

Subject: Investigatory Powers Act

From: nhsprotect **Date:** 03/01/2017 09:41

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Lee,

The NHS Business Services Authority (NHS Protect) is a named authority under Schedule 7, part 4 of the Investigatory Powers Act and has the authority to obtain communications data for the purpose of investigating and detecting fraud within the National Health Service.

Crime against the NHS is at the expense of taxpayers and patients. Examples of fraud and case studies can be found here:

http://www.nhsbsa.nhs.uk/Documents/CounterFraud/Annual_Report2015-16.pdf Backup

http://www.nhsbsa.nhs.uk/Documents/NHSBSAAnnualReports/NHS_Protect_annual_report_2014-15.pdf Backup

The regulated use of the Investigatory Powers Act is fundamental in preventing and detecting NHS fraud.

Regards,

NHS Protect.

www.nhsprotect.nhs.uk



Report NHS fraud online at www.reportnhsfraud.nhs.uk

NHS Protect is the operating name of the NHS Counter Fraud and Security Management Service which is provided by the NHS Business Services Authority.

Annual report 2015-16

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Foreword



I am pleased to introduce this annual report, which describes NHS Protect's work and achievements during 2015-16.

Throughout the year a review of our organisation was undertaken. The outcome of the review, which ended in January 2016, was a greater emphasis on local accountability for NHS anti-crime work. The review confirmed NHS Protect's role in providing central anti-crime expertise and functions for the NHS and the wider health group.

The review will lead to changes in our operating model, and during 2016-17 our focus is on developing and implementing those changes. In the meantime we have refreshed our mission, vision and purpose.

You can read more about all of this in the introduction, and I hope you will also take some time to read about our achievements during 2015-16 in the rest of the report.

Several high-profile fraud investigations by NHS Protect reached their conclusion during the year, receiving excellent media coverage and leading to significant financial recoveries. These cases highlight that we will vigorously pursue those who

defraud the NHS and seek the strongest possible sanctions, so that public money is not diverted from patient care.

In summer 2015 we launched a new online fraud reporting tool, providing more features and a better user experience. As a result, online reports of fraud increased by nearly 50% and the quality of information provided to us improved significantly.

We also worked to produce new or updated information and guidance in relation to our key priorities for the year, from optical fraud to employment agency fraud, from theft to violence against NHS staff. Together with the police we developed guidance on the Community Safety Accreditation Scheme. The scheme empowers NHS organisations to deal more effectively with anti-social behaviour in partnership with their local police force and we will continue to support its implementation as a priority in 2016-17.

In 2015-16 we continued to deliver a valued anti-crime service to the NHS at a time of significant change. In addition to the review of our organisation, the government's comprehensive spending review set the context for the financial savings to be made as we develop and deliver our work over the next few years.

I look forward to working with our staff and our stakeholders as NHS Protect continues to evolve to fulfil its mission: to lead the fight against crime affecting the NHS and the wider health group, protecting vital resources intended for patient care.

Susan Frith
Managing Director

1. Introduction

NHS Protect leads on work to protect NHS staff and resources from crime.

We deal with a wide range of issues, including violence against NHS staff, theft of NHS property and economic crime (i.e. fraud, bribery and corruption) affecting NHS resources. This report presents our work in 2015-16.

Who we are

NHS Protect is part of the NHS Business Services Authority (NHSBSA), an arm's-length body of the Department of Health (DH) and works to a memorandum of understanding with the NHSBSA and DH.

Our remit covers England and Wales for economic crime, and only England for all other issues.

Strategic goals and key priorities in 2015-16

NHS Protect's strategic goals in 2015-16 were as follows:

- We will prioritise our work and target crime which undermines the capacity of the NHS to deliver health care to patients.
- We will build our crime intelligence capacity and provide high quality analysis of crime risks and trends for the NHS, Department of Health Anti-Fraud Unit and the wider Health Group.
- We will use our specialist knowledge and services so that targeted action to tackle crime across the health sector can be implemented.
- We will focus our resources and deliver

From 1 February 2016, NHS Protect has become a 'prescribed person' under the Public Interest Disclosure Act 1998 (PIDA), which provides the statutory framework for protecting workers from harm if they blow the whistle on their employer. Under PIDA, whistleblowers may tell the relevant prescribed person about suspected wrongdoing they believe may have occurred, including crimes and regulatory breaches. A worker reporting to a prescribed person will potentially qualify for the same employment rights as if they had made a disclosure to their employer.

improvements to our range of crime prevention, deterrence and support services, so that local crime risks in the NHS can be identified, prioritised and targeted effectively.

- We will review and deliver cost effective improvements, using technology to improve service delivery.
- We will provide anti-crime standards and assessment services that NHS bodies will





use to ensure that local action to identify and tackle crime is effective.

- Where serious, complex or high value fraud or corruption is identified and money lost to the NHS, we will investigate fully those allegations, seek to recover losses and pursue all possible and appropriate sanctions against offenders.

Please see **Chapter 4** below for more information on the strategic goals and our work towards each of them in 2015-16.

Our strategic priority areas for 2015-16 were:

- Agency fraud
- Optical fraud
- Theft of NHS property
- Violence against NHS staff

You can find more details on our work under each of these areas in **Chapter 3** below.

Review of NHS Protect

During 2015-16 a review of the functions and services of NHS Protect was undertaken.

The review concluded that the primary responsibility for all local anti-crime work should remain with the boards of local NHS organisations. It also highlighted the continued need for a single expert intelligence-led organisation – NHS Protect – to provide centralised investigation capacity for complex crime matters and to have oversight of and monitor anti-crime work across the NHS.

According to the review, NHS Protect's support work, such as anti-crime specialist training and local support services, has been successful. However, NHS Protect should no longer provide these services as boards of local NHS organisations should now have the knowledge

and capacity required to deal with the crime threats they face.

As a result, the review concluded that NHS Protect's service delivery model should change from direct operational support to standard setting, bench marking and assurance which will enable local corrective action.

Mission, vision and purpose

In line with the outcomes of the review, a clear strategic framework was set out for NHS Protect. This is encapsulated in the organisation's mission, vision and purpose:

Our mission

To lead the fight against crime affecting the NHS and the wider health group, protecting vital resources intended for patient care.

Our vision

Our vision is for an NHS which can protect its valuable resources from crime.

Our purpose

We will lead the NHS in protecting its resources by using intelligence to investigate serious and complex economic crime, reduce the impact of crime and drive improvements.

Our work in 2016-17

The organisation's priorities for 2016-17 (see **chapter 3** below) reflect the need to deliver the remit and strategic direction set out by the review. They therefore focus on the planning and development of key areas of activity rather than on specific crime risks. Work to address priority crime risks will continue but it will be considered business as usual.

For more information on NHS Protect's planned work in 2016-17, please see our **2016-17 business plan**.



2. Facts and figures at a glance

Here is a selection of facts and figures on NHS anti-crime work. This information covers both the work undertaken by NHS Protect at a national level and work undertaken locally.

Unless otherwise stated, all figures refer to the 2015-16 financial year¹.

- Our Area Anti-Fraud Specialists (AAFSs) had around 1650 meetings with Directors of Finance, Local Counter Fraud Specialists, audit committees and other stakeholders to discuss issues relating to economic crime. AAFSs also authorised investigations into 900 cases and conducted reviews into ongoing cases and allegations of fraud on more than 10,800 occasions. In total AAFS had over 32,000 contacts with stakeholders and anti-fraud partners.
- Over 5,000 reports relating to potential fraud and corruption were received by NHS Protect.
- The total value of fraud, bribery and corruption identified by NHS Protect and LCFSS following the successful conclusion of investigations in 2015/16 was £6.5 million.
- 9 criminal prosecutions were successfully carried out following NHS Protect investigations into the most serious and complex cases of fraud, bribery and corruption. LCFSS obtained 73 criminal sanctions².
- Following successful investigations into fraud, bribery and corruption, 258 civil, disciplinary and other internal

sanctions were applied by NHS Protect, other NHS organisations and professional bodies.

- As of 31 March 2016, NHS Protect was investigating allegations of fraud, bribery and corruption with a potential value in excess of £25 million.
- NHS Protect's financial investigators continued to use Proceeds of Crime Act 2002 powers to recover funds lost to fraud. Their work resulted in over £2 million being restrained and over £2.4 million being confiscated as at 31 March 2016.
- The Forensic Computing Unit assisted in the investigation of 30 cases. This involved the acquisition and analysis of data from 324 digital items using specialist forensic and eDiscovery software. If this work had been outsourced to external providers the



¹ Some figures have been rounded for clarity.



additional cost to NHS Protect would have been over £4 million.

- **1,679 criminal sanctions were applied following cases of assault against NHS staff in 2014-15 (the last period for which figures are available).**
- **NHS Protect offers free paralegal advice to health bodies on issues relating to the security of NHS staff and property. We dealt with 108 requests for advice.**
- **Our Area Security Management Specialists (ASMSs) held nearly 1,400 meetings with Security Management Directors, Local Security Management Specialists, the Crown Prosecution Service and other stakeholders. ASMS arrange these meetings to discuss specific security management breaches and broader anti-crime issues. In all over 29,500 contacts were made with stakeholders.**
- **We agreed three new memorandums of understanding aligning us to stakeholders in pursuit of our aims.**
- **Media coverage of NHS Protect led to over 34 million opportunities to see our anti-crime message, providing an effective deterrent for those who may commit crimes against the NHS.**
- **416 media articles were published on the successful anti-crime work of NHS Protect.**
- **NHS Protect delivered university-accredited foundation level training and key skills development training to 266 anti-crime specialists operating across the NHS. This training was provided at low cost or free of charge. 35% of the foundation level training was delivered through blended e-learning platforms.**

² Sanctions reported relate to criminal sanctions imposed. In NHS Protect cases the sanctions relate to ongoing cases where further action may be required. For LCFS cases, sanctions reported are for fully completed cases.



3. Key priorities for the year

Here you can find details of our work in the four strategic priority areas we identified for 2015-16: agency fraud, optical fraud, theft of NHS property and violence against NHS staff.

3.1 Work on our 2015-16 priorities

The key achievements of our work on 2015-16 strategic priorities are listed below.

Agency fraud

- We produced an aide-memoire for DH and NHS Improvement on anti-fraud safeguards in the provision of agency staff. This followed extensive engagement with those organisations as well as with NHS England and regional procurement hubs.
- We developed guidance for NHS providers and commissioners, as well as employment agencies, on pre-employment checks and invoicing for agency staff with a view to reducing fraud in these areas. The guidance will be published in Q2 2016-17.
- We produced a 'first stage enquiries' document for NHS fraud investigators on agency fraud cases. This will be published alongside the guidance.
- We have produced content on agency fraud that will feature in an NHS Employers online tool for NHS managers.

Optical fraud

- We provided fraud-proofing advice to NHS England for the latest version of their 'Eye health policy book', which

was published in January 2016 (this is available at <https://www.england.nhs.uk/eye-health/>). Our input focused on ensuring that proper checks are carried out on the qualifications and status declared by eye health practitioners.

- We developed a toolkit to provide NHS fraud investigators with guidance on dealing with allegations of optical fraud. This will be published in 2016-17.
- We produced an e-learning package on optical fraud for all staff in the eye health sector. This will be released and made available on the General Optical Council website in Q2 2016-17.
- We commenced a loss analysis exercise to evaluate the nature and scale of fraud losses within General Ophthalmic Services in both England and Wales. The result of this activity will be concluded within Q3 2016-17.





Theft of NHS property

- We carried out an in-depth study of the problem of theft and loss of NHS property and assets. The findings show that while NHS organisations are equipped to deal with the problem, the resources in place are under-utilised and not enough is done to enforce existing policies and procedures for the management of assets.
- We identified recommendations on further work NHS Protect should do to improve its knowledge of asset theft and loss of assets from criminal activity. The aim is also to improve the NHS response to this issue.
- Recommendations cover issues such as: expanding the use of NHS Protect's Security Incident Reporting System (SIRS) in relation to theft data; updating existing guidance and developing additional material on portable equipment; increasing staff awareness; and reviewing NHS Protect's security management standards and quality assurance process.

Violence against NHS staff

- We produced a 5-year analysis of data from NHS Protect's Security Incident Reporting System (SIRS) on physical assaults against NHS staff, to provide a better understanding of the issue; this was shared with NHS organisations through SIRS. A report focusing specifically on the ambulance sector was also produced.
- We carried out evaluation of NHS Protect's 'Meeting needs and reducing distress' guidance on challenging behaviour. The results will feed into NHS Protect's 2016-17 work on violence

against staff.

- We developed revised guidance on conflict resolution training, taking into account current practices and legal requirements. This will be finalised in 2016-17.

3.2 Our priorities in 2016-17

Following the review of NHS Protect (please see the Introduction above), in the 2016-17 financial year we will focus on developing the services we have been tasked with providing. Our organisational priorities will therefore be as follows:

- Development of transitional arrangements for service delivery
- Development of intelligence services for the DH AFU, the NHS and the wider health group
- Development of NHS Protect's improvement services
- Developments of NHS Protect's compliance process
- Rollout and implementation of guidance for the NHS on the Community Safety Accreditation Scheme

More information on planned work in these areas is available in our [2016-17 business plan](#).



4. Our strategic aims: Update on work in 2015-16

This section provides examples of some of the work we have undertaken in 2015-16 to deliver against our strategic goals³.



4.1 Targeting crime

Strategic goal: We will prioritise our work and target crime which undermines the capacity of the NHS to deliver health care to patients.

- Over **5,000** reports relating to potential fraud, bribery or corruption were received and assessed by NHS Protect.
- **714** intelligence reports were developed and disseminated for local or national investigations into fraud, bribery or corruption.
- We delivered a wide range of work to form a better understanding of priority areas of crime risk and to develop guidance and other resources to help the NHS tackle crime in those areas (please see **chapter 3** for more details).



4.2 Intelligence

Strategic goal: We will build our crime intelligence capacity and provide high quality analysis of crime risks and trends for the NHS, Department of Health and the wider Health Group.

- A Strategic Intelligence Assessment for 2015-16 was completed, providing an improved assessment of the fraud risks facing the NHS and the wider health group.
- We signed memorandums of understanding (MoUs) with the Care Quality Commission, the Health Insurance Counter Fraud Group and HM Revenue and Customs to facilitate information sharing and cooperation in pursuing shared aims.
- We completed a comprehensive survey of lone worker protection in the NHS and analysed the data for trends. This enabled us to develop a detailed understanding of the range of lone worker protection systems in use in the NHS and the staff and organisations who use them.

³ Some figures in this section have been rounded for clarity.



4.3 Specialist knowledge

Strategic goal: We will use our specialist knowledge and services so that targeted action to tackle crime across the Health Sector can be implemented.

- **27** security management alerts were issued, relating to individuals posing a potential threat to NHS staff. Alerts were also issued on preventative action to be taken on specific crime risks, particularly the theft of gas cylinders from NHS premises.
- NHS Protect's Area Anti Fraud Specialists advised LCFSSs on the conduct and progress of investigations on over **10,800** occasions.
- The Lone Worker Framework Agreement was extended for a year, until April 2017. The framework, which provides a complete end-to-end solution for lone worker protection, is used by over **30,000** subscribers in **450** organisations in England.
- University-accredited training and key skills development training was delivered by NHS Protect to **266** LCFSSs and LSMSSs working for NHS health bodies.
- Within NHS Protect, training was provided to intelligence staff to enable them to carry out financial intelligence work.



4.4 Delivering improvements

Strategic goal: We will focus our resources and deliver improvements to our range of crime prevention, deterrence and support services, so that local crime risks in the NHS can be identified, prioritised and targeted effectively.

- The new **online fraud and corruption reporting tool** was released in July 2015. The tool delivers more powerful functionality and enhanced usability. As a result, the average monthly number of reports submitted online increased by **47%** between 2014-15 and 2015-16. There was also a marked improvement in the quality of information provided in referrals.
- Guidance for the NHS on the Community Safety Accreditation Scheme (CSAS) was jointly launched with the National Police Chiefs' Council in March 2016. Under CSAS, police Chief Officers can delegate limited powers to accredited persons within NHS organisations to help tackle anti-social behaviour in partnership with the police.
- The NHS Anti-fraud manual was reviewed and updated twice; version 2 was released in July 2015. The manual provides guidance for fraud investigators on anti-fraud, bribery and corruption work within NHS bodies, both at a local and national level.



- Media coverage of NHS Protect led to over **34 million** opportunities to see NHS Protect's anti-crime message, with an advertising value equivalent of over **£700,000**.
- **416** media articles were published on the successful anti-crime work of NHS Protect. In addition to this, our press releases generated coverage in NHS national, regional and local channels (e.g. counter fraud newsletters).
- More than **115,000** items of promotional material highlighting the anti-crime message of NHS Protect and its partners were distributed in 2015-16.



4.5 Efficient services

Strategic aim: We will review and deliver cost effective improvements to our services, using technology to improve service delivery.

- The SIRS data suite has been redesigned and expanded. This includes a wide range of reports that draw on data about security incidents and related trends to enable meaningful analysis by NHS organisations at local level.
- A successful pilot was carried out on the digital transfer of prosecution files to the Crown Prosecution Service using FIRST. Guidance was developed to support the launch of this functionality during 2016-17.
- The proportion of foundation level training delivered through e-learning platforms grew from 27% to 35%, with **928** e-learning modules completed during 2015-16.



4.6 Anti-crime standards

Strategic aim: We will provide anti-crime standards and assessment services that NHS bodies will use to ensure that local action to identify and tackle crime is effective.

- Revised standards for both anti-fraud and security management work were issued to commissioners and providers of NHS services.
- A series of workshops for commissioners were held across the country, to explain their responsibilities under NHS Protect standards and seek their feedback on the standards and on our quality assurance process. A total of **11** workshops were held (six on anti-fraud standards, five on security management standards).
- Self-reviews against 2015-16 fraud, bribery and corruption standards were received from **251** providers and **190** commissioners. This was the first time commissioners were required to submit self-reviews.
- Self-reviews against 2015-16 security management standards were received from **241** providers. Commissioners were not required to submit security management self-reviews for 2015-16.
- We quality assessed **38** providers against 2015-16 fraud, bribery and corruption standards and **27** providers against 2015-16 security management standards. We agreed with NHS England that we would not to undertake quality assessments on commissioners in 2015-16, instead focusing on engaging and supporting them.



- Self-reviews and quality assessments enable detailed analysis on compliance across regions, sectors etc, and the development of benchmarking information that will support the compliance arrangements currently under development.



4.7 Investigations

Strategic aim: Where serious, complex, high value fraud or corruption is identified and money lost to the NHS, we will investigate fully those allegations, seek to recover losses and pursue all possible and appropriate sanctions against offenders.

- **9** criminal prosecutions were successfully carried out following NHS Protect investigations into the most serious and complex cases of fraud, bribery and corruption.

- Over **£3.3 million** was recovered following investigations by NHS Protect and LCFs.
- Use of Proceeds of Crime Act 2002 powers during 2015-16 through a team of trained financial investigators with active current accreditation resulted in over **£2 million** being restrained and over **£2.4 million** being confiscated as at 31 March 2016. In addition to this, over **£750,000** was recovered through voluntary payment by the defendant in a case.
- We provided forensic computing assistance and advice in relation to **30** fraud investigations.



Case studies

Case study 1

Subject area: Abuse of position, money laundering

Offences: Fraud by abuse of position, s.1 and s.4 Fraud Act 2006 (subject 1)

Acquiring criminal property, s.329(1)

Proceeds of Crime Act 2002 (subject 2)

Contempt of court (both subjects)

Value of fraud identified: £293,000

Sentence: 30 months custodial (subject 1), 15 months custodial (subject 2), additional 8 months custodial (both subjects, for contempt of court)

Subject 1 defrauded her employer, an NHS mental health provider, by diverting petty cash to a joint account she held with her husband, Subject 2. The total value of the fraud was £293,000.

Subject 2 was found guilty of Acquiring Criminal Property to the value of £164,000, contrary to s.329(1) Proceeds of Crime Act 2002, and sentenced to 15 months in prison. Subject 1 had been earlier sentenced to 30 months in prison after being found guilty of Fraud by Abuse of Position, contrary to the Fraud Act 2006.

Subject 1's crimes came to light following checks carried out by the provider, which resulted in a referral to NHS Protect. She was responsible for ordering cash from the organisation's finance department to make petty cash payments, and also for ordering cash from the council, who acted as appointees on behalf of some patients.

However, she did not bank the funds that she ordered from the council – she kept it for herself and paid patients out of her

employer's petty cash fund, resulting in a loss to the employer of over £146,000. In addition to this, she also diverted money from petty cash to herself, resulting in a further loss to the NHS of roughly the same amount.

When investigators examined their bank statements, they showed a lifestyle way beyond their official income. Subject 2 claimed he was unaware of the amount of money going through their joint account and thought it came from savings or undeclared earnings from his business. However, enquiries into the profits made by the business and subject 1's income showed that this argument couldn't stand up. Subject 2 was charged with acquiring criminal property, namely cash into the joint bank account, knowing or suspecting it to be criminal property.

Subject 1 and subject 2 later breached a court order, made as part of Proceeds of Crime Act proceedings, which restrained funds from an inheritance and required it to be placed to a specific bank account. They instead diverted this money into their daughter's account and used it to pay debts, when it could have been used to repay their debt to the NHS. For this they each received an additional custodial sentence of 8 months each for contempt of court.

The case provided a good demonstration of how NHS Protect's financial investigators can assist with proactive money laundering investigations.

Proceeds of Crime Act proceedings were ongoing at the end of 2015-16.



Case study 2

Subject area: Dental contractor fraud

Offences: Fraud by abuse of position, s.1 and s.4(1) Fraud Act 2006

Evasion of a liability by deception, s.2(1)(c) Theft Act 1978

Value of fraud identified: £222,703.34

Sentence: 3 years custodial

The subject was a dentist who defrauded the NHS of around £223,000 over a period of 6 years. His activities came to light after an anonymous report alleged that he had been charging patients privately and billing the NHS for the same treatment. Initial checks with NHS Dental Services confirmed this, and also showed that NHS patients had been paying more for their treatment than the set NHS dental charges.

Following referral of the case to NHS Protect, investigators found evidence that the subject had used a variety of methods to defraud the NHS, including:

- double claiming, i.e. charging the patient privately but making a claim to the NHS for the same treatment
- up-coding, i.e. submitting claims for exempt, i.e. fully NHS-funded, patients for treatments of a higher value than were actually carried out
- submitting claims for prescriptions that had never been issued to patients

The subject had made over 6,600 false claims to the NHS over a period of six years. There was also evidence that at least one private health insurer had been a victim of fraud by the subject.

The subject was arrested with the assistance of the police and his business premises and home address were searched.

He pleaded guilty to two counts of fraud by abuse of position, contrary to sections 1 and 4(1) of the Fraud Act 2006, and two counts of evasion of a liability by deception, contrary to section 2(1)(c) of the Theft Act 1978, in relation to his work as an NHS dental contractor over six years. The loss to the NHS from these offences was £223,000.

The subject was sentenced to three years' imprisonment in relation to these offences. He had also been suspended from the dental register by the General Dental Council, and fitness to practice proceedings against him were ongoing at the end of 2015-16.

NHS Protect is also pursuing the recovery of the full amount lost to the NHS under the Proceeds of Crime Act 2002. This was also ongoing at the end of 2015-16.





Case study 3

Subject area: Abuse of position, money laundering

Offences: Conspiracy to commit fraud by false representation (s.1 and s.2 Fraud Act 2006), conspiracy to commit fraud by abuse of position (s.1 and s.4 Fraud Act 2006), money laundering

Value of fraud identified: £3.5 million

Sentence: 4 years and 8 months custodial (subject 1), 16 months custodial, suspended for 2 years (subject 2), 4 years custodial (subject 3), 1 year custodial (subject 4)

Subject 1 was a senior manager at two NHS providers and later at NHS England; his responsibilities included the awarding of training contracts. He conspired with three accomplices, including his wife (subject 2), to defraud the NHS of £3.5 million through the award of training work and money laundering.

Their activities came to light following a referral by the Regional Asset Recovery Team (RART), who had worked in collaboration with Her Majesty's Revenue & Customs (HMRC). The investigation into the case was led by the police with the support of NHS Protect and HMRC.

Subject 1 awarded contracts worth over £3 million over seven years to a company run by subject 3, a friend of his. This company transferred £1.8 million to another company, which was registered in subject 2's name. The investigation revealed correspondence in which subject 1 and subject 3 discussed transferring money between accounts and charging the NHS

for entertainment including sporting events and dinners in expensive restaurants.

Subject 1 also awarded a contract worth over £230,000 to a Canadian company, which subcontracted it back to the UK, to be undertaken by a close relative of subject 4. This was a contact of subject 1 and they agreed he would keep £18,000 as an 'agent fee' before transferring the rest of the money to subject 2's company.

The total loss to the NHS from the criminal activities was £3.5 million pounds.

NHS Protect's anti-fraud specialists interviewed subject 1 and subject 2 under caution, together with the RART, following their arrest. The Forensic Computing Unit undertook extensive analysis of computer equipment seized, to help prove the fraud.

Following the investigation, subject 1 and his accomplices were found guilty of fraud and money laundering offences and given custodial sentences totalling 9 years and 8 months. Detailed outcomes of the trial are as follows:

- Subject 1 pleaded guilty to two counts of conspiracy to commit fraud by false representation (s.1 and s.2 Fraud Act 2006) and one count of conspiracy to commit fraud by abuse of position (s.1 and s.4 Fraud Act 2006). He was sentenced to 4 years and 8 months' imprisonment.
- Subject 2 pleaded guilty to one count of money laundering and was sentenced to 16 months' imprisonment, suspended for 2 years.
- Subject 3 was found guilty of two counts of conspiracy to commit fraud by abuse of position and sentenced to 4 years' imprisonment.



- Subject 4 was found guilty of one count of conspiracy to commit fraud by abuse of position and sentenced to 1 year's imprisonment.

The investigation received a judge's commendation and a national award. Commenting on its successful result, NHS Protect Managing Director Sue Frith said that it showed how a multi-agency approach can work in tackling fraud.

Proceeds of Crime Act proceedings were ongoing at the end of 2015-16.

Case study 4

Subject area: Dental contractor fraud

Offences: False Accounting, contrary to section 17(1)(a) of the Theft Act 1968
Fraud by False Representation, contrary to sections 1 and 2 of the Fraud Act 2006

Value of fraud identified: £780,268

Sentence: 3 years custodial

The subject was an NHS dentist who created thousands of ghost patients and put in claims for treatment he had not carried out, defrauding the NHS of around £780,000. Suspicions were first raised with the Local Counter Fraud Specialist for the commissioner, and the case was later

referred to NHS Protect.

Investigations revealed fraudulent activities over a period of more than 15 years, in which the subject made claims to have treated 3,360 patients. Nearly 90% of these patients could not be traced, and almost 300 patient addresses used did not exist. Dozens of people were registered at addresses they had never lived at.

By using real x-rays and falsifying dental prescriptions using an official docket, the subject tried to deceive the NHS into thinking his claims were genuine. He also entered treatment dates in pencil on some dental records in order to be able to change them later if asked to prove his claims.

The subject pleaded guilty to false accounting, contrary to section 17(1)(a) of the Theft Act 1968 and fraud by false representation, contrary to sections 1 and 2 of the Fraud Act 2006. He was sentenced to three years' imprisonment in relation to these offences.

The subject had earlier paid back £775,000 to the NHS. He was also ordered to pay £50,000 towards investigation costs.

He had also been suspended from the dental register by the General Dental Council, and fitness to practice proceedings against him were ongoing at the end of 2015-16.

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Foreword



I am pleased to introduce this annual report, which describes NHS Protect's work and achievements in 2014-15.

NHS Protect has in the past year continued to provide the NHS with a service that is valued and respected.

Notable successes have been achieved in the area of fraud investigation, with two high profile cases reaching their conclusion. The efforts of our accredited financial investigators have seen significant sums being returned to the NHS and the cases have received excellent media coverage, which acts as a real deterrent to those who may feel that the NHS is an easy target. You can find more details of these cases in the report.

During 2014-15 the Department of Health (DH) created an Anti-Fraud Unit (DH AFU) with the purpose of combatting fraud within the department and its arm's length bodies. This unit has the remit of co-ordinating the approach to countering fraud across the entire health family and will prove to be a real asset to NHS Protect in our aim

to combat fraud across the NHS. NHS Protect has, since the creation of the DH AFU, been subject to a review of its functions, a process that is continuing in 2015-16.

As a result of the creation of the DH AFU, NHS Protect has revisited its vision, purpose and strategic goals. The vision for NHS Protect is simply to deliver a service that is focussed on the protection of NHS resources. The purpose and strategic goals for NHS Protect are detailed in the introduction to the report and below we also provide some examples of the work we have done to achieve what we have agreed are our aims.

Susan Frith
Managing Director

1. Introduction

NHS Protect leads on work to protect NHS staff and resources from crime.

We deal with a wide range of issues, including:

- violence against NHS staff
- theft of NHS property
- economic crime (i.e. fraud, bribery and corruption) affecting NHS resources

This report presents our work in 2014-15.

Who we are

NHS Protect is part of the NHS Business Services Authority (NHSBSA), an arm's-length body of the Department of Health (DH) and works to a memorandum of understanding with the NHSBSA and DH.

Our remit covers England and Wales for economic crime, and only England for all other issues.

Vision

NHS Protect delivers a service focussed on the protection of NHS resources.

NHS Protect leads work to protect NHS staff, patients and financial resources through intelligence led activity that enables effective prevention, disruption and enforcement action against all criminals targeting the NHS and through raising awareness of the risks that these criminals pose to NHS staff and the services they deliver.

Purpose

The purpose of NHS Protect is to deliver services to support the NHS to review, manage and reduce the crime risks it faces, so that valuable resources can be

directed to, not diverted from, patient care.

Strategic goals

NHS Protect will realise its vision by means of seven strategic goals:

- We will prioritise our work and target crime which undermines the capacity of the NHS to deliver health care to patients.
- We will build our crime intelligence capacity and provide high quality analysis of crime risks and trends for the NHS, Department of Health Anti-Fraud Unit and the wider Health Group.
- We will use our specialist knowledge and services so that targeted action to tackle crime across the health sector can be implemented.
- We will focus our resources and deliver improvements to our range of crime prevention, deterrence and support





services, so that local crime risks in the NHS can be identified, prioritised and targeted effectively.

- We will review and deliver cost effective improvements, using technology to improve service delivery.
- We will provide anti-crime standards and assessment services that NHS bodies will use to ensure that local action to identify and tackle crime is effective.
- Where serious, complex or high value fraud or corruption is identified and money lost to the NHS, we will investigate fully those allegations, seek to recover losses and pursue all possible and appropriate sanctions against offenders.

Through the outputs of our work we will continue to be intelligence led, coherent, effective and valued. In 2014-15 NHS Protect undertook a stakeholder satisfaction survey: 93% of those questioned felt that their experience of working with NHS Protect was “excellent”, “good” or “satisfactory”.

What we focus on

As stated in NHS Protect’s strategy, our approach to anti-crime work is “strategic, co-ordinated, intelligence-led and evidence-based”. This means that we constantly assess information and intelligence on crime threats facing the NHS to inform our work. Based on this, for each financial year we identify a set of strategic priority areas that we will have a particular focus on.

For 2014-15 our strategic priority areas were:

- Violence against NHS staff
- Payroll fraud

- Theft

You can find more details on our work under each of these areas in **Chapter 3** below.

In **Chapter 4** you can find more information on the strategic goals and our work towards each of them in 2014-15.



2. Facts and figures at a glance

Here is a selection of facts and figures on NHS anti-crime work. This information covers both the work undertaken by NHS Protect at a national level and work undertaken locally.

Unless otherwise stated, all figures refer to the 2014-15 financial year¹.

- **1,649** criminal sanctions were applied following cases of assault against NHS staff in 2013-14 (the last period for which figures are available), an increase of 13% from the previous year.
- NHS Protect offers free paralegal advice to health bodies on issues relating to the security of NHS staff and property. We dealt with **113** requests for advice.
- Our Area Anti-Fraud Specialists (AAFSs) had over **610** meetings with Directors of Finance, Local Counter Fraud Specialists, audit committees and other stakeholders to discuss issues relating to economic crime. AAFSs also authorised investigations into nearly **1,100** cases and conducted reviews into ongoing cases and allegations of fraud on more than **16,500** occasions. In total AAFS had over **34,700** contacts with stakeholders and anti-fraud partners.
- Our Area Security Management Specialists (ASMSs) held nearly **1,000** meetings with Security Management Directors, Local Security Management Specialists, the Crown Prosecution Service, the Association of Chief Police Officers and other stakeholders. ASMS arrange these meetings to discuss specific security management breaches and broader anti-crime issues. In all over **18,000** contacts were made with these

stakeholders.

- We agreed seven new Memorandums of Understanding aligning us to stakeholders in pursuit of our aims. This brings the total number of agreements to 41.
- Over **4,800** reports relating to potential fraud and corruption were received by NHS Protect.
- Fraud to the value of **£1,075,355** was prevented via direct alerts and bulletins.
- The total value of fraud, bribery and corruption identified by NHS Protect and LCFs following the successful conclusion of investigations in 2014/15 was **£11.9 million**.
- The total value of money recovered by NHS Protect and LCFs following the successful conclusion of investigations was **£2.9 million**.



¹ Some figures have been rounded for clarity.



- 16 criminal prosecutions were successfully carried out following NHS Protect investigations into the most serious and complex cases of fraud, bribery and corruption. LCFs obtained 71 criminal sanctions.
- Following successful investigations into fraud, bribery and corruption, **333** civil, disciplinary and other internal sanctions were applied by NHS Protect, other NHS organisations and professional bodies.
- As a result of NHS Protect advice and guidance, **£1 million** worth of fraud was prevented in relation to fraudulent demands to the NHS for payment.
- As of 31 March 2015, NHS Protect was investigating allegations of fraud, bribery and corruption with a potential value in excess of **£20 million**.
- NHS Protect has increased the use it makes of Proceeds of Crime Act 2002 powers. At the end of 2014-15 we had **£5.5 million** under restraint awaiting the outcome of ongoing investigations and had been fundamental to the confiscation, by the courts, of **£2.3 million** defrauded from the NHS.
- Media coverage of NHS Protect led to over **142 million** opportunities to see our anti-crime message. This provides an effective deterrent for those who may commit crimes against the NHS.
- **380** media articles were written on the successful anti-crime work of NHS Protect.
- NHS Protect delivered university-accredited foundation level training and key skills development training to **128** anti-crime specialists operating across the NHS. This training was provided at low cost or free of charge. 27% of the foundation level training was delivered through blended e-learning platforms.
- The Forensic Computing Unit assisted in the investigation of 27 cases. This involved the acquisition and analysis of data from 361 digital items using specialist forensic and eDiscovery software. If this work had been outsourced to external providers the additional cost to NHS Protect would have been in excess of £2 million.

3. Key priorities for the year

Here you can find details of our work in the three strategic priority areas we identified for 2014-15: violence against NHS staff, payroll fraud and theft.

3.1 Violence against NHS staff

The first of NHS Protect's strategic priority areas for 2014-15 was violence against NHS staff.

In 2014-15 work was undertaken to analyse violence trends for the last five years, review action taken in the past to reduce violence and evaluate its effectiveness. Recent developments in the Security Incident Reporting System (SIRS) and its ability to interrogate trends and themes relating to incidents reported to it have proved to be extremely useful in this evaluation.

Further consideration has been given to the utility and scope of current and alternative definitions of violence, and at the request of Local Security Management Specialists (LSMSs) we will, in our annual statistics on reported physical assaults for 2014-15, include reported non-criminal sanctions imposed on offenders.

With the fact finding and evaluation element of the 2014-15 objectives completed, the outputs will be provided through the objectives detailed in NHS Protect's 2015-16 Business Plan, where this continues to be identified as a strategic priority area.

In 2014-15 we also undertook a specific project to obtain a complete picture of the different types of lone worker protection systems available in the NHS. The results of this survey, which have been published

on our website (http://www.nhsbsa.nhs.uk/Documents/SecurityManagement/Lone_Worker_Estate_Mapping_Report_July_2015.pdf), will assist decisions on future work in this area, particularly on addressing the needs of the increasing numbers of NHS staff who, through the range of technology now available, are mobile workers.

3.2 Payroll fraud

NHS Protect's Strategic Intelligence Assessment identified payroll fraud as the most prevalent reported fraud across the NHS and this was designated as the second strategic priority area.

A programme of work was developed to provide the NHS with a greater understanding of the issues faced in this area and the tools to address the vulnerabilities it faces.

Following in depth analysis of the fraud risk





affecting payroll systems, our work focused on the following:

- Misrepresentation of qualifications/skills or experience (fake qualifications)
- Timesheet fraud
- Working while off sick
- Expenses claims fraud

Comprehensive guidance was produced, providing Local Counter Fraud Specialists (LCFSs) with the tools needed to support work to prevent, detect and investigate the most common kinds of payroll fraud at a local level. The guidance provides an introduction to the subject area, an overview of the NHS payroll environment, practical advice on the most effective ways of tackling payroll fraud and details of how to report suspected fraud, bribery or corruption. It reflects NHS Protect's current understanding of the key threats facing the NHS and includes advice on raising awareness of payroll fraud. The intention was to supplement existing policies, directives and guidance available more widely in the NHS by providing an overview of NHS payroll processes from an anti-crime perspective.

NHS Protect's public website was updated with information specific to the main areas of payroll fraud including the publication of factsheets giving examples of payroll fraud. These are available at <http://www.nhsbsa.nhs.uk/4979.aspx>

The factsheets were also circulated locally to NHS organisations' payroll/finance managers to inform them of the issues around payroll fraud and how to prevent it.

Crime awareness material has also been developed to publish across other NHS forums.

3.3 Theft

The third strategic priority area for NHS Protect was theft of NHS property.

NHS Protect's Strategic Intelligence Assessment identified that there is a lack of reliable information of the causes, effect and impact of theft of NHS property and assets.

NHS Protect determined that it is necessary to address this lack of information and understanding from a strategic position, accepting that this would continue to be a priority area in 2015-16.

Fact finding visits were made to a variety of health bodies to assess the ways they record incidents of theft and to evaluate any measures they have adopted to prevent the theft of their property and assets.

The next stage of this work is to develop options for the future collection, collation and analysis of data relating to theft of NHS property so as better to inform the development of preventative action.

3.4 Our priorities in 2015-16

Apart from violence against staff and theft, in 2015-16 we are focusing on agency fraud and optical fraud as strategic priority areas.

As discussed above, this reflects our latest assessment of information and intelligence on crime threats facing the NHS.

More information on planned work in these areas is available in our [2015-16 business plan](#).



4. Our strategic aims: Update on work in 2014-15

This section provides examples of some of the work we have undertaken in 2014-15 to deliver against our strategic goals².



4.1 Targeting crime

Strategic goal: We will prioritise our work and target crime which undermines the capacity of the NHS to deliver health care to patients.

- Comprehensive guidance was developed for LCFs in the area of payroll fraud.
- **4,904** items of information relating to potential frauds were received and assessed by our Information and Intelligence Unit.
- **504** intelligence reports were developed and disseminated to LCFs.



4.2 Intelligence

Strategic goal: We will build our crime intelligence capacity and provide high quality analysis of crime risks and trends for the NHS, Department of Health and the wider Health Group.

- A Strategic Intelligence Assessment for 2014-15 was completed. In a step forward from previous editions, this year's assessment provided a more comprehensive evaluation of the fraud

risks facing the NHS and the wider health family. An 'Intelligence Report for LCFs working in a Provider Environment 2014-15' was completed and disseminated.

- The [online fraud and corruption reporting tool](#) underwent revision to increase functionality, improve usability, and better protect user rights.
- We evaluated historical action taken by NHS Protect to tackle violence and the utility of current systems and processes to enhance understanding and increase effectiveness in tackling the problem.



4.3 Specialist knowledge

Strategic goal: We will use our specialist knowledge and services so that targeted action to tackle crime across the Health Sector can be implemented.

- NHS Protect's Area Anti Fraud Specialists advised LCFs on the conduct and progress of investigations on **16,500** occasions.
- **21** security management alerts were issued, relating to individuals posing a potential threat to NHS staff. Alerts were also issued on preventative action to be taken on emerging crime trends, such as the theft of metal gas canisters.
- Comprehensive guidance was produced which provided Local Counter Fraud Specialists (LCFs) with the tools needed to support work to prevent, detect and

² Some figures have been rounded for clarity.



investigate the most common kinds of payroll fraud at a local level.

- University-accredited training and key skills development training was delivered by NHS Protect to 128 LCFSSs and LSMSSs working for NHS health bodies.



4.4 Delivering improvements

Strategic goal: We will focus our resources and deliver improvements to our range of crime prevention, deterrence and support services, so that local crime risks in the NHS can be identified, prioritised and targeted effectively.

- A revised NHS Anti-fraud manual was issued in July 2014. This provides guidance for fraud investigators on anti-fraud, bribery and corruption work within NHS bodies, both at a local and national level.
- We identified that a new exceptions category under the Rehabilitation of Offenders Act 1974 Exceptions Order was required to clearly and unambiguously enable the organisation to continue carrying out propriety checks on candidates for healthcare investigatory staff positions. Working with Ministry of Justice colleagues we ensured a clear and unambiguous solution is in place, protecting the integrity of investigations whilst maintaining the balance between the rehabilitation of offenders and the need to protect the public.
- More than **235,000** items of promotional

material highlighting the anti-crime message of NHS Protect and its partners were distributed in 2014-15.

- Media coverage of NHS Protect led to over **142 million** opportunities to see NHS Protect's anti-crime message, with an advertising value equivalent of over **£2.4 million**.
- As a result of NHS Protect advice and guidance, **£1 million** worth of fraud was prevented in relation to fraudulent demands to the NHS for payment.



4.5 Efficient services

Strategic aim: We will review and deliver cost effective improvements to our services, using technology to improve service delivery.

- Our accredited fraud and security training courses were reviewed for digital formatting and 27% of this foundation level training is now delivered through blended e-learning platforms.
- We delivered a taxonomy for fraud to provide key stakeholders with data in an accessible format and enable effective planning and prioritisation and a proactive approach to new and emerging issues. A detailed report using this taxonomy was prepared for distribution to LCFSSs analysing all reports of fraud for 2014-15.
- We have delivered an updated intelligence database with improved functionality, reliability and auditability.
- We have modified our case management



system to support our work with the Crown Prosecution Service and move to a digital environment which aligns with the government's digital by default directive.

- Online self-review tools were developed and released for health bodies to report on their fraud and security management work more efficiently.



4.6 Anti-crime standards

Strategic aim: We will provide anti-crime standards and assessment services that NHS bodies will use to ensure that local action to identify and tackle crime is effective.

- Revised standards for both anti-fraud and security management work were issued to providers of NHS services and for the first year anti-fraud and security management standards were also issued for NHS commissioners.
- Self-reviews against fraud standards were received from all providers and the vast majority of these submitted self-reviews against security management standards.
- As a result of the self-review information, **80** quality assessments were undertaken into the anti-fraud work carried out by providers and **41** assessments were carried out into providers' security management work.



4.7 Investigations

Strategic aim: Where serious, complex, high value fraud or corruption is identified and money lost to the NHS, we will investigate fully those allegations, seek to recover losses and pursue all possible and appropriate sanctions against offenders.

- **16** criminal prosecutions were successfully carried out following NHS Protect investigations into the most serious and complex cases of fraud, bribery and corruption.
- Over **£2.9 million** was recovered following investigations by NHS Protect.
- Increased use of Proceeds of Crime Act 2002 powers during 2014-15 through a team of trained financial investigators with active current accreditation resulted in **£5.5 million** being restrained and **£2.3 million** being confiscated as at 31 March 2015.
- We provided forensic computing assistance and advice in relation to **27** fraud investigations.



Case studies

Case study 1

Subject area: Diversion of money from internal payments systems

Offences:

Fraud by False Representation

Fraud by Abuse of Position

Money laundering offences

Value of fraud identified: £2.16 million

Sentence: Custodial 5 years and 4 months

Following the restructure in March 2013 of the two primary care trusts for whom the subject had been employed as the Head of Financial Accounting, a new organisation was created, Sussex and Surrey Commissioning Support Unit (responsible for financial matters). An end of year audit, carried out by the CSU as part of closing down of the PCT's activity and accounts, revealed suspicious payments in excess of £1 million. A referral was made to NHS Protect's National Investigation Service to consider further investigation of the matter.

NHS Protect found that the subject had manipulated the internal payments systems of both the PCTs he had worked for. Standing orders were set up in the name of regular suppliers but the payments were credited to bank accounts controlled by the subject. Between 2008 and 2011 he had authorised £810,000 of standing order payments, plus £1.4m of payments between 2011 and 2012 via an internal payments system.

The subject was arrested and later interviewed under caution by NHS Protect investigators. Following the completion of all enquiries, he pleaded guilty to offences under the Fraud Act 2006 and Proceeds of

Crime Act 2002, and received a custodial sentence of five years and four months.

From the start of this investigation, NHS Protect has been active in using the expertise of its accredited financial investigators, to enable the recovery of money obtained by the subject during the course of his criminal activity, under the Proceeds of Crime Act 2002.

At a confiscation hearing in March 2015, the subject was ordered to repay in full the sum of £2,161,758 to the NHS. A failure on his part to make the payment would result in a further six years being added to his original prison sentence.

The subject was given 6 months to repay the sum – if he is unable to realise his assets within that time, he may apply to the court for a further 6 month extension. NHS Protect financial investigators currently have around £600,000 restrained in various bank accounts, and are applying for a variation on the restraint order. This would allow the account holding banks to pay the money in the accounts to the Criminal Justice Enforcement Unit who would in turn pay it to NHS England.

The rest of the order will be met through the sale of the subjects' properties.



Case study 2

Subject area: Working privately on NHS time

Offences: Conspiracy to Defraud

Value of fraud identified: £430,000

Sentence: Custodial 3 years (1 subject)
Custodial 2 years (x 3 subjects)

This case concerned the activities of a clinical perfusion team based within an NHS hospital's cardiothoracic centre. A clinical perfusion scientist is a blood circulation specialist who, among other things, operates a machine that keeps a patient alive while a surgeon is repairing the heart. The perfusion team were employed by the NHS trust, but were at the same time running their own private company that provided perfusion services to a number of other hospitals.

Investigations by NHS Protect revealed that the subjects were not completing their contracted hours with the NHS body, but were instead carrying out work for other hospitals for their own private gain. Over a significant period of time the subjects were receiving money for NHS services that were not supplied, and were earning additional money elsewhere in a private capacity. This was done by submitting false staff returns and timesheets, analysis of which by NHS Protect revealed that only 55% of contracted hours had been worked within the hospital and 14,000 hours' worth of contracted services had been overpaid.

The directors of the company also devised a scheme which involved submitting false claims for emergency call out payments. In part this was to reward the more junior staff

who were being sent elsewhere to earn money for the private company, but were not being paid directly by them. Instead the directors fraudulently compensated them for that work by guaranteeing them call out payments at the contracted NHS body. So not only were the trust paying staff for work they were not doing in its entirety during normal working hours: they were also paying them in addition for emergency call outs that did not take place, rewarding them for work they were in fact doing elsewhere.

This investigation was exceptionally complex in nature, requiring extensive review and analysis of tens of thousands of individual records relating to actual work carried out within the contracted health body, compared to the submissions that were made from the perfusion team to secure payment. This involved a team of intelligence analysts working for a period of several months, and the body of evidence presented resulted in the longest trial ever held at the particular Crown Court. It is almost certain that a fraud investigation of this type, with the level complexity involved, and the resources required to analyse and rationalise the evidential material, would not have been carried out within any other investigative body due to the challenges it presented.

The four directors of the perfusion team were given custodial sentences and banned from holding company directorships for a period of four years.



Case study 3

Subject area: Payment diversion

Offences:

Conspiracy to Defraud

Conspiracy to convert Criminal Assets

Value of fraud identified: £642,000

Sentence: Various - 8 subjects, up 5.5 years custodial (see below)

This case involves a group of subjects who conspired to divert NHS cancer care money into their personal bank accounts. The fraud was uncovered after a referral from the affected trust to NHS Protect, detailing the fact that one of the trust's regular suppliers reported that over £180,000 worth of bills had not been paid. Investigations by NHS Protect revealed that the bank account details of the supplier had been changed without their knowledge on the trust's electronic payments system, diverting the funds to unknown accounts.

Investigations revealed that the trust's Accounts Payable Officer had manipulated the system, directed by her partner, and changed suppliers' bank account details to those of seven other people involved in the conspiracy. Another two individuals provided their bank account details for the further dissipation of stolen funds. Around £642,000 was stolen in this way, with around £330,000 being frozen by the banks following intervention by NHS Protect's financial investigators and later returned to the trust.

During the investigation, production orders were obtained for 23 bank accounts in order to find out where the money had been

dissipated after payments left the trust. A large number of mobile phones and laptops were seized during the arrest phase of the investigation: these were imaged by NHS Protect's Forensic Computing Unit for subsequent examination and analysis. Applications under the Regulation of Investigatory Powers 2000 Act were made to communications service providers in relation to registration and billing data for 19 of the mobile phone numbers. The evidence obtained was sufficient to charge subjects with a variety of conspiracy, Fraud Act and Proceeds of Crime Act offences.

Sentences handed out to the subjects involved in this conspiracy were as follows:

Subject 1: 5.5 years custodial

Subject 2: 4 years custodial

Subject 3: 21 months custodial

Subject 4: 12 months custodial

Subject 5: 10 months custodial

Subject 6: 8 months custodial

Subject 7: 12 weeks (suspended) and an order to undertake 120 hours' unpaid work within the following 12 months and be subject to a 3 month curfew

Subject 8: 9 weeks (suspended) and an order to undertake 120 hours' unpaid work within the following 12 months and be subject to a 3 month curfew

Subsequent Proceeds of Crime Act 2002 hearings have been held to seek orders to repay lost funds: this process is ongoing.



Case study 4

Subject area: Facilitation of registering overseas patients

Offences: Abuse of Position

Value of fraud identified: Not quantified

Sentence: Suspended sentence 2 years, supervision order and community service

The subject of this investigation was employed as the Practice Manager at a health and community centre. He was approached by an undercover journalist, posing as a businessman who arranged holidays for wealthy tourists, to register six patients with the NHS knowing that they would not be ordinarily resident in the United Kingdom and therefore not entitled to free treatment on the NHS.

The subject was informed from the outset that the six patients to be registered would only be coming into this country to receive treatment on the NHS as it was hard to get the equivalent treatment abroad. He arranged for the patients to be registered with the NHS and negotiated a price of £1000 per patient, although he only charged £800 for the first patient. This patient went onto to receive an MRI scan at a local hospital.

These events were shown in an episode of Panorama on BBC1 in October 2012 entitled "Britain's Secret Health Tourists" and received a lot of media attention. Key issues to be overcome within the investigation were around obtaining unused TV footage from an independent television company contracted by the BBC.

The subject appeared at Crown Court and

pleaded guilty to one count of fraud by abuse of position. He was given a two-year custodial sentence suspended for twelve months and a twelve months supervision order, and he was ordered to complete two hundred hours unpaid work and pay the prosecution costs of £800.

