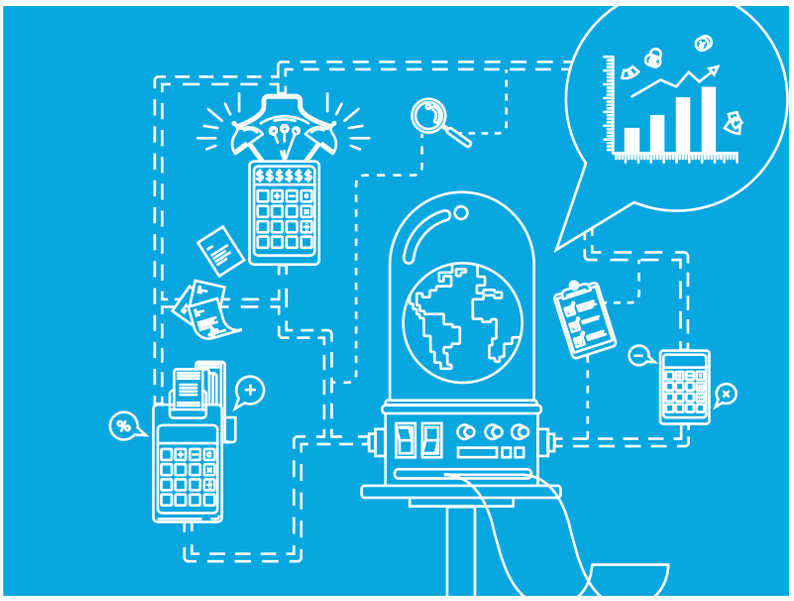
Notice Fraud
June 2018



This edition of Notice Fraud is designed to bring recent cases, emerging risks and scams to your attention to help you recognise the signs of fraud in the NHS.

Invoice fraud
Invoice fraud is closely linked to procurement fraud, as it includes any fraud in which steps were deliberately taken by the supplier to mislead a health body, with a view to obtaining payments that were not properly due. There are several types of invoice-related fraud, most commonly: suppliers submitting multiple invoices for the same work; suppliers over-billing for work; or employees creating 'dummy firms.'

Invoice fraud also includes 'change of bank account scams.' This occurs when a request is made by someone purporting to be from a supplier to the organisation. The request usually involves changing the details of a direct debit, standing order or bank transfer mandate.

Invoice fraud is not new and remains relatively simple. Prevention is key. The first line of defence for any organisation is their staff. Those with responsibility for paying or authorising invoices need to be aware of risks and the indicators of invoice fraud.

Preventing and detecting invoice fraud

- Staff are the first line of defence. Staff with responsibility for paying or authorising invoices, or for supervising these processes, should be aware of the risk of invoicing fraud.
- Check the details on the invoice eg invoice date, logos, supplier details or misspellings. If it is a regular supplier, check the information against the details you already hold.
- Match purchase orders / booking confirmations against invoices. Do they match with what was agreed? Are there any hidden charges?
- Check for changes in regular invoices. For example, the amount or the number of invoices received.
- Check for duplicates.

Locksmith used his position to defraud an NHS trust out of £600K

A locksmith at an NHS trust who was responsible for purchasing locksmith materials failed to declare he owned the company supplying the materials. He supplied the trust for six years and marked up some prices by up to 1,200 per cent.

The locksmith was jailed for six years. The NHS Counter Fraud Authority is pursing recovery of the money defrauded.

'Inspirational leader of the year' defrauds the NHS

NHS England's former national lead for equality and former chief executive of an NHS trust authorised a £11,072 payment to her husband's graphic design business to produce a newsletter and a document about leadership for NHS chief executive officers.

The investigation identified that the leadership document was a scam containing other people's work cut and pasted from the internet, included empty pages, and was only produced after the investigation had commenced.

The former chief executive was stripped of her CBE in December 2017. She was given a 16-month prison sentence, suspended for two years and must do 250 hours of unpaid work. Her husband was jailed for 10 months, suspended for two years, and ordered to do 150 hours of unpaid work.

Both must repay £11,072 under the Proceeds of Crime Act.

New NHS England counter fraud team
NHS England has a new dedicated in-house Counter Fraud Team. The central team is based in Leeds and there are four regional teams located at NHS England local offices across the country.

The primary purpose of the team is to respond to and investigate allegations of fraud; the majority of NHS England fraud investigations relate to primary care.

If you have a specific concern of fraud and not sure whether it should be referred to NHS England, please speak to your own counter fraud specialist in the first instance.

Switchboard calls
We have become aware of a scam where calls are made to the switchboard claiming to be from staff members. The caller asks to be transferred to an external number which starts with 090 and incurs a significant charge per minute.

Organisations are advised to update their switchboard staff that calls must not be transferred to external numbers, and ensure that 090 calls are restricted on the network.

Current email scams
Email scams, also called phishing scams, are becoming increasingly common as fraudsters come up with new ways to try and trick you into clicking on a link or stealing personal information. We have listed below the current scams that you should be aware of.

Remember, if you are in any doubt about the origin of an email, do not open it.

Extortion phishing
Extortion phishing is the term used for obtaining something, usually money, through force or threats via email.

A client reported receiving several emails over a weekend. The emails suggest that the recipient has been recorded through their webcam whilst watching adult websites. The sender threatens to circulate the recording to the recipients' friends if a payment is not made within a set timeframe. The payment is requested in bitcoin.

As the email was sent through various sources the client was unable to create a simple block of the sender. Instead, they had to use a keyword filter to generate a block.

NHS.net
Several NHS.net users have reported receiving an email with the subject 'suspicious url: urgent.' The email suggests that it is an NHS email update programme and the user must click on the link to update their email account. Do not click on the link and delete the email.

Emails are being sent to NHS.net accounts purporting to be from the DVLA. The email suggests that the recipient is eligible for a vehicle tax refund due to an overpayment. The DVLA said in a message on Twitter: 'We are aware of an email/text scam that asks drivers to verify their driving license and vehicle tax details via an online link... As it isn't from DVLA, please delete it and don't enter any of your details.'

Reporting concerns
If you have suspicions that fraud may be occurring or wish to receive further information about any of the above, please contact your Local Counter Fraud Specialist (LCFS).

Alternatively, you can report any concerns to the NHSCFA on 0800 028 40 60 (between 8am and 5pm, Monday to Friday) or via the online reporting form: www.cfa.nhs.uk/reportfraud. All information provided via this secure website is completely confidential.

It is the LCFS' role to take every allegation of fraud or bribery seriously and to provide anonymity and confidentiality for anyone who reports a concern. It is recommended that you refer to your organisation's policy on fraud when reporting allegations for further information on how you are protected.

When making a referral please provide as much information as possible, for example:

- the name of the person who you believe has committed a fraud;
- when and where the fraud has taken place;
- how long the fraud has been going on; and
- any details you have to substantiate your suspicion.