



CHERWELL DISTRICT COUNCIL AND SOUTH NORTHAMPTONSHIRE COUNCIL

Fraud Response Plan

Introduction

- 1.0 This plan provides guidance to employees and management in the event of their becoming aware of, or suspecting a fraud or corrupt act being committed against CDC and/or SNC by an Elected member, officer, contractor or service user.
- 1.2 The objectives of a fraud response plan are to ensure that timely and effective action can be taken to:
 - minimise the risk of inappropriate action or disclosure taking place which would compromise an investigation;
 - ensure there is a clear understanding over who will lead any investigation and to ensure service managers and Human Resources are involved as appropriate;
 - secure evidence and ensure containment of any information or knowledge of any investigation into the matter reported;
 - prevent further losses of funds or other assets where fraud has occurred and maximise recovery of losses;
 - ensure there is substance and evidence to support any allegation against an employee before that employee is subject to disciplinary action;
 - minimise the effect of a fraud or corrupt act by taking appropriate and timely action at an early stage;
 - identify the perpetrators and maximise the success of any disciplinary /legal action taken; and
 - minimise any adverse publicity for CDC and/or SNC
- 2.0 **Officer responsibilities**
 - 2.01 There are a number of actions officers may be required to undertake depending on who is involved in the fraud or corruption.
 - 2.02 Officers who know of or suspect a fraud or corrupt act should not discuss the matter with other work colleagues either before or after reporting it to the appropriate person.



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- 2.03 Officers should never confront the suspected individual or act in a manner which might draw the individual's attention to their suspicions.
- 2.04 At the earliest opportunity officers should provide a statement clearly recording all the activities they have witnessed and information they have received or are aware of. It is important to record as much information as possible to inform any subsequent management assessment or investigation, including dates, times and sequences of events.
- 2.05 Officers must only report genuine concerns and believe the concerns to be true. Any reports which are subsequently determined to be malicious could be dealt with as a disciplinary matter.
- 2.06 All information about the case, including details of who made the allegation, will remain confidential wherever possible. However, any investigation may lead to criminal proceedings. Therefore, witnesses may be required to make statements and attend court. Also, in the interests of justice sources of the allegation may need to be made public in court.

3.0 If the fraud or corrupt act is being committed by:

- 3.01 a member of the public or service user in the officer's service area, then, under normal circumstances, officers should report their concerns to their line manager. It may be the case that fraud is a frequent occurrence in some services and there may be arrangements in place for officers to report fraud directly to the Corporate Fraud Team (CFT).
- 3.02 a member of the public or service user not in the officer's service area then the officer should NOT ignore the information they have, but should report the matter directly to CFT. This may include information that comes into the officer's possession through their personal or social life.
- 3.03 a work colleague within the colleague's area of work, then, under normal circumstances, officers should report the matter to their line manager.
- 3.04 a work colleague, outside the colleague's normal sphere of work then, under normal circumstances, officers should report the matter to their line manager. Officers may not wish to report the matter to their line manager, particularly if there is a suspicion the line manager is involved in committing the fraud or corrupt act or having an involvement or knowledge. In such circumstances, officers should make their reports direct to CFT.



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- 3.05 an elected member, then, under normal circumstances, officers should report their concerns to the Monitoring Officer. The Monitoring Officer is responsible for initiating any internal investigations relating to alleged breaches of the councillors' code of conduct.
- 3.06 Officers are also at liberty to raise concerns by way of whistleblowing, in line with CDC and SNC councils' Whistleblowing Policy.
- 3.07 Where an elected member come into possession of information which may indicate that a fraudulent or corrupt act is being perpetrated the expectation is that they will report this to either the Chief Executive or the appropriate Executive Director. The Chief Executive or the Executive Director should ensure that any subsequent investigation follows the requirements of this fraud response plan.

8.0 Investigation Conduct

- 8.01 When a suspected fraud or corrupt act is reported to a line manager, the line manager must report the allegation to CFT. The line manager, in consultation with CFT, will assess the situation and will, where evidence suggests there is a potential fraud or corrupt act, undertake an investigation in conjunction with the Senior Corporate Fraud Officer.
- 8.02 The Monitoring officer should also follow the requirements of this Response Pan.
- 8.03 Under no circumstances should a line manager confront the alleged perpetrator without having consulted CFT. The line manager should not discuss the case with other officers or peer managers.
- 8.04 For internal cases involving an officer or officers the appropriate Director should be informed unless the Director is suspected of being involved in the allegation. Directors do not have the power to interfere or prevent an investigation as set out in this Response Plan.
- 8.05 All investigation conducted by CDC and SNC will be conducted in a professional and legal manner. All investigative legislation and codes of practice will be complied with to the full. Any investigation that may result in criminal proceedings should be conducted by CFT, or CFT liaising with the police or other law enforcement agencies.
- 8.06 If the assessment of the allegation concludes that an investigation will not result in criminal proceedings, it will be normal practice that CFT will conduct the investigation. However, if CFT resources are unavailable, the investigation can be conducted by the line manager or other appointed person following CFT advice.



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- 8.07 The investigation should be carried out as quickly as possible with the objectives of either substantiating or repudiating the allegation.
- 8.08 All evidence will be held securely - evidence could be documents, CCTV tapes or computer records.
- 8.09 The securing of computers and associated data and records is a specialised procedure and should only be attempted by specialists, these specialists should be sourced through CFT.
- 8.10 The investigating officer will be responsible for gathering and securing evidence, interviewing witnesses, interviewing alleged perpetrators and writing an investigation report.
- 8.11 All interviews with alleged perpetrators will be audio recorded. However, only when there is prima facie evidence of a crime will the alleged perpetrator be cautioned in accordance with the Police and Criminal Evidence Act 1984. (PACE).
- 8.12 All interviews will be conducted in line with the relevant PACE code of practice. There will be two interviewing officers present. The interviewee will be afforded all legal rights, such as those set out in the Human Rights Act 1998 and PACE. If the interviewee is an officer of CDC or SNC then they will be entitled to legal and trade union representation. Any advice should come from a legal representative having received instruction from the officer being investigated or the trade union representative.
- 8.13 If the allegation is serious it may be desirable to remove an employee from the workplace, whilst the investigation is undertaken. If suspension is being considered the line manager and CFT will discuss this with the Human Resources. A decision to suspend should be taken promptly with a Director's approval of the suspension. Any Officer suspended must NOT, under any circumstances, be allowed access to computer systems, or any records or other officers.
- 8.14 At the conclusion of the investigation, the investigating officer will write an investigation report. This report will lay out the evidence obtained and set out what this evidence tends to suggest. The investigation report will be presented to the line manager. The line manager and the investigating officer will discuss what course of action should then be taken. In serious cases Directors should be consulted,
- 8.15 Action could include:
- taking no further action;
 - applying the Prosecution and Sanctions Policy
 - taking disciplinary action
 - recovering losses



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8.16 Any elected member, officer or member of the public who has been interviewed must be notified as soon as possible of the outcome of the investigation.

9.0 Conclusion

9.1 This Fraud Response Plan is part of the Counter Fraud and Corruption Framework and is intended to ensure that CDC and SNC objectives in countering and investigating fraud and corruption are achieved.

8.2 However, the Response Plan cannot cover all eventualities. As such, there may be issues or situation where officers are uncertain what to do. If this is the case the Counter Fraud Team should be contacted immediately.