



COUNTER FRAUD POLICY

The purpose of this policy is to define LEAD's position in terms of the prevention, detection and investigation of fraud and other related offences such as bribery and its counter fraud arrangements. It also provides direction to staff who suspect fraud or bribery on how to report suspicions, and offers a framework for advice, guidance and information on various aspects and implications of fraud.

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1 Scope

London CLINIC has a commitment to high legal, ethical and moral standards. All members of staff are expected to share this commitment. This policy is established to facilitate the development of procedures, which will aid in the prevention, detection and investigation of fraud and other related offences. It also provides information on how to report suspicions, and offers a framework for advice, guidance and information on various aspects and implications of fraud.

This policy applies to any irregularity, or suspected irregularity, involving members of staff as well as contractors, and/or any other parties with a business relationship with LEAD. Any investigative activity required will be conducted without regard to any person's relationship to this organisation, position or length of service.

LEAD will not tolerate fraud, which means that all allegations will be investigated and action will be taken against individuals found to be committing an offence. Such action may take the form of disciplinary, civil and/or criminal proceedings. LEAD will also take appropriate steps to recover any assets lost as a result of fraud and other illegal acts.

2 Policy Objectives

This policy is expected to achieve the following outcomes for LEAD:

- To establish and maintain an anti-fraud culture within LEAD;
- To minimise losses through fraud and bribery;
- To ensure allegations of financial irregularity are referred to the appropriate staff;
- To encourage the implementation of preventative controls;
- To maximise recovery of losses;

3 Roles and responsibilities

All Staff are responsible for reporting any suspicions of fraudulent activity within LEAD.

Through the implementation of this policy LEAD undertakes to promote counter fraud activity by:

- Developing and maintaining effective controls to prevent fraud.
- Carrying out vigorous and prompt investigations if fraud occurs.
- Taking appropriate legal and/or disciplinary action against perpetrators of fraud.
- Informing and involving staff and other stakeholders by raising their awareness of fraud and creating and promoting an anti-fraud culture
- Deterring fraudulent actions and preventing fraudulent activity through both proactive and reactive means
- Holding fraudsters to account through detection and investigation of fraudulent activity, seeking appropriate sanctions and obtaining redress where appropriate

- Effective employee vetting procedures (recruitment checks and DBS where appropriate and a set of values and behaviours which staff are expected to observe)
- Effective disciplinary procedures
- Participation in national anti-fraud initiatives.
- The promotion of awareness of anti-fraud and bribery issues.

The range of sanctions available to LEAD are:

- **Criminal proceedings** - Formal prosecution aimed at securing a criminal conviction which may result in a judicial sentence. All investigations will be conducted to the highest possible standard to ensure the option of a criminal prosecution is available.
- **Civil proceedings** - These are usually undertaken in the civil court system and often used to freeze assets in order to recover money, interest and costs lost by LEAD.
- **Internal Disciplinary proceedings** - Clear evidence of fraud, following a disciplinary hearing, an employee can be summarily dismissed on the ground of gross misconduct.
- **Professional Conduct Referral** – In appropriate cases LEAD will refer staff to their professional body.

A disciplinary process may run in parallel with a criminal investigation and a hearing carried out prior to the conclusion of the criminal investigation. Under no circumstances will any express or implied promise be given that a criminal or civil prosecution will not take place before, during or following the disciplinary process. The decision of whether or not to prosecute will be based on the facts established during the investigation, regardless of co-operation or otherwise from the member of staff during the disciplinary process, although co-operation is expected and a contractual obligation.

At the conclusion of each investigation, the investigator will produce a report.

As with all disciplinary matters, the level of proof required is that of the balance of probability. Disciplinary cases involving allegations of fraud, bribery and financial malpractice will be handled on this basis.

The investigation report will highlight any system weaknesses that are identified as a result of an investigation. These will be addressed through an agreed action plan.

The manager's responsibility:

- Identifying the risks to which systems and procedures are exposed.
- Developing and maintaining effective controls to prevent and detect fraud.
- Ensuring that controls are being complied with.

The manager will fulfil this responsibility by ensuring that there are effective counter fraud controls within LEAD's key financial systems and that LEAD's annual accounts are free from

misstatement due to fraud. The Manager will engage adequate counter fraud resources as are considered appropriate to ensure that LEAD remains compliant with this policy.

There is a particular onus upon the senior leadership to maintain high standards of integrity when dealing with financial matters, conflicts of interest and offers of gifts and hospitality.

Where new policies and systems are being implemented, the manager is required to consider the fraud risk and seek guidance where there is concern.

The manager will ensure that investigations into allegations of fraud are undertaken and will be responsible for the securing of evidence, compilation of case papers and submission of prosecution files to the appropriate prosecuting body. All criminal investigations will be undertaken in accordance with the Police and Criminal Evidence Act 1984 and Criminal Procedures and Investigations Act 1996 and the associated relevant codes of practice.

At the conclusion of each investigation a recommendation will be made as to further action to be taken.

The responsibility for the prevention and detection of fraud and bribery therefore primarily rests with the manager but requires the co-operation of all employees.

As part of that responsibility, the manager needs to:

- Inform staff of LEAD's Counter Fraud policy
- Ensure that all employees for whom they are accountable are made aware of the requirements of the policy
- Assess the types of risk involved in the operations for which they are responsible
- Ensure that adequate control measures are put in place to minimise the risks. This should include clear roles and responsibilities, supervisory checks, staff rotation (particularly in key posts), separation of duties wherever possible so that control of a key function is not invested in one individual, and regular reviews.

Responsibility of individual members of staff:

All staff must comply with this policy and their own professional body requirements. Staff must act at all times with integrity and honesty and must not commit fraud against LEAD or any of its partners or patients or be party to corrupt act/practices. This includes but is not limited to:

- Acting with propriety in the use of official resources and in the handling and use of corporate funds whether they are involved with cash or payments systems, receipts or dealing with contractors or suppliers
- Reporting details immediately to the manager if they suspect that a fraud has been committed or see any suspicious acts or events.
- Not Providing false information when applying for a job with LEAD
- Disclose changes which affect your right to work in LEAD
- Must not make false expenses claims/ submit false overtime / additional hours claims
- Must not Provide false information or fail to disclose the correct information to make a personal gain
- Must declare a conflict of interest
- Must not accept, a gift or inducement from a third party that you know or suspect is offered with or provided in the expectation that it will obtain a business advantage for them

- Must not Give, promise or offer an inducement to secure an advantage, including to individuals outside the UK
- Must not Steal from patients, staff or the public

If you have a suspicion of fraud or corruption you should report the matter to the manager or if appropriate to NHS Protect.

4 REPORTING SUSPICIONS

Fraud comprises both the use of deception to obtain an unjust or illegal financial advantage and intentional misrepresentations affecting the financial statements by one or more individuals among management, staff or third parties.

LEAD places upon all staff a responsibility for maintaining an anti-fraud culture and for ensuring that all fraudulent or potentially fraudulent activity is reported. LEAD recognises the importance of staff feeling safe in raising their concerns and is determined that no member of staff will suffer in any way for raising genuine concerns, even if these concerns prove unfounded.

The LEAD wishes to encourage anyone having reasonable suspicions of fraud to report them. Therefore it is also LEAD's policy, which will be rigorously enforced, that no employee will suffer in any way as a result of reporting reasonably held suspicions.

All members of staff can therefore be confident that they will not suffer in any way as a result of reporting reasonably held suspicions of fraud. For these purposes reasonably held "suspicions" shall mean any suspicions other than those, which are raised maliciously and found to be groundless. The organisation will deal with all occurrences in accordance with the Public Interest Disclosure Act.

If you have a suspicion, discuss it directly with the manager. If initial enquiries support the suspicions, the matter will then be investigated.

If you feel it is necessary to report your concerns elsewhere, the Public Interest Disclosure Act 1998 gives protection to employees who disclose information to a third party