

Stroud District Council

Policy on Fraud Investigation

General

This policy contributes to the implementation of Stroud District Council's corporate aims of working with others to make the district a better place to live and work, which incorporates the objective to prevent and reduce crime and disorder.

Stroud District Council is committed to reducing fraud and error within the Housing Benefit and Council Tax benefit system. Efficient and effective verification of all details supplied by claimants will minimise the risk of fraud and error entering the system. Proactive and reactive investigation work which is well publicised will act as a deterrent.

Policy and Standards

Counter Fraud Investigators will:

- Legally obtain information from the widest possible range of sources and link it together with due regard to the laws of evidence.
- be able to assess the evidence with a proper understanding of the full range of offences that might be applicable
- fully understand the financial and other implications of any decision on a particular course of action
- collate sufficient evidence to support legal proceedings with the ability to pursue a case to the point of prosecution if this is desirable.

It is of paramount importance the public has faith in the integrity of investigators. It is the responsibility of each investigator to be seen to act accordingly.

The Policy aims to identify the minimum standards of conduct and professionalism required of investigators of all grades and to promote the uniform adoption of such standards by investigators in their dealings with colleagues and the general public.

All of our customers will be treated in a fair and equitable manner having particular regard to the Human Rights Act, Race Relations Act and any other legislation or Policies, which may have an impact.

Enthusiasm must not be allowed to override practical Health and Safety requirements; investigators should have regard to departmental instructions.

Provisions

Unless engaged on duties, which dictate otherwise, Investigators should remember they are the public face of their employer and should dress and act accordingly.

Investigators must exercise reasonable care to prevent loss of or damage to public and private property.

All evidence gathered during the course of an investigation must be recorded in accordance with the Criminal Procedure and Investigation Act 1996 and a named investigator designated as required.

Evidence must never be concealed nor altered in any way from its original form.

The interviewing of a suspect must always be carried out in accordance with the provisions of the Police and Criminal Evidence Act 1984 and any subsequent Case Law.

Any personal connection with a fraud investigation or subsequent prosecution must be declared at the earliest opportunity.

All investigators must report any criminal proceedings taken against them or any matters for which they are convicted in a criminal court.

The provisions of the Data protection legislation must be observed and all information gathered in the course of an investigator's duties treated as confidential. All reasonable steps must be taken to prevent disclosure to third parties except in accordance with statutory authority or departmental procedures. Such information must never be used for personal gain or coercion.

Expenses must be claimed in accordance with departmental procedures and with due regard for value for money.

Statement of Principles of Good Practice for Counter Fraud Investigators.

General

Investigators should have regard for the following six principles of good practice:

Professionalism

Counter-Fraud Investigators should maintain the highest standards of professionalism, specifically covering areas of personal conduct, knowledge, operational activity, reporting and any criminal or civil action. Any information or evidence must be obtained in a proper legal manner and recorded accordingly. The reputation of Stroud District Council must be paramount and officers must not bring the Authority into disrepute by their actions.

Objectivity

Counter-Fraud Investigators should undertake all work with an open mind, and ensure that any evidence or information obtained is assessed without preconceptions. Consideration should be given to all interpretations that may be placed on such evidence or information.

Fairness

Counter-Fraud Investigators should act in a courteous, polite and considerate manner, and conduct all work applying proper standards of fairness and without discrimination in accordance with the current Equalities Policy and Equal Opportunities Policy.

Knowledge

Counter-Fraud Investigators have a duty to maintain the highest levels of knowledge and skills and to ensure that they are applied thoroughly and comprehensively in every aspect of counter-fraud work that is undertaken.

Propriety

Counter-Fraud Investigators have a duty to ensure that the highest standards of propriety are met in all professional, personal and financial areas so that the integrity of counter-fraud work and those undertaking such work cannot be undermined. Proper, accurate records must be kept on all aspects of investigations with particular reference to issues of confidentiality so that information is passed only to those who are entitled to receive it.

Vision

Counter-Fraud Investigators should ensure that the work undertaken is understood in the context of all action taken to counter fraud and corruption. This should also include promoting fraud awareness generally, encouraging the active participation of other relevant agencies and the implementation of a clear multi-agency approach.

Managing the Investigation

A COUNTER FRAUD INVESTIGATOR WILL:

- identify the Officer in Charge for each investigation;
- prepare a background or objectives statement;
- consider the likely outcome i.e. prosecution, sanction or recovery action;
- agree with the Investigations Manager, terms of reference, scope, target dates and key issues;

- hold monthly meetings to discuss progress, agree variations and identify future targets;
- identify actions required, systems weaknesses and lessons learnt; and
- keep management well briefed.

Authorisation

All investigations into suspected fraud must be controlled. All investigations must be authorised by the Investigations Manager. Authorisation is automatic where an allegation exists and a risk assessment has been completed in following the Fraud Referral Policy.

Confidentiality

There is a need to maintain secrecy and confidentiality and all staff engaged in investigations needs to bear this aspect in mind for several very sound reasons:

- Allegations of fraud may turn out to be unfounded and if secrecy and confidentiality has been maintained this will prevent considerable and unnecessary embarrassment to the suspect and also possibly to the organisation.
- Fraud investigations are of immediate interest to both employees, the public at large and the media, and 'careless talk' can generate rumours which then obtain wide circulation;
- This situation may cause distress to the suspect(s), their families and possibly the organisation and also puts the Investigators under increased pressure; and
- Where fraud has taken place, lack of confidentiality/secrecy could alert the suspect resulting in the opportunity to corrupt or remove evidence of the fraudulent activity.

Conduct of the Investigation

It is not possible to provide a step-by-step guide that will be applicable to all investigations but a number of general principles should apply.

It is important to appreciate that 'deceit' is a basic ingredient of all fraud. Investigators must be vigilant to avoid becoming a victim of deceit by either 'losing' evidence, because the suspect is allowed to corrupt or destroy it before it can be properly safeguarded, or by not being sufficiently diligent in checking vital evidence.

Interviews

In interviewing suspects you must comply with all of the conditions of code C and E of PACE 1984: Counter Fraud Investigators should follow the guidance contained in the Investigators Manual as well as the professional training they have received.

The Media.

Any requests for information from anyone outside the organisation, concerning any fraud investigation, should be referred directly to the Press Officer. Investigators should make no comment at all.

Documentary Evidence.

All documentary evidence should be retained in accordance with the Criminal Procedure and Investigations Act.

Reporting

Reports on the investigation should: be timely, accurate and complete, fully supported by the relevant evidence. They must be confidential, meet the needs of management and indicate the nature, depth and duration of the investigation in unbiased detail. The report should identify how the investigation arose, who the suspect(s) are, how the investigation was

undertaken and the facts and evidence which were identified to support the conclusions and recommendations. Report must not include material likely to be defamatory.

Post Investigation

All working papers generated by or associated with the investigation must be filed securely and retained in full.

A decision must be made on further action, e.g. caution, administrative penalty and criminal proceedings? Normally the decision should be made by the Head of Revenue and Benefits and once made, handled by the appropriate personnel not the investigator.

The investigator must be prepared to report orally and answer questions on the case at:

- briefing meetings with management, legal advisers and the police
- industrial tribunals
- criminal proceedings at magistrates' court or Crown court

The investigator **MUST** consider whether there are any systems implications, which have been disclosed by the fraud or other actions, required or lessons learnt.

Ensure that appropriate action been taken to seek recovery, e.g. from the perpetrator of the fraud or by insurance if appropriate.

Quality Assurance

Management checks will be carried out on a regular basis with individual investigators and against targets set in the service plan.