



FRAUD RESPONSE PLAN 2025



Introduction

The Councils that form the Counter Fraud and Enforcement Unit (CFEU) Partnership are committed to the highest standards of openness, probity, and accountability in their affairs. Where fraud or corruption is suspected, the Councils will treat the allegations with the utmost seriousness.

The Counter Fraud and Anti-Corruption Policy, Fraud Risk Strategy and Whistleblowing Policy demonstrate the Council's commitment to a zero-tolerance approach to fraud and corruption, from both internal and external sources. These documents outline the Council's commitment to prevention, deterrence, detection, investigation and redress. The Fraud Response Plan supports these by providing clear guidance to employees, Councillors, and members of the public on how to report concerns they may have regarding suspected fraud and corruption and outlines how such allegations will be handled.

Adhering to this plan ensures timely and effective action is taken to safeguard public funds, recover losses, identify offenders, and secure the evidence required for any civil, criminal, or disciplinary proceedings.

Councillors and employees play a vital role in creating and maintaining a culture of zero tolerance towards fraud and corruption. They are actively encouraged to raise concerns regarding wrongdoing in the knowledge that such concerns will be taken seriously and, wherever possible, remain confidential.

Aims and Objectives

The aim of the Fraud Response Plan is to outline a clear framework for responding to suspect fraud. Its objectives are to:

- Identify the procedure for reporting allegations of fraud, corruption, and misconduct.
- Minimise the risk of inappropriate actions or disclosures that could compromise an investigation.
- Ensure there is a clear understanding over who will lead any investigation and to ensure the appropriate response.
- Secure and preserve evidence for disciplinary, civil and/or criminal proceedings.
- Identify perpetrators and take timely, appropriate action, including disciplinary, civil and/or criminal action.
- Prevent further losses of funds or assets where fraud has occurred and maximise the Council's ability to recover losses.
- Mitigate any reputational damage to the Council.

FRAUD RESPONSE PLAN 2025

Notifying Suspected Fraud / Whistleblowing

All employees, Councillors and contractors are encouraged to report any concerns or suspicions they may have. Early reporting increases the likelihood of a successful investigation and helps prevent loss or further losses to the Council.

Employees, in particular, play a critical role in the Council's efforts to detect and prevent fraud and corruption, as they are often the first to notice or suspect wrongdoing within the organisation. Concerns may relate to the conduct or behaviour of fellow employees, Councillors, partner organisations, or contractors.

However, individuals may hesitate to speak up due to fear of reprisal, harassment, or other forms of victimisation in the workplace. It is therefore essential that all employees feel safe and supported in reporting concerns, understand the reporting process, and can do so without fear of retaliation.

Whistleblowing refers to the act of passing on information concerning wrongdoing – see the Council's Whistleblowing Policy for further information.

Reporting by Employees, Councillors, Members of the Public and Third-Party Organisations

Any suspicion of fraud, theft, or corruption should be reported as a matter of urgency to the CFEU and/or the Chief Finance Officer. If this is not possible, concerns can be reported to the Chief Executive, Monitoring Officer, or a member of the Corporate Management/Leadership Team.

To support the early identification and mitigation of fraud and corruption risks, a Fraud Response Plan flowchart and a quick guide to dos and don'ts are included at the end of this document. It outlines the referral process and provides guidance on actions that should and should not be taken.

Employees and Councillors

At the earliest opportunity, employees and Councillors should:

- Make a detailed record of all activities/actions that have been witnessed, or any circumstances that have led to their suspicion.
- Retain all information received, either personally or through others, that contributed to the suspicion.
- The officer receiving the initial disclosure or referral should make a detailed record of the suspicion or complaint and advise the reporting individual to preserve and securely store all relevant documentation and evidence.

FRAUD RESPONSE PLAN 2025

- Gather as much information as possible from the reporting individual, including any notes or evidence they possess that may support the allegation. Do not interfere with any evidence and ensure it is stored safely.

Members of the Public and Third-Party Organisations

The Council encourages members of the public and other external agencies to report any suspicions of fraud or corruption to the Council via the CFEU. Reporting instructions are available on the Council's website or via the fraud hotline: 01242 264215.

Anonymous reports are accepted; however, providing details is encouraged, as anonymous concerns are often more challenging to investigate effectively.

Counter Fraud and Enforcement Unit

The CFEU has trained fraud investigators who act impartially and in accordance with applicable laws, policies, and procedures when conducting disciplinary and criminal investigations. The CFEU collects information on all suspected cases of fraud, theft, or corruption along with their outcomes, across the Council. This information contributes to assessing the effectiveness of the Council's Fraud Risk Strategy and internal control systems, forming a key element of the Council's assurance framework.

It is the responsibility of the CFEU Head of Service, supported by Internal Audit, to keep the Council's Chief Finance Officer informed of any suspicions of fraud or corruption. Where an allegation involves a member of employees, Human Resources (HR) will be notified, and the matter will be dealt with in accordance with the Council's Disciplinary Policies and Procedures.

The Investigation Process

Fraud committed against the Council will be investigated by the CFEU. Where appropriate, investigations may be conducted in collaboration with other investigatory agencies such as the Police, Department for Work and Pensions (DWP), Home Office, Her Majesty's Revenue and Customs (HMRC), UK Borders Agency, and other Local Authorities.

Investigations into suspected fraud or corruption will be carried out in accordance with the relevant statutory provisions, guidance, codes of practice and local protocols, ensuring that all investigatory actions are lawful and conducted fairly. This includes, but is not limited to:

- Police and Criminal Evidence Act 1984 (PACE)
- Criminal Procedure and Investigations Act 1996 (CPIA)
- Human Rights Act 1998
- Regulation of Investigatory Powers Act 2000 (RIPA)
- Investigatory Powers Act 2016
- Data Protection Act 1998 / GDPR

FRAUD RESPONSE PLAN 2025

If sufficient evidence is established, the case will be reviewed to determine the appropriate course of action. The Council's Counter Fraud and Anti-Corruption Policy provides further guidance on actions that will be considered.

The Council will take appropriate steps, including legal action where necessary, to recover any losses arising from fraud, theft, corruption, or misconduct. This may include action against third parties involved in the fraud, or whose negligent conduct contributed to it.

The CFEU will also prepare an internal Management Report, providing recommendations to address any identified weaknesses in internal controls, with the aim of preventing recurrence. All details of any investigation are strictly confidential and must not be discussed or disclosed to anyone outside the reporting and investigation process.