



## NHS healthcare fraud

Fraud is defined as 'any person who dishonestly makes a false representation to make a gain for himself or another or dishonestly fails to disclose to another person, information which he is under a legal duty to disclose, or commits fraud as defined in the Fraud Act 2006'.

### What types of fraud can occur within NHS organisations?

Provided below is a non-exhaustive list of the types of fraud that can be committed within NHS organisations by staff, managers, contractors, suppliers and patients:

- Abuse of position – is when someone abuses their professional position in order to seek financial gain or cause a loss to another.
- Invoice scams – can include when fraudsters send a fake invoice or bill to an organisation, requesting payment for goods or services. The invoice or bill might say that the due date for payment has passed.
- Procurement fraud – is when an organisation purchase goods and services from third parties. This type of fraud can happen when the tender process has not been followed, so that fraud can be committed. It may also be that the goods or services are not provided.
- Payroll fraud – payments made to fictitious employees or fraudulent manipulation of payment; false or inflated travel, expense claims, overtime or unsocial hours claims, timesheet fraud claiming for hours that have not been worked or submitting duplicate timesheets.
- Timesheet fraud – is when an employee submits timesheets containing claims for hours that they have not worked.
- Working whilst off sick – working for another employer whilst in receipt of sick pay from the NHS organisation; this can include voluntary and bank staff work.
- Expenses fraud – when an employee submits expenses that have been exaggerated or that have not been incurred.


### What should I do if I suspect a fraud is occurring within the NHS/ how do I report a fraud?

#### You should:

- report your concerns to the Local Counter Fraud Specialist. Alternatively, report your concerns to Director of Finance/ Chief Financial officer or to the NHS Fraud and Corruption Reporting Line on 0800 028 40 60 as soon as possible. Any delay may cause the organisation to suffer further loss;
- make a note of your concerns;
- note all relevant details regarding your suspicion i.e. what was said; significant dates and times; the names of all parties you suspect are involved;
- if possible, retain copies of all relevant supporting documentation i.e. anything that aroused your suspicions and supports your allegation.

#### You should not:

- confront the individual(s) directly;
- try to investigate the matter yourself;
- contact the police directly;
- undertake your own surveillance;
- convey your own suspicions to anyone else other than those who have the appropriate authority to investigate;
- do nothing.



If you are unsure about your suspicions or concerns please talk to your Local Counter Fraud Specialist (LCFS) as soon as possible. Your LCFS will be able to provide you with appropriate advice guidance and guidance with any issues relating to fraud or bribery. It is important to remember that your concerns maybe important to prevent on-going fraud being committed against the organisation and prevent funds being diverted away from patient care.

### How am I protected if I report a fraud?

Your LCFS and organisation are committed to the confidentiality of any information reported in relation to a potential offence of fraud and therefore the information will remain in confidence.

For more information on how your organisation will support those who report suspicions of fraud please refer to the organisation's Anti-Fraud and Whistleblowing policies.

### What is the role of the LCFS?

NHS organisations are required to appoint and nominate an LCFS. The role of the LCFS is to ensure that all cases of actual or suspected fraud are notified to the Director of Finance/ Chief Financial Officer and reported accordingly. The LCFS will regularly report to the Director of Finance/ Chief Financial Officer on the progress of the investigation and when/ if referral to the police is required. The investigation of the majority of alleged fraud within the organisation will be the responsibility of the LCFS.

In addition, the LCFS is required to promote awareness of NHS fraud, prevent its occurrence and deal with allegations of fraud appropriately within the NHS.

### What could happen to me if I commit fraud?

In liaison with the Director of Finance/ Chief Financial Officer, Human Resources Department, NHS Counter Fraud Authority and LCFS, the organisation will consider the following sanctions where the initial allegation has been substantiated:

- **Criminal** – a criminal sanction is pursued where evidence of offences has been obtained. A criminal sanction may include imprisonment.
- **Civil** – it may be decided that civil redress is the most appropriate course of action. It is then the responsibility of the organisation to use the civil law to recover any losses; this may include recovery of an employee's NHS pension contributions.
- **Disciplinary** – the organisation may undertake a separate investigation alongside the criminal investigation but will be run independently. Disciplinary action is a matter for the organisation to decide following investigation, disciplinary action may include dismissal. Please refer to your organisation's Disciplinary Policy).
- **Regulatory** – the subject may be referred to their professional health body for further investigation. Action may include the subject being struck off the register for their regulatory body.

If you would like any further advice please contact your LCFS.

rsmuk.com

The UK group of companies and LLPs trading as RSM is a member of the RSM network. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm each of which practises in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction. The RSM network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 50 Cannon Street, London EC4N 6JJ. The brand and trademark RSM and other intellectual property rights used by members of the network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

RSM Corporate Finance LLP, RSM Restructuring Advisory LLP, RSM Risk Assurance Services LLP, RSM Tax and Advisory Services LLP, RSM UK Audit LLP, RSM UK Consulting LLP, RSM Employer Services Limited, RSM Northern Ireland (UK) Limited and RSM UK Tax and Accounting Limited are not authorised under the Financial Services and Markets Act 2000 but we are able in certain circumstances to offer a limited range of investment services because we are members of the Institute of Chartered Accountants in England and Wales. We can provide these investment services if they are an incidental part of the professional services we have been engaged to provide. RSM Legal LLP is authorised and regulated by the Solicitors Regulation Authority, reference number 626317, to undertake reserved and non-reserved legal activities. It is not authorised under the Financial Services and Markets Act 2000 but is able in certain circumstances to offer a limited range of investment services because it is authorised and regulated by the Solicitors Regulation Authority and may provide investment services if they are an incidental part of the professional services that it has been engaged to provide. Baker Tilly Creditor Services LLP is authorised and regulated by the Financial Conduct Authority for credit-related regulated activities. RSM & Co (UK) Limited is authorised and regulated by the Financial Conduct Authority to conduct a range of investment business activities. Whilst every effort has been made to ensure accuracy, information contained in this communication may not be comprehensive and recipients should not act upon it without seeking professional advice.