

## **ANTI FRAUD AND CORRUPTION POLICY**

### **Introduction**

The Humberside Police Authority is committed to the values of probity and accountability, but the determined perpetrators will always find a way round systems and procedures. It is therefore necessary for all managers to be aware of what is required in the event of being notified of a suspected fraud. This document sets out the process for staff who wish to notify any suspicions and also how the Authority's officers should respond.

### **Contents**

#### **Notifying Suspected Fraud**

Suspected fraud can be discovered in a number of ways but in all cases it is important that staff feel able to report their concerns and are also aware of the means by which they are able to do so.

The Authority has several means of reporting available to its staff; these include:-

#### **Line Management**

If an employee discovers a suspected fraud then it should be reported to the line manager as a matter of urgency. Whilst line managers should establish as many details as possible (by discussion with the notifying officer only) he/she should formally report the incident to the Divisional Commander/Branch Manager responsible for the area concerned. That officer should then notify the Head of Support Services.

#### **Independent Person**

In some cases the notifying individual may prefer to report the suspicion to an independent officer or even to remain anonymous. The Audit Commission Fraud Hotline telephone number is 0207 6301019. The Chair or Members of the Police Authority ext 2318, the Head of Support Services ext 6251 or the Public Concern at Work Charity 020 7404 6609.

#### **Internal Audit**

The responsibility for internal audit lies with the Treasurer to the Police Authority telephone extension 2320 and the primary role is to report on the adequacy of systems and procedures (the 'internal control' environment). However, they are also charged with the responsibility for being the usual means of investigating suspected fraud. The internal audit department has many years' experience in fraud investigation and the Chief Internal Auditor and his staff will always be receptive to discussing concerns raised by staff or to the general public.

### Chief Constables' Hot Line

By ringing extension 6254, members of staff can report any suspicions direct to the Chief Constable.

### Professional Standards Hot Line

By ringing extension 6140, members of Staff can report any suspicion to Professional Standards Unit.

### Public Interest Disclosure Act

The Public Interest Disclosure Act 1998 protects employees, who report suspected fraud or corruption activities, from any reprisals as long as they meet the rules set out in the Act.

In simple terms the rules for making a protected disclosure are:

- The information disclosed is made in good faith
- The person making the disclosure must believe it to be substantially true
- The person making the disclosure must not act maliciously or make false allegations
- The person making the allegation must not be seeking any personal gain

### Investigating Suspected Fraud

#### Initial Steps

Once fraud is suspected it is critical that any investigation is conducted in a professional manner aimed at ensuring that the current and future interests of both the Authority and the suspected individual(s) are protected. The latter is equally important, as a suspicion should not be seen as a guilt to be proved.

It is also crucial that the notifying employee does not feel threatened. The Authority undertakes to protect the identity of such employees and not to release the source of notification at any time during the investigation.

For each notified suspicion the manager of the area concerned and the Branch Manager, Support Services will appoint an 'Investigating Officer' to be in charge of the investigation on a day to day basis. This will usually be the Internal Auditor, but each case will be judged on its merit.

### Subsequent Steps

The Investigating Officer and Support Services Branch Manager must:

- Initially assess whether there is a need for any employee to be suspended in consultation with the Branch Manager, Personnel. The decision should be kept under review at all stages of the ensuing investigation.
- Identify a course of action (what, who, when, how, where)
- Identify the reporting process (who by, to whom, when and how)
- Ensure the strict confidentiality is continuously maintained.

The Investigating Officer will:

- Open a file to record chronologically:
  - Telephone conversations
  - Face-to-face discussion
  - Records/documents reviewed
  - Tests undertaken and results
  - The file should be indexed and all details recorded no matter how insignificant they may initially appear.
  - Ensure the correct form of evidence is obtained and appropriately retained:
    - Prime documents
    - Certified copies
    - Physical items
  - Secondary evidence (eg discussions etc)
  - Circumstantial
  - Hearsay
  - Ensure interviews are conducted in the right manner. In particular, that the requirements of the Police and Criminal Evidence Act are complied with when interviewing suspects.
- Where the Investigating Officer is not the Chief Internal Auditor, then the latter will always be available to offer advice and guidance.

## Liaison with External Audit and the Police

### External Audit

All suspected frauds must be reported to the External Auditors. This will be done by the Branch Manager, Support Services at the earliest opportunity.

### Police

The Police are the experts at investigating fraud, they will also advise on the likely outcome of any intended prosecution. Initial contact with the Police should only be undertaken following discussions between the Branch Manager, Support Services and the Investigating Officer. It is the policy of the Police to welcome early notification of suspected fraud.

If the Police decide that a formal investigation is necessary, all staff should co-operate fully with any subsequent requests or recommendations. All contact with the Police following their initial involvement will usually be through the Investigating Officer.

Where the Police decide to formally investigate this will not prejudice any internal disciplinary procedures; these should continue as normal. However, the internal investigation and the Police's should be co-ordinated to make maximum use of resources and information.

### Reporting Fraud

#### Interim Report

As soon as the initial 'detection' stage of the investigation has been completed, an interim confidential report, which may be verbal, but is more likely to be in a written format, should be made by the Investigating Officer to the Head of Support Services and any other officer decided upon at the preliminary stage.

The Interim Report should set out:

- The findings to date
- The interim conclusions drawn from those findings and
- Should seek approval to continue the investigation if this is appropriate.

If it is decided to continue the investigation then future reporting arrangements and any changes to the planned action should be confirmed.

### Final Report

This report will supersede all other reports and be the definitive document on which management (in a disciplinary situation) and possibly the Police (in a criminal situation) will base their initial decisions.

The format of the Final Report will not always be the same as each case is unique, but will frequently set out:

- How the investigation arose
- Who the suspects are
- Their position in the Authority and their responsibilities
- How the investigation was undertaken
- The facts and evidence which were identified
- Summary of findings and recommendations, both regarding the fraud itself and any additional work required on the system weaknesses identified during the investigation.

### Defamation

All reports must be substantiated by the strongest evidence and avoid contents that could be considered to be defamatory in the event of the report being made public.

Defamation in law is defined as:

‘The publication (ie communication) of a statement which tends to lower a person in the estimation of right-thinking members of society and tends to make them shun or avoid that person’.

## 2.3 **Other References**

Humberson Police Authority  
Anti Fraud and Corruption Statement  
Date Published: January 2005