

FRAUD COUNTS

SUMMER 2017

Audit South West - delivering Counter Fraud and Internal Audit services for the NHS in the South West
Newcourt House, Newcourt Drive, Old Rydon Lane, Exeter, Devon EX2 7JQ

Fraud by Senior Managers Newsletter

Former NHS England Equality Lead Paula Vasco-Knight and husband sentenced for NHS Fraud

NHS England's former National Lead for Equality and ex Chief Executive of the former South Devon Healthcare NHS Foundation Trust, Paula Vasco-Knight and her husband appeared at Exeter Crown Court for sentencing after pleading guilty to charges of Fraud By Abuse of Position.

Vasco-Knight received a 16 month prison sentence, suspended for two years plus 250 hours community service, and her husband 10 month suspended for two years plus 200 hours community service.

In December 2013, Vasco-Knight, authorised a £11,072.00 payment to her husband's graphic design business for work that she knew had never been carried out.

After the couple found themselves under investigation, they attempted to cover their tracks by retrospectively manufacturing a document dated November 2013 to justify the payment. NHS Protect investigators established that the document could not possibly have been produced in November 2013, as it contained text copied from a King's Fund document that wasn't published until November 2014 - a year later!

Paula Vasco-Knight was employed as Chief Executive Officer of South Devon Healthcare NHS Foundation Trust in August 2008 resigning in May 2014.



Photo from: <http://www.devonlive.com>

Her additional role as National Lead for Equality at NHS England began in 2012, when it was still known as the NHS Commissioning Board. She was awarded a CBE for her work on equality and diversity in the NHS in the January 2014 Honours List.

The Torbay and South Devon NHS Foundation Trust has issued a brief statement: *"This case has been very concerning for many people, including our own staff. We are grateful to those members of staff who, thanks to our robust internal audit procedures, discovered irregularities and raised their concerns. We co-operated fully with the authorities throughout the subsequent investigation and court case."*

Fraud may be reported anonymously by telephoning in confidence NHS Reporting Line
0800 028 40 60 or www.reportnhsfraud.nhs.uk

HELP STOP FRAUD

Practice Manager faked overtime payments worth £22,000

Jaqueline Bibby from Weston Super Mare pleaded guilty to Fraud by Abuse of Position in March 2017.

Bibby was employed as a Practice Manager at a surgery from April 2011 to September 2015 where she was responsible for ordering and purchasing supplies, paying invoices, salaries and had sole control of the practice bank accounts.

Bibby abused her position of trust by diverting NHS funds from the surgery accounts to her own bank account, and claiming that this related to overtime and bonuses that she was owed. However the truth was that she had never worked the overtime, and wasn't entitled to the bonuses.

The fraud came to light in September 2015 when a letter from the Council arrived at the surgery threatening court action for non-payment of Council Tax. Bibby was on holiday at the time so the surgery called in a retired practice manager to look into what had happened.

This uncovered the overtime fraud as well as unauthorised salary advances and extra bonuses totalling £22,000.

The investigation revealed that Bibby had severe debt and a high spending lifestyle, which led to the need to generate money. She initially denied any fraudulent activity, and argued that she had worked the overtime, and had been entitled to the payments. However she eventually changed her plea to guilty.

Bibby was sentenced in April 2017 to 12 month's imprisonment, suspended for 2 years, plus 200 hours of

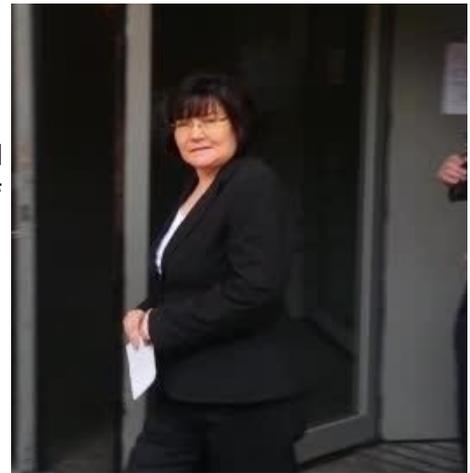
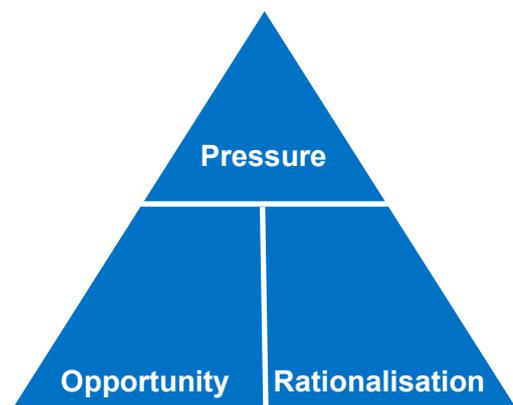


Photo from:
www.somersetlive.co.uk

The Fraud Triangle

The Fraud Triangle, also known as the Cressey Triangle, reflects the three key factors present in fraud. When all three come together there is an increased fraud risk



Pressure

The motivation to commit the crime. Such as a financial problem that is unable to be solved through legitimate means. Therefore they consider committing an illegal act such as falsifying invoices.

Opportunity

The individual must see some way of committing the fraud. Such as abusing their position of trust to solve the financial problem by exploiting a system weakness.

Rationalisation

Fraudsters will seek to justify their actions in a way that makes them seem acceptable using quotes such "Everyone does it",

We aim to prevent fraud by addressing each factor. This includes fraud awareness and reducing and removing the opportunity to commit fraud. It is important that your policies and procedures are not only up to date reflecting any national guidelines, but are also followed.

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NHS Chairman who earned £1.1 million jailed for fabricating qualifications

Jon Andrewes, 63, admitted fraud and gaining a financial advantage when he appeared at Exeter Crown Court.

Andrewes, who styled himself as “Doctor” though he had no right to the title, worked for over a decade in various senior health jobs across the south-west of England. He claimed to have two PhDs and a master’s degree; however, his highest qualification was a higher education diploma in social work and a teaching qualification.

Andrewes also lied over his work history, falsely claiming to have worked in the Home Office, when he actually worked as a social worker, probation officer and builder before using his fake CV to start a healthcare career in 2004.

His deceit landed him roles which included Chairman of the Royal Cornwall Hospital NHS Trust, Chief Executive at St Margaret’s Hospice in Taunton, and Temporary Chair of the former Torbay NHS Trust.



Photo from:
www.dailymail.co.uk

Andrewes pleaded guilty to four counts of fraud and was sentenced in March 2017 to two years imprisonment.

A Proceeds Of Crime Act investigation is now taking place in order to recover the £1.1million Andrewes received as a result of his frauds.

Editor’s Comment

There are two main parts to the Fraud Act, 2006:

- **s.2** Fraud by False Representation (basically telling a lie); and
- **s.4** Fraud by Abuse of Position (where a person is in a responsible job and use that job to make a gain for themselves).

An advantage of using **s.4** is that it has greater sentencing powers and thus someone convicted under this is likely to receive a longer sentence.

In this Newsletter, there are two high profile instances in the South West where two former employees have been convicted of stealing from the NHS under **s.4**. The courts found that they were in a position of trust which they then abused to steal money that they were not entitled to, and which should have been used on patient care.

We have also mentioned Jon Andrewes who although not charged under **s.4**, presented fictitious qualifications that allowed him to be paid as a non-executive director. He not only received a prison sentence but, by using the Proceeds of Crime Act, investigators will attempt to recover and repay to the NHS the money that he gained as a result of his deception.

These cases also show that fraud can occur at all levels of an organisation.

John Micklewright

**Are you Concerned
About Fraud in the NHS?**
We are on the case



Your Local Counter Fraud Team

Audit South West's Local Counter Fraud Specialists are fully accredited with the University of Portsmouth. We aim to prevent and deter fraud and hold those to account who commit fraud against the NHS.

If you would like to know more about our Counter Fraud work or arrange for your department to receive a Fraud Awareness Presentation, please contact your Local Counter Fraud Specialist (LCFS) below.

Regional Contact– Counter Fraud Manager		
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Plymouth Contact - LCFS		
Devon Partnership NHS Trust Plymouth Hospitals NHS Trust Livewell Southwest		Tracy Wheeler 01752 431378 or 0778 986 8568 tracy.wheeler2@nhs.net
Torquay Contacts - LCFS and CFA		
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Bristol Contacts - LCFS and CFA		
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