

CHRE

Anti Fraud and Corruption Strategy

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1 Introduction

In any organisation, regardless of the size and nature of services there is the risk of loss due to fraud and corruption.

The Council for Healthcare Regulatory Excellence (CHRE) is committed to making sure that the opportunity for fraud and corruption is reduced to the lowest possible risk. Where there is the possibility of fraud, corruption and other problems, we will deal with it in a robust and controlled manner.

An important part of this approach is having an anti-fraud and corruption strategy, which we will use to advise and guide Council members and staff on our approach to the serious issues of fraud and corruption. This document provides an overview of our policy and includes a 'fraud response plan' which provides more detailed guidance on how to deal with fraud and corruption.

The main message is that CHRE expects all members, employees, consultants and contractors to be fair and honest, and to give us any help, information and support we need to deal with fraud and corruption.

The strategy set out in this document covers the following areas:

- our written rules
- how we expect our employees to behave
- preventing fraud and corruption
- detecting and investigating fraud and corruption
- training

2 Our written rules

CHRE has a number of procedures and rules to make sure that our financial, working and organisational procedures are properly controlled. These are an important part of our internal control process and it is important that all members and staff know about them.

The most important of these are as follows:

- Determinations by the Secretary of State pursuant to paragraph 15 of Schedule 7 to the NHS Reform and Health Care Professions Act 2002
- Directions and general conditions under paragraph 14(1) and 7 of Schedule 7 to the NHS Reform and Health Care Professions Act 2002 in respect of payments made by the Secretary of State pursuant to paragraph 14(1) or 3
- Determination by the Secretary of State for Health for the Allowances payable by the Council for Healthcare Regulatory Excellence, as amended from time-to-time.
- Financial regulations (i.e. Treasury guidance)
- Scheme of delegation
- Expenditure authority
- Procurement procedures
- Expenses guidelines (for Council and for staff)

Managers must make sure that all staff have access to these rules and regulations and that staff receive suitable training.

Council members and employees must make sure that they read and understand the rules and regulations that apply to them, and act in line with them.

If anyone breaks these rules and regulations, aside from any other sanction that may be appropriate the organisation may take formal action against them. This may include ending their employment with CHRE.

2.1 How we expect our employees to behave

We expect all people and organisations who are in any way associated with us to be honest and fair in their dealings with us, our clients and customers. We expect our Council members and employees to lead by example in these matters.



We believe that our employees have an important part to play in dealing with fraud and corruption and will encourage our staff to notify us and provide information if they suspect a case of fraud.

We will deal with all suspicions fairly and confidentially and as far as possible CHRE will not reveal the names of the people who gave us the warning. Our fraud response plan attached (Appendix 1) gives more advice on this issue for both managers and staff.

The Nolan Committee sets out the seven guiding principles that apply to people who serve the public. CHRE will develop our working behaviour around these principles, which are attached as Appendix 2.

We expect our managers to deal firmly and quickly with anyone who is responsible for fraud or corruption but where necessary seeking advice before embarking on a course of action which may lead to either loss of evidence or a breach of guidelines. We may refer matters to the police if we suspect any criminal activity has been carried out.



3 Preventing Fraud and Corruption

We believe that if we are to beat fraud and corruption, we must prevent it from happening in the first place. It is essential that CHRE has clear rules and procedures, within which Council members, employees, consultants and contractors can work.

We must regularly review and update our written rules.

Managers must make sure that suitable levels of internal checks are included in working procedures, particularly financial procedures. It is important that duties are organised so that no one person can carry out a complete transaction without some form of checking process being built into the system.

We must follow our procedures fully when employing new staff. If possible, CHRE must check the previous employment records of anyone we are considering employing. This applies to both temporary and permanent staff.

CHRE is committed to working and co-operating with other organisations to prevent organised fraud and corruption. Wherever possible, in accordance with the principles of the Data Protection Act, CHRE will liaise and exchange information with other organisations to deal with issues of fraud.

CHRE has a whistleblowing policy and we ensure that all staff are aware of the contents and brief managers on how to respond should they receive information.

4 Detecting and Investigating Fraud and Corruption

You should read this section with our fraud response plan (Appendix 1).

Employees must report any suspected cases of fraud and corruption to the appropriate manager, in this case the Director of Governance and Operations, unless it is that person who is the subject of suspicion.

In such cases suspicions should be reported to another person of suitable authority. Reporting cases in this way is essential to the anti-fraud and corruption strategy and makes sure that:

- suspected cases of fraud and corruption are investigated properly;
- the fraud response plan is carried out properly;
- there is a standard process for dealing with all suspected cases of fraud and corruption; and
- people and our interests are protected

The Director of Governance and Operations, in consultation with the Chief Executive, will decide on the type and course of the investigation. This will include referring cases to the police where necessary. Where fraud is proven CHRE will press for prosecution of offenders and will in all circumstances carry out our disciplinary procedures if appropriate.

If we refer cases to the police, we can still take action under the disciplinary procedure. Neither sanction is dependent upon the success of the other.

4.1 Conclusion

CHRE is committed to tackling fraud and corruption whenever it happens. Our response will be effective and organised and will rely on the principles included in this document.

We will continue to review our rules and procedures and will make sure that this strategy document is regularly reviewed to make sure it stays effective.



5 Appendix 1 Fraud Response Plan

5.1 Introduction

It is important that we do all we can to prevent and detect fraud to make sure that we can provide services to our clients honestly and efficiently.

Our anti-fraud and corruption strategy document sets out the principles we are committed to in relation to preventing, reporting and managing fraud and corruption.

The Audit Commission has produced guidelines, which tell employees and managers what they must do if they suspect fraud and corruption. These guidelines have been incorporated into our own fraud response plan.

5.2 Definitions

Fraud is defined as:

“The intentional distortion of financial statements or other records by persons internal or external to the authority which is carried out to conceal the misappropriation of assets or otherwise for gain”.

Corruption is defined as:

“The offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person”.

5.3 Procedures for reporting suspected Fraud and Corruption

We rely on our staff to help us to prevent and detect fraud. It is often members of staff who are in a position to spot any possible cases of fraud and corruption at an early stage.

We have specific reporting lines for fraud. You should first report the matter to the line manager, unless it is that person who is subject of the suspicion. In such cases suspicions should be reported to another person of suitable authority.

We have also introduced a whistleblowing policy.

The action that you take when you first find out about a suspected case of fraud might be vital to the success of any investigation that follows, so it is important that your actions are in line with the information given in this document.



5.4 Actions by employees

If you suspect fraud or corruption anywhere within CHRE, you should do the following.

Write down your concerns immediately. Make a note of all relevant details, such as what was said on the phone or other conversations, the date, the time and the names of anyone involved.

Report the matter immediately to the Director of Governance and Operations. In her absence, report the matter to your line manager or the Chief Executive. Give that person any notes you have made or any evidence you have gathered. Don't tell anyone else about your suspicions.

Do not try to carry out an investigation yourself. This may damage any subsequent enquiry and could lead to a loss of evidence.

If you believe that the concerns you have raised are not being dealt with then you may also raise the matter using the CHRE Policy on Raising Serious Concerns (Whistleblowing).

5.5 Actions by Managers

If you are notified of suspected fraud or corruption in your work area, you should do the following.

Listen to the concerns of your staff and treat every report you receive seriously and sensitively. Do not ridicule suspicions raised by staff. Do not offer an opinion on the veracity of the allegation.

Make sure that all staff concerns are given a fair hearing. You should also reassure staff that they will not suffer because they have told you of their suspicions.

Get as much information as possible from the member of staff, including any notes and any evidence they have that may support the allegation. Do not interfere with any evidence and make sure it is kept in a safe place.

Assess whether the suspicions are justified before you take the matter further.

Report all allegations, whether justified or not, immediately to the Director of Governance and Operations or, in her absence, the Chief Executive. Do not tell anyone else about your suspicions.



6 Appendix 2 The 7 Principles of Public Life

Selflessness

Holders of Public office take decisions in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their performance of the official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contract, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

Document Control

Version Control

Printed documents are uncontrolled. This document is only valid on the day it was printed.

Version	Description of Version	Date Completed
1.0	Anti-Fraud and corruption Strategy	21 October 2008
1.1	Updated for job titles Re-approved by audit Committee	December 2010

Associated Documentation

Version	Description of Documentation
1.1	Whistleblowing Policy – Raising serious concerns

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