

Yorkshire and the Humber
Strategic Health Authority

BOARD MEETING



Yorkshire and the Humber

Date: 5 May 2009

**Report Author: Richard Powell,
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Title of paper: Local Counter Fraud and Corruption Policy

Actions Requested:

The Board is asked to formally approve and adopt the Local Counter Fraud and Corruption Policy.

Governance Requirements

SHA Objectives supported by this paper: Effective HQ

Risk Management:

5.1 – Failure to ensure that the SHA, as an employer, and all its staff act in accordance with relevant legislation, statutory duties and uphold the highest standards of probity and governance.

Board Assurances:

- The Local Counter Fraud and Corruption Policy has been updated in line with the new national template issued by the Counter Fraud and Security Management Service (CFSMS).
- The Policy has been considered and approved by the SHA's Audit Committee.

Risk Assessment:

- The Policy has been 'risk assessed' by the SHA's Local Counter Fraud Specialist.

Communication (including public and patient involvement):

Once approved and adopted by the Board, the Policy will be brought to the attention of all staff and made available on the SHA's website.

Resource Implications:

There are no additional resource implications.

Legal Implications:

The new national template meets any appropriate legal requirements.

Equality and Diversity:

Not applicable.

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Local Counter Fraud and Corruption Policy

Background

The SHA is required to have a Fraud Policy that clearly sets out its approach to supporting the NHS in reducing fraud and that also puts in place a framework for countering fraud in its own organisation. The policy is required to clearly set out goals in relation to fraud, roles and responsibilities and information on what staff and managers should do in the event of a fraud concern coming to light. The Fraud Policy also needs to sit alongside the SHA's Voicing Your Concerns (Whistleblowing) arrangements so that they support and complement each other.

Current Position

To date, each organisation has been required to develop its own local policy. However, the Counter Fraud and Security Management Service (CFSMS) has now issued a national template that assists organisations in putting in place a comprehensive policy that meets all statutory and CFSMS requirements. It also creates a clear framework in which fraud work can be undertaken at the SHA.

Although the SHA's existing policy covers many of the areas included in the new generic template, the new template does set out a more comprehensive framework and will help the SHA to ensure that it is not contradicting any national guidance. The areas where improvements have been made are as follows:

- The new policy clearly sets out the SHA's aim to reduce fraud and corruption to a minimum in line with the national fraud strategy.
- Provides more detailed information on the provisions of the Fraud Act 2006 and definitions of fraud and corruption
- Is structured around the seven aims of the national strategy that the SHA is required to deliver against locally. This mirrors the annual fraud workplan.
- Provides greater detail on the roles and responsibilities of the SHA, employees, managers, the Local Counter Fraud Specialist (LCFS), the Director of Finance, Audit and Human Resources (HR). The latter in particular supports a local protocol in place between the LCFS and HR.
- Requires managers to bring fraud reporting arrangements to the attention of staff as part of the local induction process
- A detailed response plan on how fraud should be reported and how it will be dealt with.
- A desktop guide for all employees to use.

In line with the SHA's current policy, the template has been amended to include guidance to employees on how to deal with issues that come to their attention as part of their roles in the wider health economy of Yorkshire and the Humber.

The new policy will assist the SHA in demonstrating to the CFSMS in the annual Compound Indicator Assessment process that it has put effective and appropriate arrangements in place to counter fraud.

Recommendation

The Board is asked to approve the Local Counter Fraud and Corruption Policy.

Rob Cooper
Deputy Chief Executive / Director of Finance and Investment
May 2009