Audit and Risk Assurance (ARAC) meeting

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Author: Morounke Akingbola

HTA Counter Fraud Strategy and Fraud Risk Assessment

# Purpose of paper

1. The purpose of this paper is present to the Committee the updated Counter Fraud Strategy and the Fraud Risk Assessment conducted in September 2023.

# Decision making to date

1. None

# Action required

1. The Committee are requested to comment on the fraud strategy, fraud risk assessment and action plan.

# Background

1. The implementation of the counter fraud strategy and the fraud risk assessment are ongoing actions which stem from the Functional Standard: Counter Fraud.
2. Since the inception of Functional Standards, we continue to measure ourselves against it using the [key principles](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1014385/6.7628_CO_Govt-Functional-Std_GovS013-Counter-Fraud_v4.pdf) within the standard. A further review by the newly created Government Counter Fraud Functional Standards Health Peer Review Group (GCFFS) on behalf of the Cabinet Office was conducted in October 2022. Based upon the evidence submitted we received 8 standards as ‘Met’ 4 standards ‘Partially Met’ and 0 standards ‘Not Met’. Based upon this assessment, it was felt that our strategy does not need to fundamentally change and in turn our focus going forward.
3. We will continue to focus on the areas that were rated ‘Partially Met’ ensuring that we work towards a ‘Fully Met’ rating or best endeavours and explain why we may only partially meet a standard.
4. A key area of the functional standard requires us to undertake a Fraud Risk Assessment periodically. We last shared the assessment with the committee in October 2022 and are required to share it at least annually.
5. The template at Annex A is a revised version which is considered best practice and was issued by the Cabinet Office. The description of risks using ‘Actor’ ‘Action’ and /Outcome is a change but does focus thoughts around the who and the what. An explanation is also given as to why a particular risk has been scored.
6. The FRA will be reviewed by the business quarterly and brought to ARAC annually in October or earlier if there are changes within the Standard or fraud is discovered.
7. In addition to the revised Fraud Risk Assessment, an Action Plan (Annex B) has been developed, which details the activities required to reduce the risk of fraud in addition to the actions listed in the Counter Fraud Strategy.

**Recommendation**

1. The Committee are requested to note/comment on the strategy and approve the Fraud Risk Assessment and Action Plan which are at Annex B and C respectively.