



BTTAD FRAUD RESPONSE PLAN

BTTAD Fraud Response Plan

The purpose of this Plan

The aim of this fraud response plan is to ensure timely and effective action can be taken in the following circumstances

- To prevent losses of funds or assets where fraud has occurred and maximise loss recovery
- To minimise the occurrence of fraud by taking rapid action
- To identify the fraudsters and maximise the success of any legal/disciplinary action taken
- To minimise adverse publicity from fraud related issues
- To identify lessons to be learned

Types of Fraud

- Fraud can be external, internal or a mix of both (collusion)
- In all case of fraud, the process of the investigation including the need for police involvement will be the same

Warning Signs

There are a variety of signs which might indicate fraud is taking place.

- Staff/Volunteers under stress without a high workload
- Change of lifestyle, unexplained wealth
- Cosy relationships with suppliers or contractors especially where these organisations insist on dealing with one member of staff
- Always working late and not taking leave
- New staff/Volunteers resigning quickly

Reporting of Fraud

Staff /Volunteers are instructed not to deal with any allegation or suspicion of fraud themselves, but to immediately refer them to the BTTAD Chairman or Secretary. Please do not

- Inform your colleagues
- Inform the applicant or the supplier
- Commence an investigation yourself
- Annotate or remove evidence
- Assume it must be |OK because somebody else would have said something

- Assume it does not matter
- Forget about it because it is nothing to do with you
- Delay

The BTTAD positively encourages staff/volunteers to report any situation, which they feel may be a potential fraud. All allegations will be investigated professionally, ethically and with discretion. We will make every effort to protect confidentially whilst any investigation is being undertaken.

External Fraud

A tip-off will be the most common way that staff/volunteers will become aware of potential fraud. This may come via a telephone call and will often be anonymous. In the case of a telephone call staff should attempt to obtain the following information

- Name, address and phone number of the caller
- Names of the people and the organisations involved
- Description of the project(s) affected by the alleged fraud
- The manner of the fraud and the sums involved, plus evidence
- How the caller became aware of the alleged fraud
- If the informant will be able and willing to supply hard evidence
- Try to establish a motive for the call

Staff/Volunteers taking the call should either try to record the call if at all possible or immediately afterwards make a verbatim record of the call, record the time of the call, the date and then sign the record. Staff/Volunteers are instructed that all letters or correspondence alleging fraud should be referred to the BTTAD Chairman or Secretary. It is also important to retain the envelope which carried the correspondence, as evidence. Original documents must not be altered in any way. This includes the use of highlighter pens and underlining.

Within 10 working days of the allegation being received from a third party, The Chairman will write to the complainant

- Acknowledging that the allegation has been received
- Indicating how we propose to deal with the matter
- Telling them whether any initial enquiries have been started
- Stating whether any further investigations will take place and if, why not.

When any suspected fraud or attempted fraud is reported, uncovered or suspected, the Officers must be informed. The chairman is responsible for informing the Officers and, as necessary, the police.

Investigation

The Chairman will carry out the initial investigations. It is important to act quickly. The Fraud Policy and this Fraud Response Plan should be the starting point for guiding action.

Initially, the CEO will obtain sufficient information to determine whether fraud is a possibility by obtaining some information about the people involved, the scale, the time period over which it has occurred and the types or transaction involved.

The investigation of fraud is a specialist subject and should only be undertaken by people with appropriate training.

Recovery of losses

It is BTTAD policy to actively investigate all allegations of fraud. Recovery of losses will be sought in every possible case. This will involve the police and the use of criminal and civil action against the perpetrators.

Media Liaison

Staff/Volunteers should not discuss any aspect of any potential fraud case with any third party. This should be left to the Chairman who may wish to brief the Officers . A record will be kept of all the information distributed to the media.

Learning Lessons

Following any fraud investigation a review will take place(lead by the Chairman and Secretary and this will be reported to the Officers and the Committee.

References for employees disciplined or prosecuted for Fraud

Fraud is regarded as gross misconduct and will be dealt with under the BTTAD disciplinary procedures for the handling of gross misconduct.

Any request for a reference for a Staff/Volunteer who has been disciplined or prosecuted for fraud shall be referred to the Chairman.

Date: August 2011