

NORTHERN IRELAND POLICING BOARD

FRAUD RESPONSE PLAN

DOCUMENT CONTROL

(i) SUMMARY

This document provides guidance for Northern Ireland Policing Board (NIPB) staff and non-staff in respect of the Fraud Response Plan.

(ii) DOCUMENT STATUS HISTORY

Version	Issue Date	Section	Reason for Update
1.0	December 2015	Whole Document	Key contacts updated, document control added
1.1	December 2023	Whole Document	Key contacts updated, document control added
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(ii) DOCUMENT REVIEW DATE

This document will be reviewed on or before;

January 2025

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INTRODUCTION BY NIPB CHIEF EXECUTIVE

There is a continuing need to raise staff awareness of our responsibility to safeguard public resources against the risk of fraud. This paper sets out the NIPB **Fraud Response Plan (TRIM 576476)** – the actions that **MUST** be followed, in the event of a fraud, attempted fraud or irregular activity being suspected. The NIPB **Anti-Fraud Policy (TRIM 576477)** sets out the actions we must take to help prevent fraud.

Fraud is not a victimless crime. We are entrusted with taxpayers' money, and we must look after it in the same way that we look after our own. So we must all be aware of:

- what constitutes fraud;
- the potential for fraud;
- steps to prevent fraud in the first instance; and
- what to do in the event of fraud or if we suspect fraud has occurred.

The Northern Ireland Policing Board takes a **zero tolerance approach** to fraud, reporting instances of fraud to the police as necessary, and taking all appropriate steps to recover monies lost as a result of fraud perpetrated against the Northern Ireland Policing Board.

All cases of suspected or actual fraud should be reported immediately to the Director of Resources who will advise management on what steps to take next.

If staff become aware of wrongdoing there may be some circumstances where they are afraid to voice their concern, especially if the case involves a more senior officer. The Public Interest Disclosure (Northern Ireland) Order 1998 protects individuals from workplace retributions for raising a genuine concern whether a risk to the public purse or other wrongdoing. The NIPB has a **Raising Concerns (Whistleblowing) Policy (TRIM 527917)** to assure you that it is safe to speak up if you are concerned about something.

Please ensure that you familiarise yourself with your anti-fraud responsibilities and the steps which you must take in the event of fraud or suspected fraud.

IF IN DOUBT. ASK FOR ADVICE

**SINEAD SIMPSON
CHIEF EXECUTIVE**

NIPB FRAUD RESPONSE PLAN

1. INTRODUCTION

1.1 The Northern Ireland Policing Board has prepared this **Fraud Response Plan** to act as a procedural guide and provide a checklist of the required actions, which **MUST** be followed, in the event of a fraud, attempted fraud or irregular activity being suspected.

1.2 This document relates to fraud and loss within the Northern Ireland Policing Board, and applies to **all monies for which the NIPB is accountable**, including Organisational expenditure, grants to Policing and Community Safety Partnerships (PCSPs) and the Police Property Fund.

1.3 Adherence to the **Fraud Response Plan** will enable the Northern Ireland Policing Board to:

- Take timely and effective action to prevent further losses;
- Help to recover losses;
- Establish and secure evidence necessary for possible criminal and disciplinary action;
- Comply with the external reporting requirements set out in Managing Public Money NI (MPMNI); and
- Highlight areas of weakness in the operating systems to prevent future losses.

1.4 The overarching theme of this plan is

IF IN DOUBT. ASK FOR ADVICE

This applies at any point in an investigation. Details of contacts are provided at **Appendix 6**.

1.5 A Memorandum of Understanding has also been agreed with the Police Service of Northern Ireland (PSNI) for the Northern Ireland Public Sector. The Memorandum of Understanding provides a basic framework for the working relationships between the NI Public Sector and the PSNI in respect of the investigation and prosecution of suspected fraud cases.

1.6 The following sections of this paper set out the initial steps to take in the event of fraud or suspected fraud:

- Initial Reporting;
- Initial Enquiries/Fact Finding;
- Management Action;
- Formal Notification; and
- Commencement of Investigation.

1.7 **Appendix 1** provides a high level flowchart setting out the key steps in the preliminary enquiry and formal reporting stages. **Appendices 4 and 5** provide advice on best practice for reporting suspicions of fraud and irregularity.

2. STAGE 1 – INITIAL REPORTING

2.1 Action required by a staff member on becoming aware of fraud.

When any member of staff becomes aware of a fraud (whether they discover it themselves or it is reported to them by a third party), they must **orally** notify their Line Manager/Head of Branch/Director promptly. If it is not appropriate to raise the concern with their line manager or senior line management, the matter should be brought directly to the attention of the Director of Resources.

2.2 The Northern Ireland Policing Board has a Raising Concerns (Whistleblowing) Policy to assure staff and members of the public that it is safe to speak up if they are concerned about something. In addition, advice is available through the independent the independent charity Protect (previously known as Public Concern at Work) on **020 3117 2520**. Their lawyers can give free confidential advice at any stage regarding a concern about serious malpractice at work. An employee can, of course, also seek advice from a lawyer of their own choice, at their own expense.

2.3 Action Required by management to whom the Case is Reported

The Line Manager/Head of Branch/Director must report to the Director of Resources. Where a line manager is reporting directly to the Director of Resources, they should ensure that the Head of Branch of their business area are copied in to all correspondence unless these individuals appear to be involved or linked with the case.

2.4 Line management **should not** undertake preliminary enquiries until any suspicion has been reported to and advice taken from the Director of Resources. **It is imperative that enquiries should not prejudice subsequent investigations or corrupt evidence, therefore,**

IF IN DOUBT. ASK FOR ADVICE

3. STAGE 2 – INITIAL ENQUIRIES/FACT FINDING

- 3.1** The Director of Resources, in conjunction with the Head of Internal Audit and the the Head of Finance, will advise on an initial fact-finding exercise.
- 3.2** For significant/novel cases the Director of Resources may establish a Fraud Investigation Oversight Group (FIOG). This will normally comprise the Director of Resources, the Head of Finance, the Head of Internal Audit and appropriate representation from the business area. Expert advice may be sought as necessary.
- 3.3** Where the suspected fraud is cross-organisational the FIOG should reflect this and it is recommended that the existing Director of Resources network is utilised for this purpose. Where NIPB is the lead in any investigation the Director of Resources will take the lead role in contacting appropriate colleagues to convene a FIOG meeting. The appropriate attendees will be driven by those branches impacted by the case under investigation.
- 3.4** The business area must then make arrangements for the necessary initial enquiries to be made and facts gathered to confirm that a fraud is suspected or proven. Depending on the nature and scale of the case and the investigative requirements, the Director may wish to delegate these responsibilities to an official at an appropriate level within their business area, for example, for lower level / less complex cases.
- 3.5** This discreet preliminary enquiry should be carried out as speedily as possible (normally within 5 working days) after the suspicion being raised and with due consideration to potential future prosecutions and the need to ensure evidence is not compromised. The purpose of the initial fact-finding exercise is to determine the factors that gave rise to suspicion and to clarify whether a genuine mistake has been made or if it is likely that a fraud has been attempted or occurred. This may involve discreet enquiries with staff or the examination of documents.

4. STAGE 3 – MANAGEMENT ACTION & STAGE 4 – FORMAL NOTIFICATION

4.1 If the initial enquiries confirm that a fraud has not been attempted or perpetrated, no further action is necessary apart from documenting the outcome of the initial enquiry. The exception would be if there are issues concerning non compliance with NICS Code of Ethics, and such cases should be reported to the Director of Resources. In addition, if internal controls were found to be deficient, management should review their control systems with a view to ensuring they are adequate and effective.

4.2 Action to be taken when the Initial Enquiries Confirm a Suspicion of Fraud in or against the NIPB

If the initial enquiries confirm a suspicion of fraud, management must ensure that all original documentation is preserved in a safe manner for further investigation. This is to prevent the loss of evidence, which may be essential to support subsequent disciplinary action or prosecution.

4.3 Formal Notification of the Case

Using the template at Appendix 2 the business area contact should report the facts immediately, internally, to:

- Business Area senior management (Director, and Head of Branch concerned); and
- Director of Resources and Head of Finance.

4.4 Finance Branch, within Northern Ireland Policing Board, is responsible for the external reporting of all discovered fraud, proven or suspected, including attempted fraud, within or against the Northern Ireland Policing Board to:

- The Comptroller and Auditor General, Northern Ireland Audit Office (NIAO) through the Department of Justice; and
- Accountability and Financial Management Division (AFMD).

The Director of Resources will report, immediately, all cases of fraud, proven or suspected, including attempted fraud to the Head of Finance Branch who will ensure external reporting requirements are met.

- 4.5** C&AG should be promptly notified of new fraud cases. Stage 1 (Initial Reporting) to Stage 4 (Formal Notification) should normally be completed within 10 working days. To enable Finance Branch to meet this timescale, business areas should normally forward the DoJ Notification of Fraud Form to Finance Branch within 8 working days of the matter being initially reported.
- 4.6** The Head of Finance will ensure that updates on progress regarding the completion of investigations are provided to NIAO and AFMD through DoJ, as necessary, to meet external reporting requirements. Care will be taken in making such reports that potential future legal proceedings are not jeopardised.
- 4.7** To remove any threat of further fraud or loss, management should immediately change/strengthen procedures and if appropriate, suspend any further payments pending full investigation. Where the fraud has been perpetrated externally management should consider the need to inform other government Departments/Bodies.
- 4.8** Reporting arrangements apply to **all monies for which the NIPB is accountable**. This extends to frauds (proven or suspected) including attempted fraud in organisations/companies supported with public funds from Voluntary Bodies and other agents such as Intermediary Funding Bodies/third party organisations funded by the Northern Ireland Policing Board such as Policing and Community Safety Partnerships (PCSPs).
- 4.9** The Head of Finance will also complete the Northern Ireland Policing Board annual fraud return to Accountability and Financial Management

Division (AFMD) and provide regular updates to the Northern Ireland Policing Board Audit and Risk Committee and the Northern Ireland Policing Board.

5. STAGE 5 – INVESTIGATION

- 5.1 The Director of Resources will decide on the appropriate course of action including the full formal investigation arrangements, and will be responsible for reporting to and liaison with the Accounting Officer, as necessary, and for reporting to Finance branch, to support external reporting requirements.
- 5.2 If appropriate, the Director of Resources will establish a Fraud Investigation Oversight Group (FIOG) to determine the scope of the investigation. This will normally comprise the Director of Resources as Senior Responsible Officer (SRO), the Northern Ireland Policing Board Establishment Officer, the Head of Internal Audit, Head of Finance and appropriate representation from the business area. Expert advice (e.g. Forensic accountants, CSO) may be sought as necessary.
- 5.3 The SRO will appoint a Case Manager, normally from within the relevant business area to manage and control the investigation. The Case Manager will have no conflict of interest, be of appropriately senior grade and have proportionate knowledge and skills to manage the case.
- 5.4 The **SRO's main role** is to oversee the conduct of an effective investigation, undertaken in a timely manner. They will have overall responsibility and accountability for the independence and integrity of the investigation. On this basis they are responsible for:
- identifying the expected required level of fraud investigation resources required;
 - making sufficient resources available to fund this requirement from the Group Service;
 - providing access to all records, assets, personnel and premises, and with the authority to obtain such information and explanations as are considered necessary to fulfil fraud investigation responsibilities;

- ensuring that evidence (including computer files and records of amendments relevant to the case) gathered during initial fact finding is not compromised. Evidence and records should be protected and preserved for future consideration during a detailed investigation. In addition, they should not be disposed of under the normal review process;
- approving the Terms of Reference and Investigation Plan produced by the Fraud Investigation Unit;
- where appropriate establishing a Fraud Investigation Oversight Group or other Client oversight mechanisms;
- co-ordinating meetings of Fraud Investigation Oversight Group where applicable, and producing accurate and timely minutes of meetings;
- at a corporate level overseeing the fraud investigation being undertaken within their organisation by Group staff;
- taking key management decisions in fraud investigation cases, based on advice/recommendations from Group staff e.g. on police referral, recovery options;
- documenting any decision not to investigate a particular aspect of the allegation;
- fully engaging with the Group staff throughout investigations, including providing free and unfettered direct access to the Accounting Officer, Audit Committee Chair and other senior managers where required;
- where required supporting the utilisation of Internal Audit staff to assist staff undertaking investigations;
- taking appropriate corrective action to address weaknesses or lessons learned as highlighted by investigations;
- ensuring that any key cross cutting lessons learned and patterns with previous cases for consideration are highlighted and key messages disseminated appropriately;
- liaising as appropriate with the officer responsible for exercising disciplinary powers and ensuring that the independence of their role and the integrity of the disciplinary process is not compromised; and
- liaising with senior management so recovery and disciplinary actions are addressed and controls are improved. For investigations conducted under disciplinary procedures, the Director of Resources will initiate disciplinary action.

In most cases the SRO will decide to delegate some of the roles set out above (e.g. to the Case Manager) but always retaining SRO responsibility.

- 5.5** For any significant and potentially complex cases a SRO may be appointed by the Permanent Secretary. In such cases consideration should be given to the need for the investigation to be conducted independently from the Northern Ireland Policing Board.

- 5.6** An internal investigation can, of course, be taken forward under established disciplinary procedures by staff in NIPB HR. Where cases involving disciplinary procedures do merit the oversight of a SRO, their role will not infringe upon the independence of the officer responsible for exercising disciplinary powers.

6. LIAISON WITH THE POLICE SERVICE OF NORTHERN IRELAND

- 6.1** It is Northern Ireland Policing Board policy that in **cases of fraud**, whether perpetrated or attempted by a member of staff or by external organisations or persons, the case will be referred to the PSNI, as necessary, at the earliest possible juncture. For example, in a case involving the theft of an asset the police will be contacted upon discovery of the theft whereas in cases such as abuse of flexible working hours, police involvement may not be deemed necessary.
- 6.2** The Director of Resources should ensure that legal and/or police advice is sought where necessary. The Director of Resources will lead on liaisons with the PSNI in accordance with the operating protocols set out in the Memorandum of Understanding (MOU) with the PSNI.
- 6.3** The MOU sets out a framework to ensure appropriate action is taken by public sector organisations in line with DoF guidelines to deal with cases of suspected, attempted or actual fraud. It also aims to ensure that, where specifically appropriate, actions throughout the investigative process are conducted in accordance with the Police and Criminal Evidence (Northern Ireland) Order 1989 (PACE). Where investigations are required to be conducted in accordance with PACE a trained official will advise on the specific requirements.
- 6.4** If the police decide to investigate then it may be necessary for the Director of Resources to postpone further internal action. Where this is the case then this course of action should be formally documented and the Director of Resources should continue to liaise with the police at regular intervals and if required report on progress to senior management.

7. SANCTION AND REDRESS

- 7.1 Appropriate steps will be taken to **recover all losses** resulting from fraud, if necessary through civil action.
- 7.2 There are three main actions that the Northern Ireland Policing Board may pursue as part of its fraud investigation:
- (a) Conduct the investigation to a criminal standard to maximise the opportunities for a criminal prosecution. This course of action may include the preparation and submission to the PSNI of an evidential pack. Alternatively, where in-house expertise is available, the investigation can be taken forward with a view to presenting a file to the Public Prosecution Service for direction;
 - (b) Seek redress of any outstanding financial loss through the Civil Courts, if appropriate; and
 - (c) Pursue the internal disciplinary process which may, if there is clear evidence of supervisory failures, include other officials.
- 7.3 Each option needs careful consideration in order to decide on the most appropriate course of action to be taken in each case. It is important that any civil/disciplinary action does not impair a criminal investigation and vice versa.

8. POST EVENT ACTION

- 8.1** Where a fraud, or attempted fraud, has occurred, management must make any necessary changes to systems and procedures to ensure that similar frauds or attempted frauds will not recur. Additionally, if a Northern Ireland Policing Board employee is suspected of involvement, the Director of Resources in conjunction with the Accounting Officer will consider the appropriate course of action. This may range from close monitoring/supervision to precautionary suspension, however, it should be noted that suspension does not in any way imply guilt.
- 8.2** Internal Audit is available to offer advice and assistance on matters relating to internal control, if considered appropriate.

9. COMMUNICATION

9.1 The following communications should be observed in all cases:

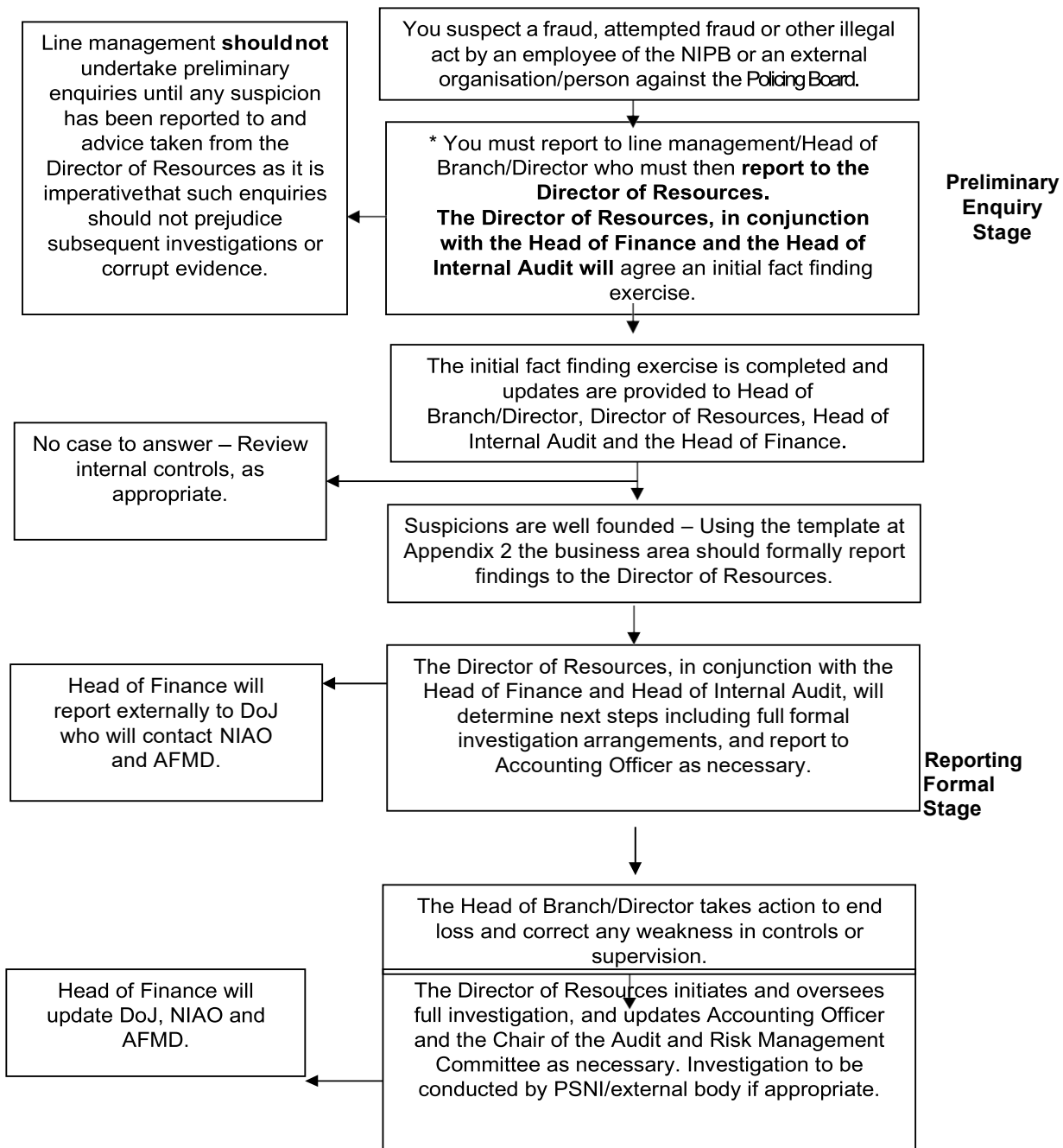
- The Northern Ireland Policing Board Audit and Risk Committee should be kept informed;
- A lessons-learned document should be circulated throughout the NIPB, if appropriate;
- This Northern Ireland Policing Board **Fraud Response Plan (TRIM 576476)** should be reviewed to determine whether it needs to be updated and if so, changes should be circulated throughout the organisation;
- Where the allegation has been made by a person raising a concern/Whistleblower or individual (and their identity is known), the SRO or Case Manager should provide regular and proactive feedback on the progress of the investigation, as set out in the Whistleblowing guidance;
- A similar duty of care exists towards members of staff under investigation, who should be advised of the investigation process, expected timescales and the eventual outcome;
- The Annual Fraud Return will provide a composite account of the Northern Ireland Policing Board fraud cases. Consideration should be given to informing other public sector organisations, e.g. other Government Departments, NIAO, grant paying organisations; and
- At the appropriate time, inform the DoF Fraud Working Group and the NICS Fraud Forum of outcomes and lessons learned.

10. CONCLUSION

10.1 Any queries in connection with this Fraud Response Plan should be made to the Director of Resources and Head of Finance.

10.2 Current contact details are provided in Appendix 6.

Appendix 1 - PRELIMINARY ENQUIRY AND FORMAL REPORTING STAGES



* If you are concerned that line management may be involved in a suspected or actual fraud, you should report it to the next appropriate level, i.e. Head of Branch, Director, Chief Executive or Chair of the Audit and Risk Management Committee. Alternatively, at any stage in the process, you can contact the Director of Resources. You can also contact Public Concern at Work.

Appendix 2 - FORMAL NOTIFICATION OF FRAUDS

1.	NIPB fraud reference number (unique identifier)	Ref: <i>(for completion by Director of Resources)</i>
2.	Branch	Finance
3.	Name of body (eg specific Board, Trust, NDPB, Agency etc)	
4.	Specific location of fraud (eg name of area/location etc)	
5.	Date fraud or suspected fraud discovered	
6.	Is the case being reported as actual, suspected or attempted fraud?	Actual, Suspected, Attempted
7.	Type of fraud?	<i>(Selection as per notes below)</i>
8.	What was the cause of the fraud?	<i>(Selection as per notes below)</i>
9.	Brief outline of case	
10.	Amount lost or estimated value	
11.	How was the fraud discovered?	<i>(Selection as per notes below)</i>
12.	Who perpetrated the fraud?	<i>(Selection as per notes below)</i>
13.	Has PSNI been notified?	Yes / No
14.	Any other action taken so far?	<i>(Selection as per notes below)</i>
15.	Please give contact details for this fraud in case follow-up is required	Name Telephone Email

Notes

Types of fraud

- Grant related
- Theft of assets (please state type of asset eg cash, laptop, oil, tools, camera)
- Payment process related
- Income related
- Pay or pay related allowances
- Travel and subsistence
- Pension fraud
- Contractor fraud
- Procurement fraud
- False representation
- Failure to disclose information
- Abuse of position
- Other (please specify)

Causes of fraud

- Absence of proper controls
- Failure to observe existing controls
- Opportunistic
- Unknown

Means of discovery of fraud

- Normal operation of control procedures
- Whistleblowing (internal or external)
- Internal Audit
- External
- Computer analysis/National Fraud Initiative
- Other means (please specify)

Perpetrators of Fraud

- Internal staff member
- Contractor
- Funded body/grant applicant
- Other third party (please specify)
- Collusion between internal and external parties
- Unknown

Other actions taken

- Controls improved
- Control improvements being considered
- No action possible
- Disciplinary action
- Prosecution

Appendix 3 - POTENTIAL PARTIES WHOM IT MAY BE NECESSARY TO INCLUDE IN THE INVESTIGATION

Personnel	Considerations
Senior Responsible Officer (SRO)	<p>Senior manager with responsibility for the investigation.</p> <p>Is the officer sufficiently independent from the area under investigation?</p> <p>Is the SRO at an appropriate grade and level of authority? The SRO should be the Director of Resources unless they deem themselves insufficiently independent.</p>
Case Manager	<p>Is the officer independent from the area under investigation?</p> <p>Has the Case Manager sufficient capacity to undertake the responsibilities?</p> <p>Is the Case Manager clear on their particular role and responsibilities and agreed them in the ToR (this should include clarification on the relationship with the SRO)? The Case Manager be should the Director of Resources unless they deem themselves insufficiently independent.</p>
Internal Audit	<p>Has the auditor sufficient capacity to undertake the responsibilities?</p> <p>Has the officer the necessary skills and experience?</p> <p>Has the officer appropriate qualification(s)?</p> <p>Is the officer trained in PACE (if required for the investigation)?</p> <p>Is the auditor clear on their particular role and responsibilities, and agreed them in the ToR?</p>
Finance Branch	<p>Has early engagement with Finance Branch been made to clarify queries relating to the Fraud Response Plan and remedial actions?</p> <p>Has Finance Division been provided with a comprehensively completed C&AG Notification of Fraud form?</p> <p>Has Finance Branch been updated with the progress of the investigation and the handling of open cases?</p>
Police Service of Northern Ireland (PSNI)	<p><i>A memorandum of understanding is in place setting out a basic framework for the working relationship between the PSNI and the Public Sector in respect of investigation and prosecution of fraud cases.</i></p> <p>Have the PSNI been informed of the issue (if necessary)?</p>

Personnel	Considerations
	Do the PSNI wish to carry out an investigation (under criminal law) and if so, how does this affect the internal investigation (under employment law)?
HR Connect	HR Connect are contracted to carry out initial investigations in disciplinary cases. Are HR Connect in a position to deal with the investigation and in particular to PACE standards (if required)?
Independent Investigator	Has the investigator the necessary skills, experience, qualifications and authority? Is he/she independent from the area under investigation? Is the investigator trained in PACE (if required)? Is he/she clear on their particular role and responsibilities and agreed them in the ToR (including costs, standards and timeframe)?
Technical Expert	<i>In some complex cases it may be necessary to engage an officer with the necessary knowledge and expertise to provide inputs, such as advising on particular technical issues.</i> Is the expert independent from the area under investigation? Does the expert have the necessary skills, experience and knowledge to provide advice on particular technical issues? Does the expert have the necessary sensitivities required to conduct the investigation? Does the expert have sufficient capacity to undertake this role? Is he/she clear on their particular role and responsibilities and agreed them in the ToR?
Crown Solicitors Office (CSO)	<i>Arrangements are in place for CSO to advise at all stages in these cases.</i> Has early engagement with CSO taken place to clarify legal questions/anomalies?

Appendix 4 - BEST PRACTICE FOR REPORTING SUSPICIONS OF FRAUD AND IRREGULARITY

If staff become aware of a suspected fraud or irregularity, write down the concerns immediately. Make a note of all relevant details, such as what was said in phone or other conversations, the date, the time and the names of anyone involved. It may be necessary to handover any notes and/or evidence you have gathered to the appropriate investigator.

STAFF MUST NOT DO ANY OF THE FOLLOWING:

- Contact the suspected perpetrator in an effort to determine the facts.
- Discuss the case facts, suspicions, or allegations with anyone outside the Northern Ireland Policing Board.
- Discuss the case with anyone within the NIPB other than the people detailed in the **Anti-Fraud Policy** and **Fraud Response Plan**.
- Attempt to personally conduct investigations or interviews or question anyone.

ACTION BY MANAGERS

If Line Management have reason to suspect fraud or corruption in the work area, they should:

- Listen to the concerns of staff and treat every report received seriously and sensitively;
- Make sure that all staff concerns are given a fair hearing. Line Management should also reassure staff that they will not suffer because they have told you of the 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 safe place;
- Do not try to carry out an investigation yourself; this may damage any criminal enquiry. Seek advice from the Director of Resources; and
- **Report the matter immediately to Line Management for notification to the Director of Resources.**

Appendix 5 - SUMMARY OF GOOD PRACTICE GUIDANCE ISSUED BY THE NICS FRAUD FORUM: WHEN CARRYING OUT A FRAUD INVESTIGATION INVOLVING PURCHASING AND PAYMENT OF INVOICES

This guidance was developed by the Fraud Forum following a review of a fraud investigation it had undertaken.

The issues listed below are not designed to provide comprehensive guidance to those undertaking fraud investigations but are designed to be of use to investigators who may find themselves undertaking a similar type of investigation and who may benefit from knowing about the experiences of others.

The general lessons learned were:

- Where fraud occurs or is suspected prompt and vigorous investigations should be carried out by officers independent of the work areas under investigation.
- The investigation should be carried out by fully trained and experienced investigators with a working knowledge of interviewing suspects and collecting evidence in accordance with the provisions of the Police and Criminal Evidence (Northern Ireland) Order 1989.
- The PSNI should be informed and advice sought at the earliest possible juncture.
- All aspects of the suspected fraudster's work should be investigated, not just the area where the fraud was discovered.
- The investigation will obviously cover the period the officer was responsible for the processes under investigation but consideration should also be given to investigating earlier periods of employment.
- Potential evidence, including computer files and record of amendments relevant to the case should be retained and not disposed of regardless of the normal routine procedures for disposal.
- Control weaknesses discovered in procedures during the investigation should be strengthened immediately.

Useful checks to apply

- NIPB staff, including finance, internal audit and those responsible for fraud investigations should consider the merits of adding the checks, listed below to their control procedures and investigation/audit programmes. Consideration should also be given to building in some of these checks when systems are under development. Some of the checks listed may come under the provisions of the Data Protection legislation and so advice from the Information Commissioner's Office may need to be sought.

Master File Standing Supplier Data

1. Comparison of the master file standing supplier data against staff personal bank account data recorded on the payroll system.
2. Historical amendments to the master file standing data should be checked to identify any temporary changes to the bank account details or the creation of temporary fictitious suppliers.
3. Comparison between the bank account details held on the master file standing supplier data and the bank accounts into which monies were actually paid.
4. Reasonableness checks on the master file standing supplier data to establish the location of the bank into which the monies were paid and comparison with the address of the supplier. Bank locations are identified by the sort codes.

Purchase Ledger Transactions

5. Test the purchase ledger transactions for multiple use of the same order number against invoices from different suppliers.
6. Test the purchase ledger transactions for different suppliers with the same bank account number.
7. Test the purchase ledger transactions for invoices posted without a purchase order number.

Documentation

8. Check invoice files for photocopied invoices and purchase orders and investigate further.
9. Check for instances where the purchase orders were raised after the invoices had been received.
10. Check for payments made on supplier statements rather than on invoices.
11. Review purchase orders and goods received notes (GRN's) to identify those transactions that have been ordered and the goods evidenced as received by the same person.

Paid Cheques

12. Examine the paid cheques to identify the bank, the account number and the sort code into which the cheque was deposited. The purpose being to establish whether payments to the same supplier had been lodged into different bank accounts. Compare with details held on the standing data.
13. Examine paid cheques for endorsements to determine whether cheques were endorsed to a third party and lodged into an account other than the supplier.

Cash Book

14. Investigate outstanding lodgements and outstanding cheques recorded on the bank reconciliations to ensure that they are legitimate.

Appendix 6 - CONTACT DETAILS

Name	Designation	Telephone Number
Mr Patrick Nelson	Audit and Risk Management Committee Chair	(028) 9040 8500 (Ext 83535)
Mrs Sinead Simpson	Chief Executive	(028) 9040 8535 (Ext 83535)
Mr Sam Hagen	Director of Resources	(028) 9040 8558 (Ext 83558)
Ms Jenny Passmore	Director of Partnership	(028) 9040 8587 (Ext 83587)
Mr Adrian McNamee	Director of Performance	(028) 904 8626 (Ext 83626)
Mrs Aislinn McGuckin	Director of Police Pensions & Injury Benefits	(028) 9040 8619 (Ext 83619)
Ms Lacey Walker	Head of Internal Audit	(028) 9037 8603 (Ext 88603)

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DOCUMENT TITLE

**Northern Ireland Policing Board
Fraud Response Plan**

ONLINE FORMAT

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