



NATIONAL BACK EXCHANGE

FRAUD POLICY

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POLICY ON COUNTERING FRAUD AND CORRUPTION

INTRODUCTION

- 1.2 In National Back Exchange, as in any other public sector organisation, it is paramount that resources are properly used and safeguarded. It is important that all those who work in the Association are aware of the risk of fraud and what they should do if they become aware or suspect that fraud is occurring. It is also a responsibility of the Association to provide a structure for the investigation of incidents involving fraudulent activity based on the NHS Counter Fraud and Corruption Manual. The Standing Financial Instructions of the Association have been amended to reflect these new requirements.

Please Note

All investigations will be the responsibility of the National Treasurer and will be conducted in an appropriate way.

2 SCOPE

- 2.1 The policy applies to all offences committed against the Association by employees, contractors or members of the Association and or the public.
- 2.2 This policy should be read in conjunction with the National Back Exchange Whistle Blowing Policy and Procedure.

3 OBJECTIVES

- 3.1 To provide direction to all employees and members within the Association in relation to the action they should take if they suspect a person of a fraudulent act or that an act may have been committed.
- 3.2 To provide a framework for employees and members to report concerns.
- 3.3 To detail the National Executive responsibilities in relation to the investigation of fraudulent actions.

4 DEFINITIONS

Fraud – English law does not specifically define fraud but for the purpose of this policy “to defraud is to deprive by deceit”. This would include the obtaining of any property including money, any services e.g. water and electricity or the obtaining of any pecuniary advantage and will include such actions as working whilst off sick without permission or the abuse of authorised signatories.

Corruption – The definition (in the context of the Prevention of Corruption Acts) is the offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person.

Reasonably Held Suspicion – Any suspicion other than those that are malicious or found to be groundless.

5 MEMBERS’ and EMPLOYEES’ RESPONSIBILITIES

5.1 All members and employees have a duty to:

- Protect assets belonging to the Association, its employees and members of the Association and / or the public.
- Report to the Association any incident or occurrence where they have a reasonably held suspicion that an offence may have been committed. This report should be to the National Treasurer or if they suspect the Treasurer may be involved to the Chairman. If for any reason a member of staff does not wish to take the matter up with the Treasurer or Chairman they may contact the Trustees or exceptionally they may ring the NHS Fraud and Corruption Reporting Line on 08702 - 400100.
- Adhere to Association Policies, procedures and guidance relating to Association property and service.
- Co-operate with any investigation and provide a statement if this is required.

6 MEMBERSHIP

6.1 If an individual member is notified of or suspects that an offence may have been committed they must report the matter immediately to the Treasurer, Chairman or Trustee.

- 6.2 They must make notes of anything they hear or see relating to the suspicion including dates, times, descriptions etc.
- 6.3 They must **not** conduct any type of investigation themselves.
- 6.4 They must co-operate fully with those conducting the investigation and provide any evidence that they require during the course of enquiries together with providing a statement if required.

7 EXECUTIVE RESPONSIBILITIES

7.1 The National Treasurer is required to:

- Take responsibility for all fraud matters and in conjunction with the Chairman monitor and ensure compliance with the Secretary of State's Direction on Fraud and Corruption.
- Document any notification of an alleged fraud.
- Advise staff and the National Executive on fraud issues.
- Carry out re-active and pro-active investigations in conjunction with those appointed by the National Executive and maintain documented records of all investigations.
- Liaise and reach agreement with the Chairman and Trustees where the appropriate sanction is felt to be prosecution before the Association takes any future action.
- Liaise with the Chairman concerning any employment / membership issues arising from the investigation, and ensure there is proper liaison with the Chairman on matters of employment law or where disciplinary action is felt appropriate.
- Ensure in conjunction with the Chairman that the investigation team has access to all premises, records or data owned or controlled by the Association together with all employees / members who may have information to provide where this is relevant to the detection and investigation of cases of Fraud and Corruption.
- Ensure that the outcome of each investigation is reported to the National Executive of the Association and the Association's Trustees, as required.
- Liaise with the Chairman and Public Relations Officer on any issues involving publicity concerning an investigation.

7.2 The Chairman is required to:

- Support and advise the Treasurer and National Executive throughout the course of an investigation.
- Advise the National Executive on the appropriateness of suspension of the employee / member where disciplinary action is proposed.
- Liaise with the Treasurer and provide support in relation to any employment law issues or any employee related consequence.

7.3 Responsibilities of other officers of the Association:

Only those officers nominated by the Treasurer, Chair or Trustees of the Association should carry out fraud investigations.

8 POLICY REVIEW

8.1 This policy shall be reviewed at least every two years by the National Executive

This strategy and its associated policy and procedure will be reviewed in 2010.

Signed (following approval by and on behalf of the Association Board):

.....Chairman

Date: