

Fraud Response Plan

Policy Type:	Operational Plan
Directorate Area:	All Directorates
Policy Author / Champion:	Maurice Atkinson
Date(s) Equality Screened:	21 July 2017
Date(s) Approved by Executive Team:	Xx xxx 2017
Date(s) Approved by Audit Committee:	19 October 2017
Date(s) Approved by Board:	9 November 2017
Date of Issue to RQIA Staff:	13 November 2017 This policy supersedes the Fraud Response Plan issued on 20 November 2012
Date(s) of Review:	July 2020

Introduction

The Regulation and Quality Improvement Authority (RQIA) is committed to the highest possible standards of openness, probity and accountability in the exercise of its duties.

One of the basic principles of public sector organisations is the proper use of public funds. It is the responsibility of all those working within the public sector to safeguard the resources for which they are responsible and to be aware of any risk of fraud within their organisation.

This document has been prepared to provide guidance to staff on the procedures that must be followed in the event of a suspected, attempted or actual fraud. Throughout the document the term fraud is used in its widest sense, and covers acts such as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, money laundering, concealment of material facts and collusion. A list of the most common types of fraud is given in Appendix 1 as an aid to recognising fraud in its various forms.

This document should be read in conjunction with RQIA's Fraud Policy and Whistleblowing Policy.

Reporting a suspicion of fraud

Once a member of staff suspects that a fraud may have occurred, they **must** report their suspicion in confidence and without delay, normally this would be to their line manager. If it is not deemed appropriate to inform the line manager the matter can be brought to the attention of or reported via:-

- Head of Programme/Director
- Fraud Liaison Officer (FLO) / Director of Corporate Services
- The confidential HSC Fraud Hotline 0800 096 33 96
- Online reporting via email cfps@hscni.net or www.reportthehealthfraud.hscni.net
- In line with the organisation's whistleblowing policy

It is then the responsibility of the person who has received the report to immediately contact their line manager/director and the fraud liaison officer without delay so that the appropriate action may be taken.

Initial Enquiry

A named member of staff will be tasked to undertake a discreet enquiry based on the information reported. The purpose of this initial enquiry is to confirm or refute the suspicions and to ascertain if a further investigation is necessary. A delay in undertaking an initial enquiry could result in valuable evidence being destroyed or removed.

It is important that due consideration is given to the need to ensure evidence is not compromised during the initial enquiry, as it may be required in any future investigation.

Outcome of Initial Enquiry

The findings of the initial enquiry will determine what action should be taken. This may involve:-

- (i) No further action deemed necessary.
- (ii) Notification to the FLO for onward reporting on the regional fraud reporting database held by Counter Fraud and Probitry Services (CFPS).
- (iii) The FLO must also be made aware of the outcome of the initial enquiry so that when reporting the case they can indicate :-
 - Case should be closed – no substance to allegation
 - Case should be closed – theft. Notification by organisation to PSNI
 - Case should be closed – as internal disciplinary route to be followed
 - Case may be referred for investigation – pending further internal investigation
 - Case will be referred for formal investigation by CFPS

NB: There may be occasions when a parallel investigation may be instigated ie pursuit of both criminal and disciplinary investigation.

Where a further investigation will take place, management must ensure that all original documentation is preserved to prevent loss of evidence which may prove essential to support subsequent disciplinary action or prosecution.

RQIA will work in partnership with CFPS to determine whether the suspected fraud should be pursued primarily as a criminal investigation or whether it would be more appropriate to be pursued via disciplinary proceedings.

Full Investigation

Although an initial course of action may be decided upon this decision may require to be amended based on the evolving circumstances of the case. The fraud reporting pathway is set out in Appendix 2.

Criminal Investigation

On receipt of a referral to CFPS a case conference will be convened. Both parties will agree who should be in attendance. Terms of Reference will be produced and timescales agreed. Throughout the investigation it is responsibility of the CFPS investigator to keep the organisation abreast of progress.

The CFPS investigation may find that the appropriate course of action is via the criminal courts. An evidential pack will be forwarded to PSNI for their decision as to whether it would be in the public interest to refer to Public Prosecution Service (PPS).

Disciplinary Investigation

RQIA may instigate disciplinary proceedings or refer to a professional body. This will be done in line with the organisation's disciplinary policy.

Findings of Full Investigation

The outcome from a full investigation may result in:-

- Closure of case with no further action
- Criminal prosecution
- Disciplinary sanctions eg termination of contract
- Referral to professional body
- Civil proceedings

Recovery of Losses

In line with Departmental Circular HSC (F) 50/2012 every effort should be made to recover any losses incurred as a result of the fraud.

All losses must be recorded in the organisation's annual financial statement.

Lessons Learned

A case review will be undertaken at the completion of each case to discuss findings and to make recommendations.

Action should be taken immediately by the relevant officers to rectify any system weaknesses identified by the investigation.

The relevant director may initiate a follow-up examination of the relevant areas to ensure the revised procedures are operating effectively.

Public Relations

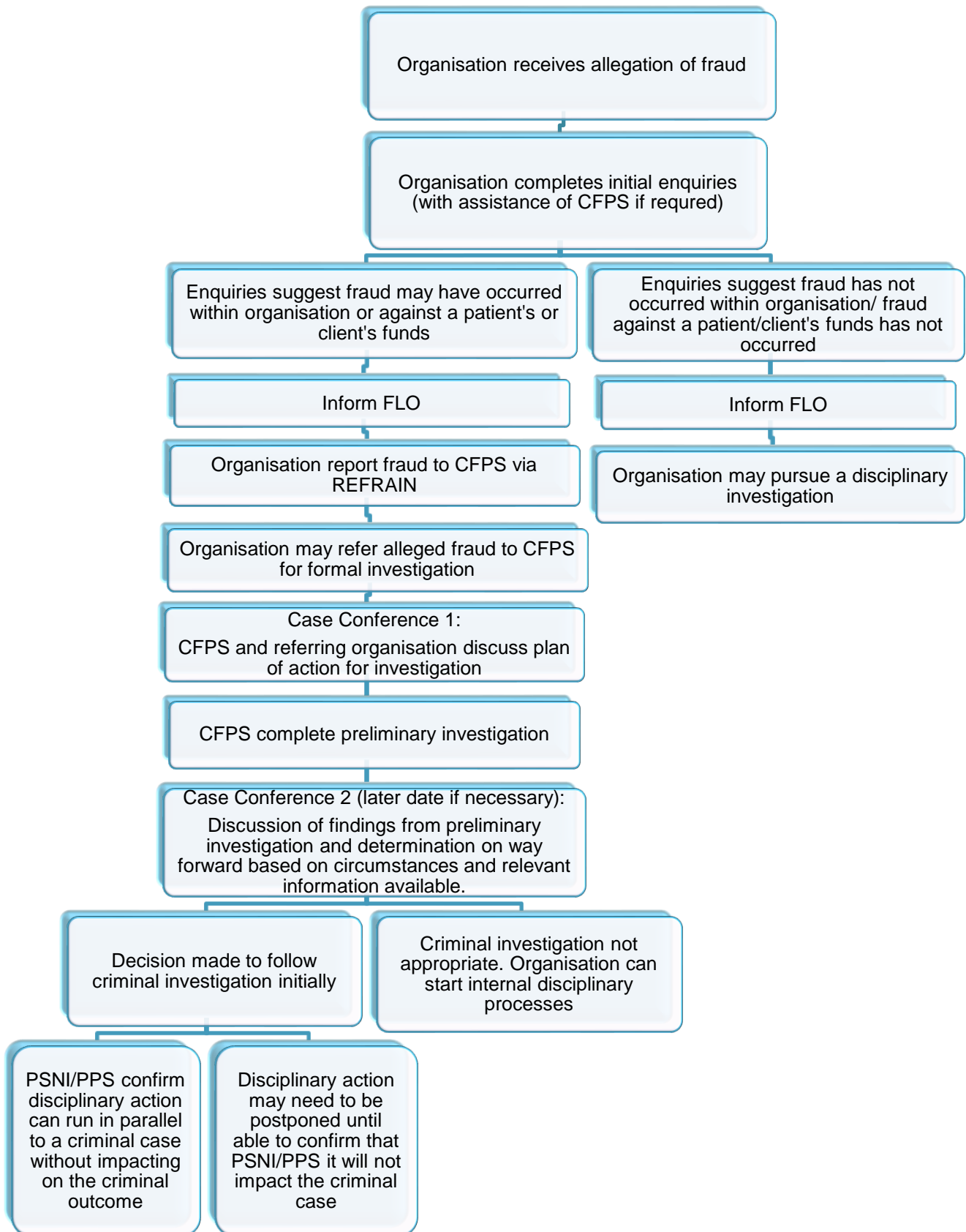
Where the investigation has resulted in a criminal prosecution RQIA will work with CFPS to produce a press release. This press release will be issued by the DoH Press Office.

The organisation will decide whether it is necessary to convey any other information regarding the investigation to other members of staff within the wider organisation.

Appendix 1 – Examples of Common Methods and Types of Fraud

- Payment for work not performed
- Forged endorsements
- Altering amounts and details on documents
- Collusive bidding
- Overcharging
- Writing off recoverable assets or debts
- Unauthorised transactions
- Selling information
- Altering stock records
- Altering sales records
- Cheques made out to false persons
- False persons on payroll
- Theft of official purchasing authorities such as order books
- Unrecorded transactions
- Transactions (expenditure/receipts/deposits) recorded for incorrect sums
- Cash stolen
- Supplies not recorded at all
- False official identification used
- Damaging or destroying documentation
- Using copies of records and receipts
- Using imaging and desktop publishing technology to produce apparent original invoices
- Charging incorrect amounts with amounts stolen
- Delayed terminations from payroll
- Bribes
- Over claiming expenses
- Skimming odd pence and rounding
- Running a private business with official assets
- Using facsimile signatures for fraudulent or unauthorised purposes
- False compensation and insurance claims
- Stealing of discounts
- Selling waste and scrap
- Theft of clients/residents monies
- False or inappropriate use of client/resident monies

Appendix 2 – Fraud Reporting Pathway



NB: The case may be closed at any stage during the investigation.