



# The Institute of Risk Management

## North of Scotland Regional Group

**Meeting** Meeting No. 10

**Venue** NHS Offices, Summerfield House, Eday Road, Aberdeen, Scotland

**Host** Helen Robbins, Head of Clinical Governance and Risk Management

**Date** 24<sup>th</sup> Feb 2011

**Time** 12.00 – 14.00

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**Topic: Fraud Prevention, the Bribery Act 2010 and the risks of the NHS, Scotland**

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<b>Attendees:</b>	<b>Apologies:</b>
Margaret Harris Richard Millington Andrew Wood Helen Robbins Philip Smith Nicola Bermingham Boyd Wright Mary Jane Statham Scott Grant Tanya Castell	Cameron Ramsay Andrew Smith Amanda Robertson Scott Miller Ruth MacClure Neil Fraser Brian Tanner Lindsay Kelly Allan McKay Bill Knowles David Yorkston Alan Hunter Alec Featch Mark White Alison Lyall Gavin Hedge Elaine Main Gordon Fettes

1 MH opened the meeting and welcomed everyone including specifically a new member all the way from Dounray. She commented that the numbers were pretty low and that it was a shame more members were not able to come to what promised to be a very interesting meeting. Members introduced themselves and it was appreciated that here was a good range of specialists within the group. MH introduced the invited speaker, Scott Grant, Senior Analyst at Anderson, Anderson and Brown, Chartered Accountants who was speaking on Fraud Prevention and The Bribery Act 2010

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Scott, ex C.I.D. presented an interesting account of fraud prevention, explaining how this can be achieved, providing examples demonstrating actual cases. His talk included:

- Time and cost involved in dealing with fraud prevention
  - financial losses
  - reputation costs
  - monopoly of management time and focus
  - distraction of staff
  - customer loyalty issues
  - closure
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- He advised that the main risks were in Finance, Procurement and Sales, Satellite Offices and Stock. The human element was the significant factor
  - weak control
  - abuse of authority
  - hiring and firing
  - lack of communication with employees
- We need to know what to do when it happens
- Fraud investigation can minimise the impact

There was some useful discussion and MH pointed out that as risk managers we need to concentrate on prevention rather than cure but it was also a part of risk management to minimise impact when an incident has occurred.

The Bribery Act was explained and its relevance to organisations was discussed. There was some discussion on the depth/breadth of the legislation and how it would/might be applied. The main point was that organisations need to have 'adequate procedures' in place to avoid heavy penalties if an incident occurs.

- Do risk assessment
- Need top level commitment
- Due diligence
- Clear, practical and accessible policies and procedures
- Effective Implementation required
- Monitor and review.

MH thanked Scott, who stayed on to participate in the questions and answers, for the useful and very interesting presentation.

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MH introduced the next speaker, Andrew Wood from the NHS. Andrew gave an interesting account of the risks in the NHS. He explained that some risks were more specific to the NHS- e.g. clinical risk and that high profile cases had made it an even bigger priority to tackle these. He advised that the main risks in the NHS Grampian (identified by Audit Scotland) arose from

- financial management and affordability
- effective partnership working



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- performance management
- capacity to deliver
- patient safety and clinical governance.

He explained the risk management process in the NHS Grampian including how the Board controls risk, the quality assurance framework, and the sector risk control plans and how the institution and the various committees can use it for learning. He explained that they are trying to connect the models; incidents, risks and complaints and their need to bring all the data together. They use a risk matrix which shows the challenges that they face;

- breadth and depth of the organisation
- embedding
- convincing senior people of the benefits
- Risk escalation
- Seeing past systems and processes
- Risk benefits are there but need to be identified, and made visible.

There were lots of questions and this proved to be a very interesting look at the NHS risks.

MH thanked Andrew for his participation.

4 MH thanked all for attending and advised that the date of the next meeting may have to be changed but that she would communicate with the host of the next meeting- Centrica – and confirm the date as soon as possible. MH brought the meeting to a close.

5 Group Aims / Objectives

- To widen the reach of the IRM
- To provide tangible benefits to those members who reside outside London.
- To encourage growth in membership of the IRM.
- To focus on pure risk management topics.
- To develop knowledge amongst members taking part.
- To add value to the wider risk management industry.
- To research and develop topical ideas on risk management techniques.
- To expand the boundaries of risk management thinking.
- To encourage active discussion amongst members and provoke thought.