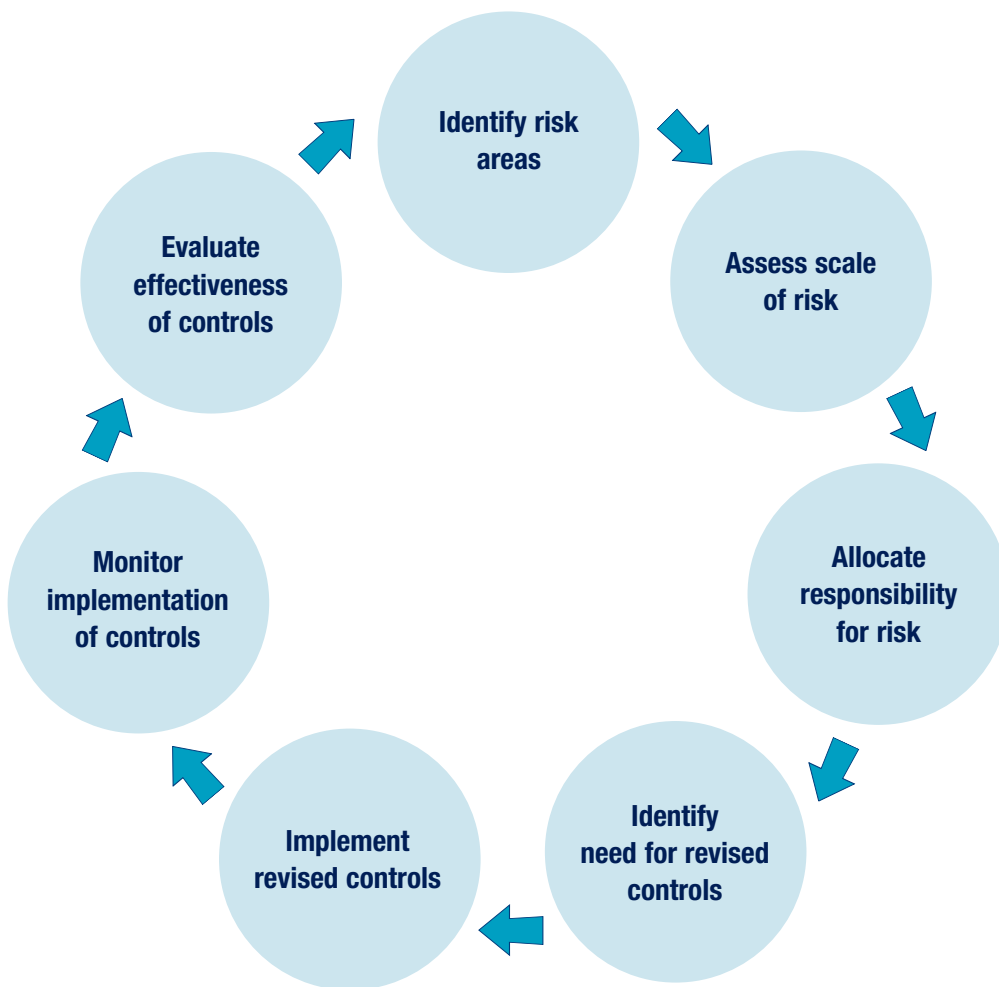
### Objective:

**To ensure that the totality of anti-fraud measures represent the strongest deterrent possible to those perpetrating or considering perpetrating fraud.**

- 4.1** In seeking to minimise losses to fraud within the areas of health, personal social services and public safety, the preferred situation would be one where those contemplating these acts are deterred from doing so. The development of an anti-fraud culture, whereby these acts are seen as unacceptable and health, personal social services and public safety resources are valued, combined with individuals' doubts as to whether acts of fraud can succeed, can together serve as a powerful deterrent.
- 4.2** As an anti-fraud culture develops, deterrence can in practice be achieved where strong prevention, detection, investigation, sanction and redress processes are in place and effective publicity and communications are developed around them.
- 4.3** It is also essential that a robust fraud risk management process is in place, which ensures that sufficient systems are in place to deter fraud from occurring. The key to managing the risk of fraud is similar to managing any other business risk and should be approached systematically at both the organisational and the operational level. The assessment of risk should be part of a continuous cycle rather than a one-off event. The diagram overleaf sets out the key stages of a Risk Management cycle to help deal with fraud.

## 4. Deterrence

### Risk Management Cycle



## 4. Deterrence

**4.4** Managers must ensure that the opportunities for fraud are minimised. Segregation and rotation of duties, reconciliations, supervisory checks and clear roles and responsibilities should deter fraud from occurring. Opportunities to commit fraud will be reduced by:

- Ensuring that a sound system of internal control proportional to risk has been established and that it is functioning as intended;
- Through the “fear factor” – the risk of being caught or the severity of the consequences;
- Changing attitudes to fraud; and
- Making it too much effort to commit a fraud.



## 4. Deterrence

DETERRENCE	PREVENTION	DETECTION	INVESTIGATION	SANCTIONS	REDRESS
Development of a real anti-fraud culture means that all those working and using health, personal social services and ambulance and fire services: understand their active roles and responsibilities; fraud is reduced to a minimum; and resources are protected.	Systematic prevention methods make the fraudster recognise that the attempt is not worthwhile.	Standardised detection systems make the fraudster understand the likelihood of getting caught is too great.	Professional investigations make the fraudster appreciate that evidence of the fraud can always be uncovered.	Effective legal action makes the fraudster understand that the penalties are too certain and too severe.	Seeking comprehensive redress makes the fraudster realise that they stand to gain nothing from the fraud anyway.



**DETERRENCE**

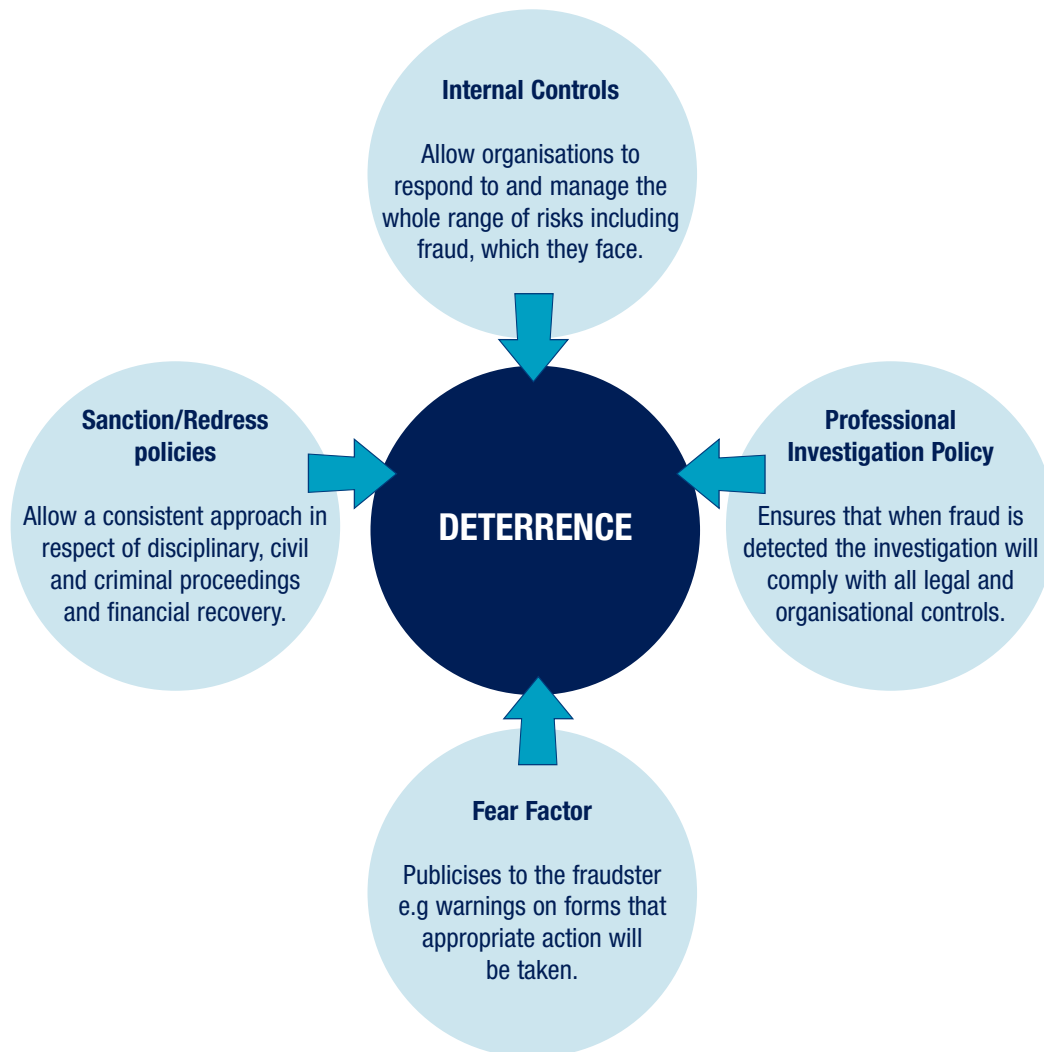


External pressures from all counter fraud work areas combine with individuals' internal doubts over the chances of fraud succeeding undetected and so influence attitudes and choices on actions in relation to fraud and corruption.

## 4. Deterrence

### Deterrence measures

- 4.5 The following diagram indicates the key measures that **must** be in place to help in deterring fraud.



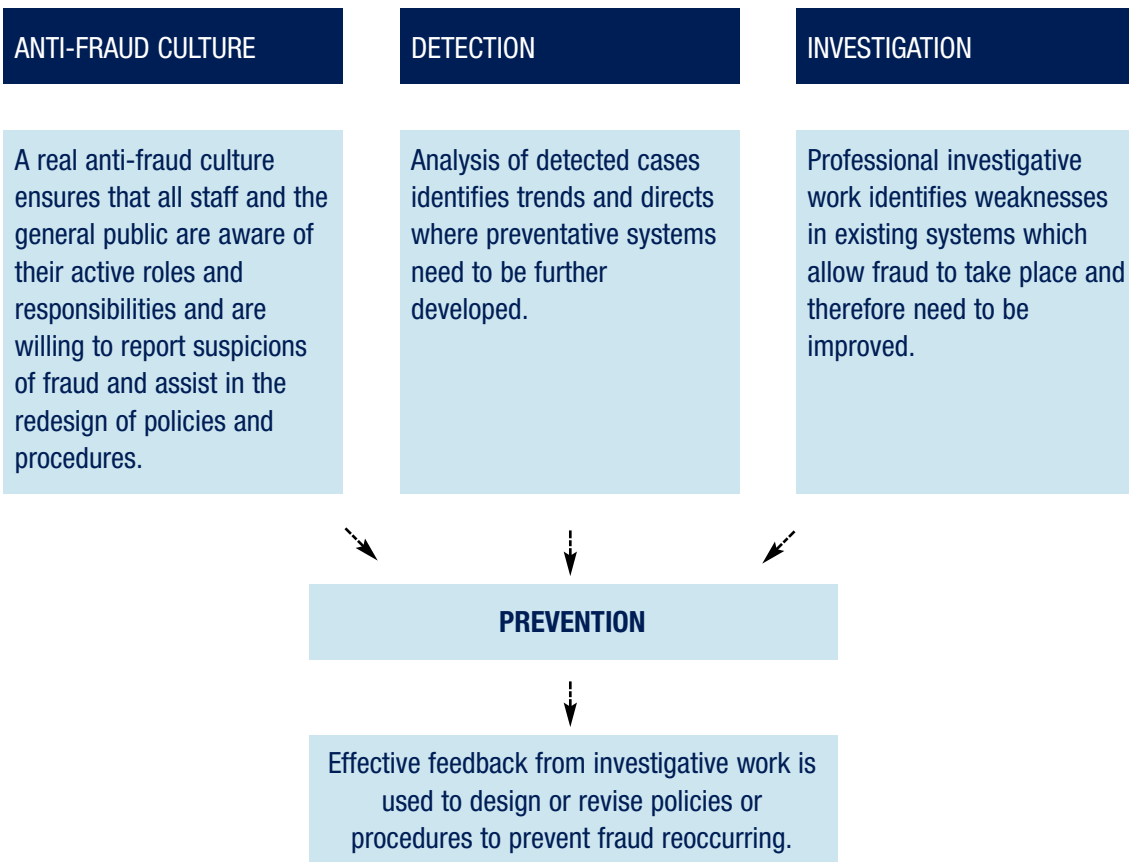
## 5. Prevention

### Objective:

**To develop the most effective preventative measures, taking account of lessons learned, so that if fraud is attempted it will fail.**

- 5.1 Where fraud is not deterred, preventative systems are needed. Prevention initiatives need to target vulnerabilities within systems, whether these are administrative or technical, in order to close off the possibility of fraud succeeding.
- 5.2 Fact based input to prevention initiatives, benefits both policy developments and the ability to address vulnerabilities in local systems. Staff engaged in counter fraud duties therefore need to be able to engage with both those dealing with general policy developments and initiatives and managers locally who need to ensure that losses which have occurred do not reoccur.

## 5. Prevention



## 5. Prevention

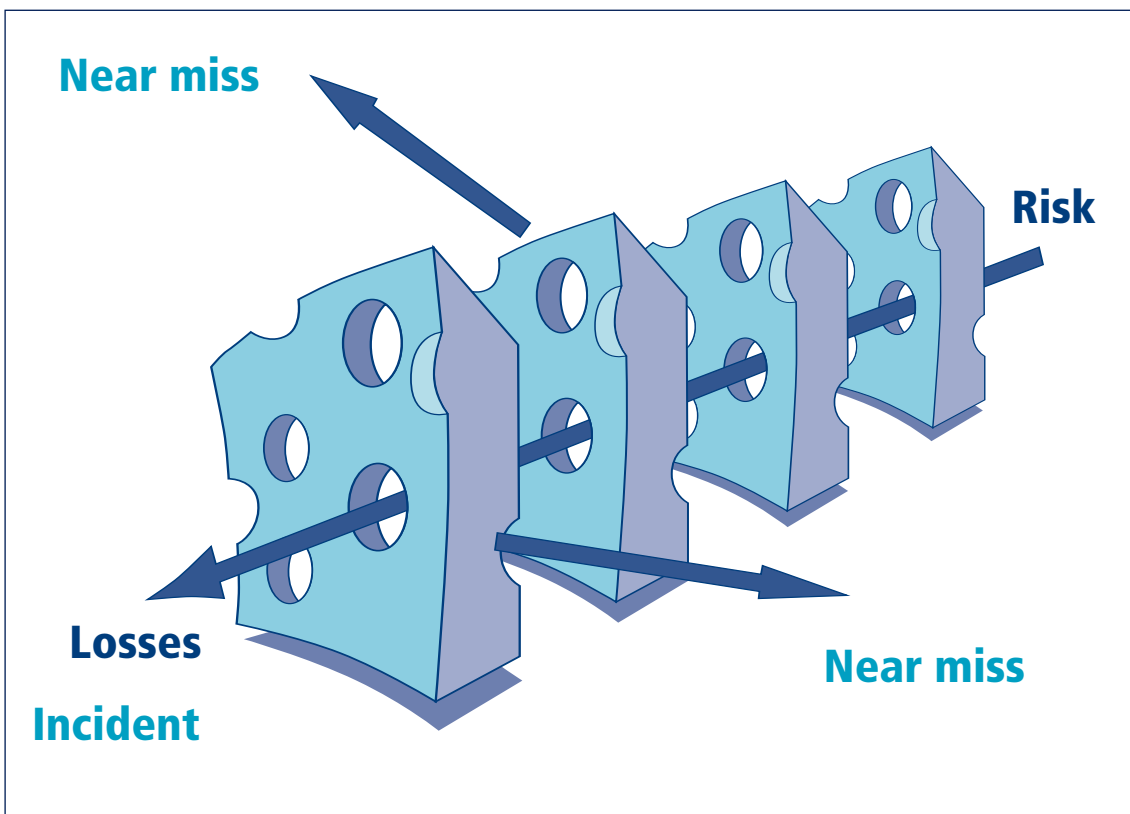
### Prevention measures

**5.3** When risks and deficiencies in the levels of controls are identified, organisations should choose the most appropriate types of controls and they should be applied whenever possible. Controls can be classified in four ways:

- **Detective controls:** those established to spot errors, omissions and fraud after the events have taken place.
- **Directive controls:** those designed to ensure that a particular outcome is achieved.
- **Preventative Controls:** those designed to limit the possibility of an undesirable outcome being realised.
- **Corrective controls:** those designed to correct undesirable outcomes that have been realised.

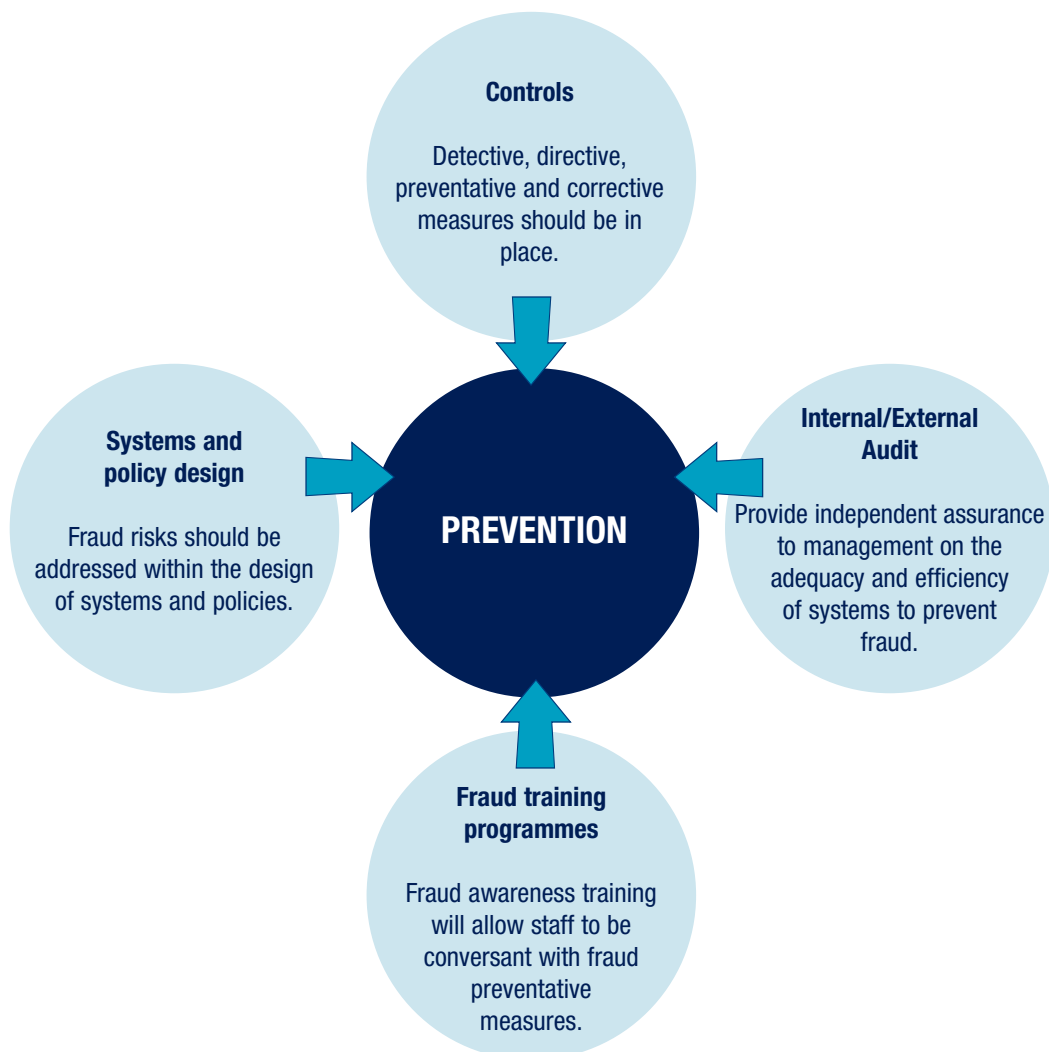
## 5. Prevention

- 5.4 The importance of a robust control environment is demonstrated in the model below. As the diagram illustrates, the absence of the above controls or the existence of defective controls, as represented by the holes in the blocks of cheese, will allow a fraudster to be successful (shown by the straight arrow with the resultant losses). It is therefore critical that a robust preventative control environment is created by a proper alignment of each of the elements within the process to prevent fraud from occurring.



## 5. Prevention

- 5.5 Successful prevention means that where attempts at fraud have not been deterred, systems have prevented them from succeeding. Such preventative effort can consist of actions by those responsible for processes that deliver services within health, personal social services and public safety or by more systematic elements built into these processes. The following diagram indicates the key measures that will help to prevent fraud.



## 5. Prevention

- 5.6** An important demonstration of the development of prevention methods is a continued movement towards sharing good practice through guidance, highlighting lessons learned and by the analysis of frauds that have been attempted or that have occurred and their publication in an annual report by the Department.



## 6. Detection

### Objective:

#### To establish the most effective processes to detect fraud.

- 6.1 Despite our preventative work, there will always be a minority of dishonest people who will be intent on attempting fraud or finding new ways to evade preventative systems. It is not always possible to immediately prevent these attempts from succeeding and it is therefore essential that we are able to detect instances of fraud promptly.
- 6.2 Standardising detection systems within health, personal social services and public safety maximises the ability to identify fraud early. The reporting of information or suspicions about fraud by the public, health professionals and staff is also an important detection element. Knowledge gained from the experience of investigative counter fraud work can assist in identifying where fraud may occur, this in turn enabling detection efforts to be improved and the time lapse between instances of fraud occurring and their being detected reduced to a minimum.
- 6.3 To enable staff to assist in the detection of fraud, they should be aware of the various methods and types of frauds that can occur and potential fraud indicators. Fraud indicators are clues or hints that a closer look should be made at an individual, area or activity and point the way for the possibility of a further detailed investigation.

## 6. Detection

**6.4** A number of frauds can come to light because of suspicions aroused by, for instance, the behaviour of certain individuals. Managers and staff should also be alert to any warning signs that might indicate that fraud is taking place. Some examples of these are:

- Staff under stress without a high workload;
- Reluctance to take leave;
- Unexplained wealth and sudden change of lifestyle.

**6.5** There is a need to ensure that sufficient systems are operating to detect fraud that is occurring, that programmes of training and awareness are considered to heighten staff awareness of ongoing fraud and programmes of proactive work are undertaken to identify and detect fraud that is occurring. Detection processes must discover fraud at the earliest possible stage.

### Normal control procedures

**6.6** Well-designed and cost effective internal controls should identify a majority of actual or attempted frauds. Examples of good internal controls include:-

- Separation of duties to ensure that key functions and controls are not performed by the same member of staff;

## 6. Detection

- Random spot checks by managers;
- A complete and secure audit trail.

### Information from Third Parties

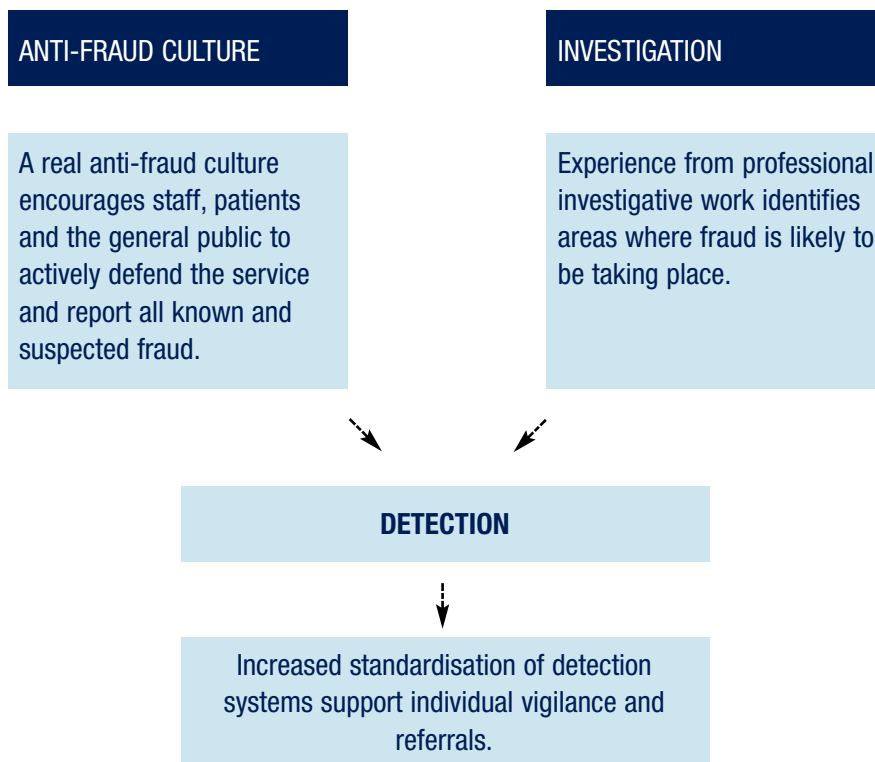
- 6.7** There should be avenues for reporting suspicions of fraud. Staff should be encouraged to report suspicions of fraud either to their line managers, to internal audit or possibly to a hotline set up for the purpose. It is important that staff know where to report their suspicions and that any suspicions of fraud reported in this way are seen to be acted upon by management. The Public Interest Disclosure (Northern Ireland) Order 1998 protects whistleblowers that make responsible disclosures from dismissal and victimisation.
- 6.8** Members of the public should also be encouraged to report their suspicions of fraud through, for example, advertising campaigns, ensuring that avenues for reporting fraud are widely publicised and assuring whistleblowers that any information received will be treated confidentially.

### Investigation and Analysis tools

- 6.9** Frauds can be detected from the use of investigation and analysis tools including data mining and data matching. Data mining is a technique that can be used to identify the relationships and patterns between sets of data within a department's databases which, if

## 6. Detection

identified, may indicate fraudulent activity. Data matching can be used to compare computer records held for different purposes or by different bodies to identify discrepancies and anomalies. Where consideration is being given to use data mining or data matching to detect fraud, we need to be aware of the possible restrictions on the way personal data can be used in fraud detection exercises or fraud investigations under the Data Protection Act 1998.



## 6. Detection

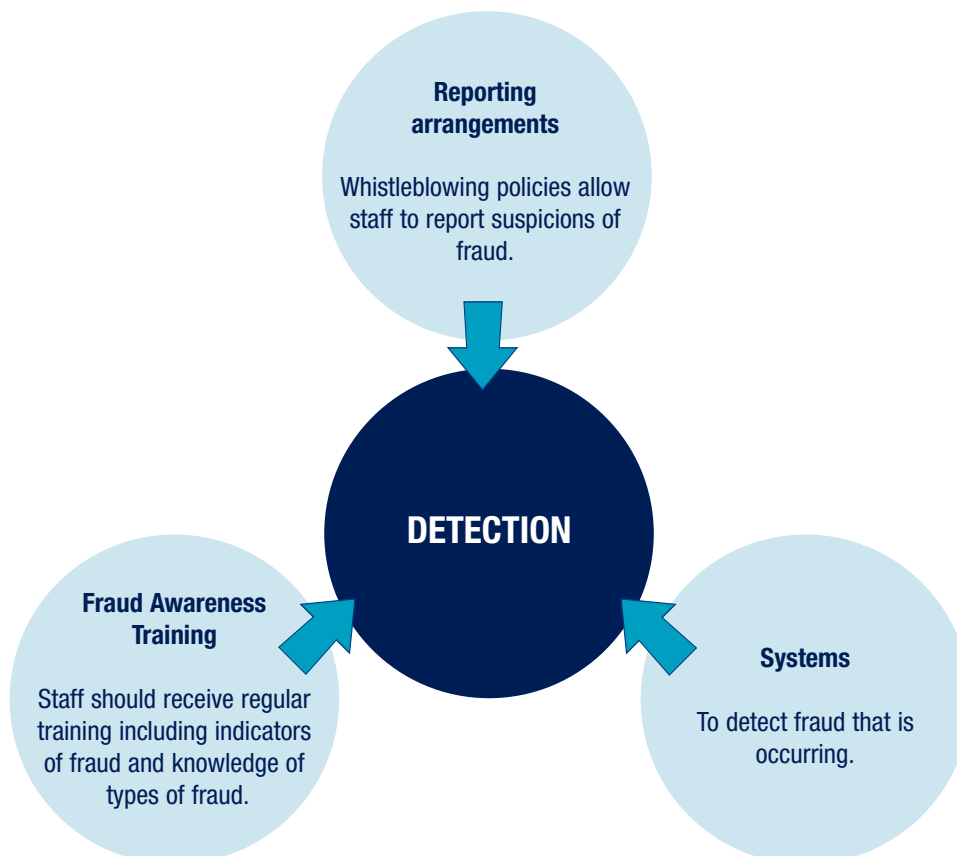
### Detection measures

**6.9** Most frauds are discovered through the normal operation of control procedures and information from third parties. Other ways in which frauds are detected include:-

- Suspicion
- Accident
- Internal/external audit
- Confession
- Staff Changes

## 6. Detection

- 6.10** To help us to be effective in detecting fraud the diagram below gives the measures that **must** be in place. It is important that once a fraud is detected it is reported immediately.



## 7. Investigation

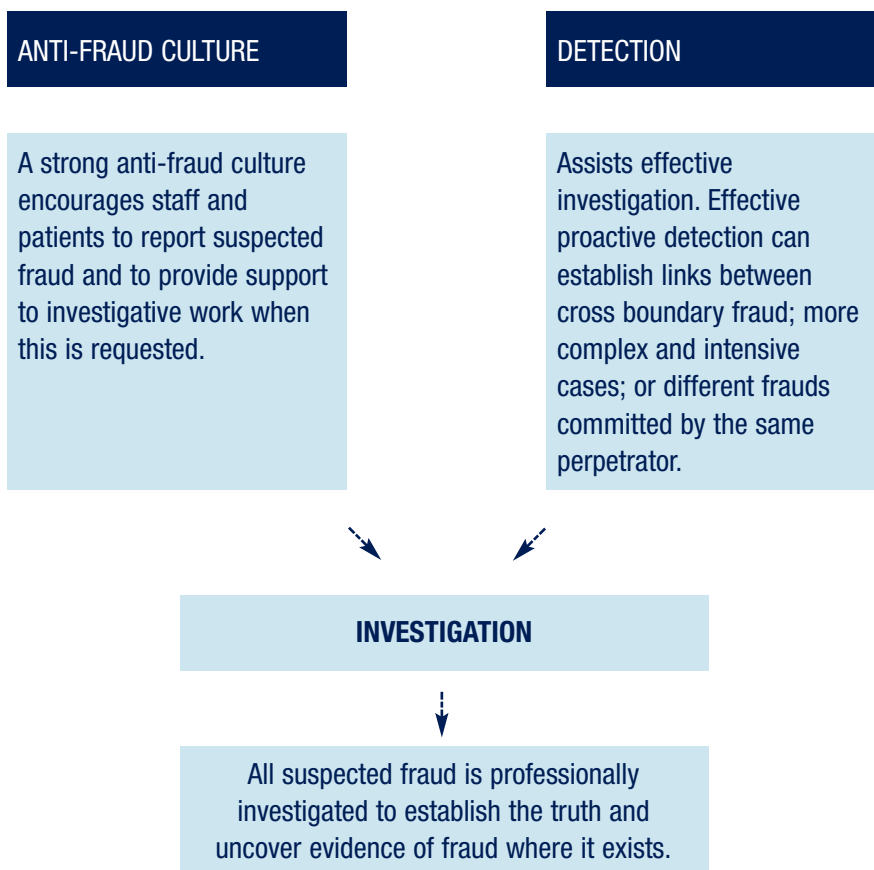
### Objective:

#### **To develop staff with the right skills to enable the professional investigation of any detected fraud.**

- 7.1 Once a fraud is detected, it is essential that it is investigated in the most professional, objective and timely manner possible. Therefore, staff engaged in investigation work need to be trained to the highest and most up to date standards. Investigative work must of course be carried out in compliance with all relevant legislation. Investigative work needs to be properly controlled and managed in order to allow results to be developed so that appropriate sanctions can be applied to those guilty of fraud and to allow financial redress to be sought in respect of losses suffered.
- 7.2 Early use of initial disciplinary action by organisations can remove those perpetrating fraud from the context of their activity, and therefore, minimise the possibility for ongoing losses. If either of these types of activity are delayed pending the development of criminal or civil legal action, there can be a real prospect of continuing damage and losses suffered.
- 7.3 The potential preventative lessons to be gained from investigative experience need to be effectively summarised and acted upon so that systems and controls can be continually improved and developed.

## 7. Investigation

- 7.4** All suspected fraud cases should be referred to the police at the earliest possible juncture. The Police Service of Northern Ireland Fraud Squad, based at Strandtown, Belfast, is available to give advice and/or guidance in cases where fraud is suspected. Where fraud is **confirmed and is of a large or complex nature**, the Fraud Squad is capable of carrying out investigations.





## 7. Investigation

### Investigative measures

**7.5** Counter fraud work is intended to professionally address potential cases of fraud uncovered or referred and to establish the truth of the situation. This means objective examination of the information available and investigation to uncover further information and evidence, where it exists of fraud taking place. Therefore once a fraud is detected, it should be reported immediately to enable prompt investigation. The key measures that will contribute to the effective investigation of fraud are:

- **Sanctions/Redress Policy** - Allows a consistent approach in respect of disciplinary, civil and criminal proceedings and financial recovery.
- **Professionally Trained staff** - Investigations should only be undertaken by trained staff and be compliant with legislation.

## 8. Sanctions

### Objective:

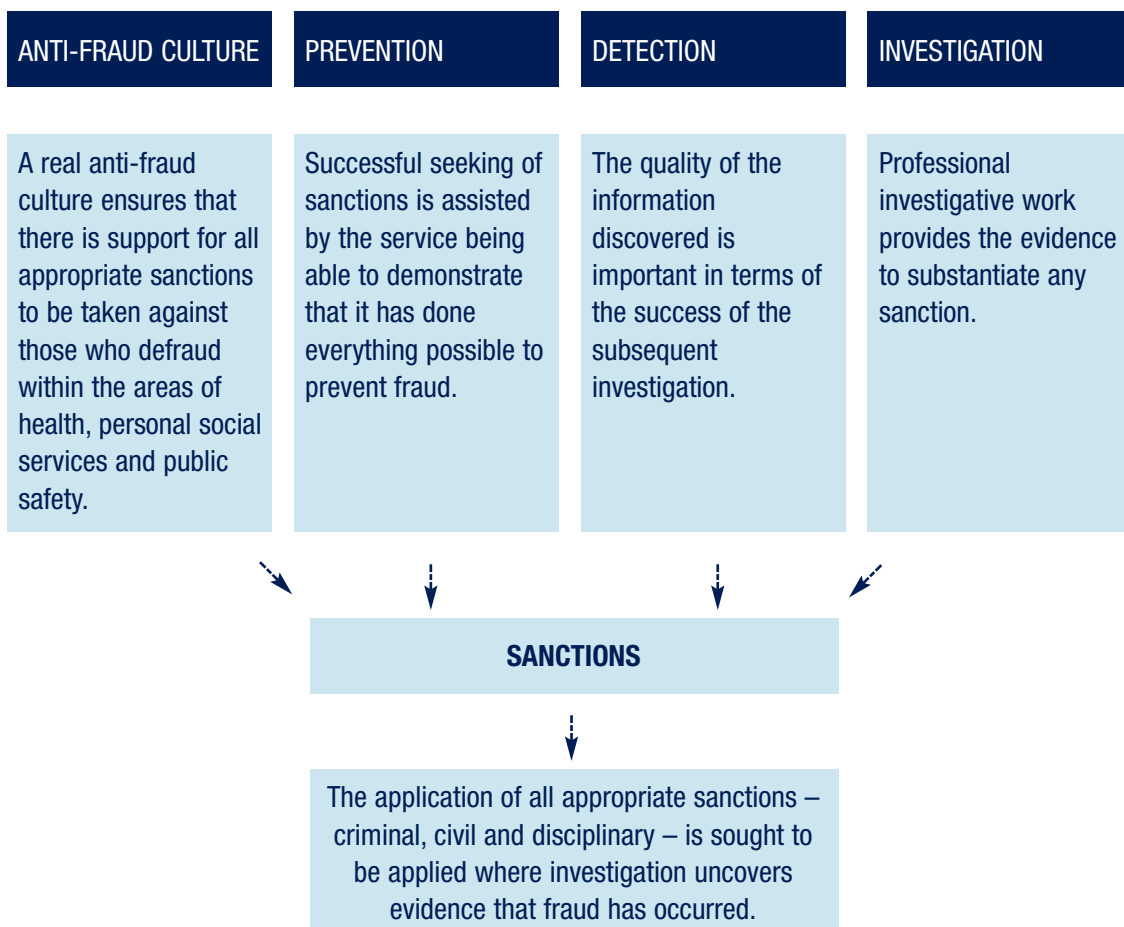
**To take appropriate legal action and apply realistic sanctions for people or organisations where an investigation reveals fraud.**

- 8.1 Outcomes from investigative work are used to apply sanctions imposed on those guilty of fraud. The successful seeking of sanctions following investigation demonstrates a non-tolerance of fraud within the areas of health, personal social services and public safety.
- 8.2 When considering and managing the process of disciplinary, criminal and civil legal proceedings, it is important to ensure that none of these actions compromise the others. No sanctions should be sought until the investigation process is complete and all appropriate evidence has been gathered. This requires the active understanding and co-operation of counter fraud staff, lawyers and human resource managers.
- 8.3 We need to seek to have all appropriate sanctions applied in cases where fraud is proven. In doing so, we need to demonstrate through the evidence gathered by the investigation process, that the sanctions are appropriate and that a consistent approach is taken in respect of different cases. We must also seek to ensure that the levels of sanctions imposed are appropriate to the type and scale of fraud committed.
- 8.4 Effective communication with all agencies, both internal and external, responsible for the application of sanctions is therefore essential.

## 8. Sanctions

Decisions on sanctions to be sought and management of the process thereafter must ensure that, where appropriate, parallel sanctions of different types are able to be applied within the same case.

- 8.5** As well as allowing different, appropriate sanctions to be applied within the same case, it is important that sanctions actions are carried out in the most effective order. It is important that disciplinary action should not be taken independently or before reference to those dealing with other potential sanction routes.



## 8. Sanctions

### Sanctions measures

**8.6** We need to demonstrate that all appropriate sanctions are being sought in cases where fraud is proven. Public, professional and staff support for and approval of the application of sanctions are important elements in demonstrating that this work is being properly and successfully pursued. The different types of sanctions available to us are:

- **Criminal Sanctions** - Applying appropriate penalties/capacity to prosecute.
- **Civil Sanctions** - Procedures in place to recover assets/monies obtained through fraud.
- **Investigation** - Professional evidence is required to ensure that sanctions can be applied.
- **Disciplinary Sanctions** - Procedures in place to deal with professional or employee fraud.
- **Sanctions/Redress Policy** - Allows a consistent approach in respect of disciplinary, civil and criminal proceedings and financial recovery.

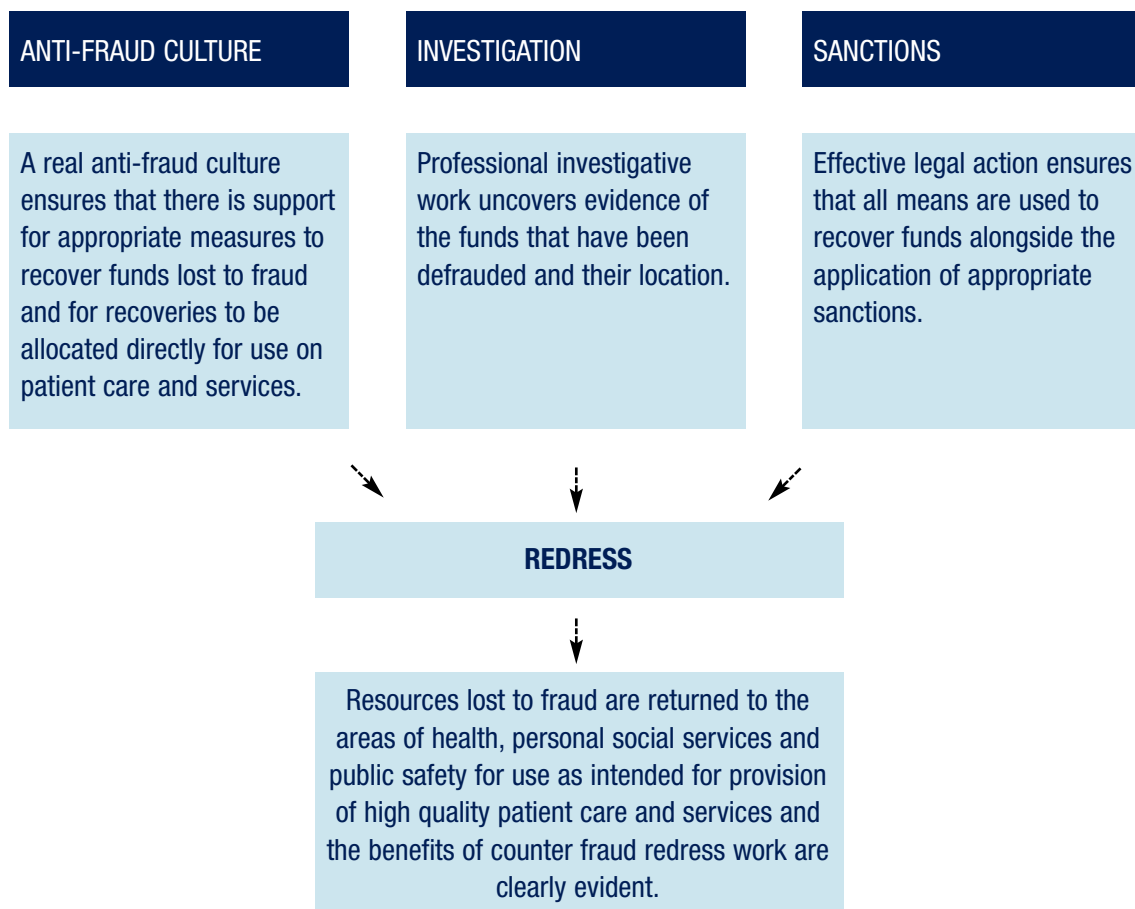
## 9. Redress

### Objective:

**to use all possible means to seek redress in respect of money lost to fraud.**

- 9.1 We should always seek financial redress where this is possible and appropriate. This important element of our work allows us to demonstrate to those within the areas of health, personal social services and public safety and to the public that money provided by the taxpayer is returned for use as was intended.
- 9.2 Effective use of the different routes to achieve financial redress allows us to recover losses. The recovery of such money and its return to the provision of services sends out two clear messages. Firstly, it can be seen that the ultimate aim of counter fraud work is one that supports the delivery of health, personal social services and public safety. Secondly, those guilty of or contemplating fraud can see that there is no benefit to be gained from such activity.

## 9. Redress



### Redress Measures

- 9.3** The recovery of defrauded money should be an essential part of our overall strategy in order to ensure that fraud does not pay whatever the legal outcome of an investigation. Recovery action can be taken through civil and/or criminal action or through the more simple means of internal disciplinary proceedings with warnings that if full recovery is not made then prosecution will follow.

## 9. Redress

### Measures for the recovery of losses

#### Civil Action

9.4 This can be taken to seek the recovery of monies or to protect assets.

#### Criminal Action

9.5 There are a number of ways of recovering monies through the criminal process and applications can be made to the courts for any of the following orders:-

- **Restraint Order** – to prevent the disposal of assets;
- **Confiscation Order** – confiscation of the benefit arising from the offence; and
- **Compensation Order** – compensation paid to the victim of the crime for any loss suffered.

#### The Proceeds of Crime Act 2002 (POCA)

9.6 The powers to deprive criminals of their assets increased substantially as a result of POCA. This Act provided for the establishment of the Assets Recovery Agency to recover wealth accumulated through criminal activity. It also consolidated and strengthened existing criminal confiscation powers, introduced a new

## 9. Redress

power of civil recovery, extended investigation powers and tightened up existing money laundering legislation.

- 9.7** In all cases of loss through fraud, consideration should be given to how best to recover it and in referring cases to the PSNI we must encourage them to seek recovery by the most appropriate means.



## 10. Our approach

**10.1** The Department and its associated bodies are already working on many fronts to counter fraud. We have always taken this risk seriously and have appropriate structures and control mechanisms in place. The following section summarises the main measures which are already in place. Our approach will be to build on existing good practice and extend it to cover all areas within the provision of health, personal social services and public safety.

### Structures in place to counter fraud

**10.2** The following structures are in place to counter fraud:-

- The **Departmental Counter Fraud Sub Committee** is responsible for ensuring that an integrated approach is taken to all counter fraud work within the Department, its associated bodies and the wider HPSS.
- The **Department's Counter Fraud Policy Unit** provides a focal point for counter fraud policy and initiatives throughout the Department and its associated bodies.
- The **Regional Probity and Counter Fraud Steering Group** is a multi-disciplinary group, including representatives from across the HPSS, which identifies policy issues requiring a regional determination. It is supported by a number of sub-groups which deliver the necessary policies.

## 10. Our approach

- The **Counter Fraud Forum**, established by the Department of Finance and Personnel, coordinates the work being done in Departments on tackling fraud and provides a forum for the exchange of information/sharing of experience for mutual benefit.
- The **Audit function (internal and external)** provides independent assurance to management on the adequacy and effectiveness of the internal control systems including that cost effective measures are presently in place to prevent, detect and deter fraud.
- **HSS Boards' Probity Units** - comprise professional staff with the purpose of developing systems verification of payments made to Family Health Service contractors. The work of these Units is monitored by the Boards' Probity Groups, and these Groups report to their respective Boards through their Audit Committees.
- The **Inter- Departmental Group on Organised Crime** chaired by the Head of the NICS, is a sub-group of the Organised Crime Task Force which identifies and takes forward areas of mutual interest and co-operation in matters relating to organised crime.
- **Counter Fraud Unit, Central Services Agency** - investigates cases enabling the successful prosecution of, or withholding of payments to, persons who have defrauded the Department or contravened relevant legislation.

## 11. Conclusion

- 11.1** This document has described the approach we take to our counter fraud work, the different areas of action and how these interrelate. The end goal of all our work will always be systems for the provision of Health and Personal Social Services and Public Safety in which losses to fraud are reduced to and kept at an absolute minimum. This is, of course, our long term objective. We know that our having begun this work does not mean that those who are minded to commit fraud or engage in corrupt activity will be immediately deterred.
- 11.2** The overall programme of our work therefore will take the form of one that is developed and revised in order to address changing current pressures and priorities. As our efforts continue, we always aim to be transparent in describing how we discharge our responsibilities and in accounting for the progress that we make. We are, therefore, working towards a point when losses to fraud within Health and Personal Social Services and Public Safety are reduced to the absolute minimum and recording all our progress as we do.
- 11.3** We all have different roles in countering fraud. Together, we can deal with these important issues and usefully contribute to the improved quality of the patient care and public services that are delivered.

## Appendix A

### Examples of known types of fraud in the UK public service and where indicated within the HPSS

#### Fraud committed by patients

- patients claim exemption from dental and ophthalmic prescription charges when they are not in fact exempt (HPSS).
- a couple falsely claimed £300k over a 2-year period by filling in bogus travel expenses forms;
- patients have falsely stated that they have lost their prescriptions and obtained duplicates.
- patients have falsely registered with a number of doctors and obtained prescriptions from each (HPSS).
- a patient made fraudulent claims of around £800 for travelling expenses (HPSS).

#### Fraud committed by pharmacists

- conspiring with a GP, a pharmacist submitted bogus prescriptions for reimbursement with a value of over £1 million.
- some pharmacists have made significant amounts of money by substituting an expensive drug with a cheaper alternative, but claiming payment for the more expensive one. In other cases, items have been

## Appendix A

added to prescriptions, or the amounts of the drugs prescribed have been altered, so as to increase payments made to the pharmacist.

- fraudulently generating fees for emergency opening, one pharmacist claimed to have been called out over 400 times in one month.
- Pharmacists retrospectively requesting completed prescriptions from GPs in respect of medicines, which they falsely claim to have already dispensed to patients.

### **Fraud committed by dentists**

- a dentist claimed £212,000 over two years by submitting claims for patients who did not exist.
- a dentist made duplicate claims for patients, making slight changes to their names, with a total value of more than £70,000.
- incidents have occurred where dentists have charged patients privately and also submitted claims to the Dental Practice Board.

### **Fraud committed by opticians**

- three opticians claimed falsely to have supplied tinted lenses to patients in order to generate an additional £25,000.

## Appendix A

- the manager of a high street opticians made false claims to boost turnover and avoid closure.
- an optician claimed for eye tests and the supply of glasses to patients who had died.
- an optician consistently claimed that 2 pairs of glasses were issued to a patient (distance and near) but only one pair was actually issued on each occasion.

### Fraud committed by doctors

- a dispensing GP issued bogus prescriptions for residential home patients over several years, with a value of more than £700,000.
- following a doubling of the amount paid for night visits, one GP's claims rose from under 200 visits per year to 500 when the average was only 60 but the additional visits had not been made.
- claims were made relating to 23 patients supposedly living in a one bed roomed flat owned by the GP involved.
- a doctor refused to see his patients at his surgery only to claim £150,000 in night visits fees to visit them at their homes.
- a GP committed fraud of around £185k, involving tax fraud, forgery, using forged documents, false accounting and theft (HPSS).

## Appendix A

### Fraud committed by hospital consultants

- a senior specialist falsified employment agency timesheets while working full time for an authority, generating £46,000 in fraudulent income over five years.
- a consultant recorded private patients as NHS patients in order to avoid making the appropriate payments to the hospital.

### Fraud involving the procurement of drugs or services

- during a period of one year, a store man accepted gifts as payment for placing 40 years worth of orders from a supplier.
- a manager colluded with suppliers to produce invoices for £25,000 worth of goods which were not delivered.
- one investigation revealed £73,000 worth of catering and stationery supplies misappropriated within a health authority.

### Fraud committed by staff

- an investigation at one NHS Trust revealed over £380,000 in claims for duty payments and hours worked, with no evidence that the work had been done.

## Appendix A

- a manager forged the signatures of authorised cheque signatories and submitted a number of false invoices to support reimbursement requests. The estimated value of the fraudulent payments was £34,000.
- a travel claims officer submitted false claims which replicated genuine claims and manipulated BACS payment details to divert the payment into his bank account. The loss totalled £60,000 over four years.
- a member of staff from a Trust committed a fraud of around £2k by withholding cash dockets and associated cash (HPSS).

### Fraud involving patients' income

- a community living scheme manager stole over £12,000 from two disabled patients whose finances he was responsible for managing.
- a nurse persuaded patients with learning disabilities to let him hold their building society books and misappropriated over £9,000.

### Research Fraud

- a senior consultant fraudulently claimed to have performed a pioneering surgery, and computer records were tampered with to falsify results. This type of fraud is important because medical knowledge is developed in part on the published results of previous research work.





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**Notes**



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## Notes



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