



Fraud

NOPS Policy

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SCOPE

1. This policy applies to any fraud involving the Network Operative Passport Scheme (NOPS) any other parties conducting business with Smart Awards.

GENERAL DEFINITION OF FRAUD

2. No precise legal definition of fraud exists; many of the offences referred to as fraud are covered by the Thefts Acts and the Forgery and Counterfeiting Act. The term may be used to describe deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. Any fraud that is detected or suspected must be reported immediately to Smart Awards, who will co-ordinate all investigations with internal audit and in liaison with other agencies as required. If there is any question about whether an action constitutes fraud, assistance will be provided by Smart Awards.

RESPONSIBILITIES

3. This is policy is for use of the Network Operative Passport System (NOPS). This policy is for individuals and organisations recording and accessing individual information stored on NOPS. Smart Awards has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it. Smart Awards has the day-to-day responsibility for implementing this policy and for monitoring its use and effectiveness and dealing with any queries on its interpretation.

ACTIONS CONSTITUTING FRAUD

4. These examples are not intended to be exhaustive but are provided for illustrative and guidance purposes. The expressions 'forgery', 'stealing', 'obtaining by deception', 'unauthorised access and 'unauthorised modification' have the meaning given to them by currently applicable legal definitions:
 - Forgery or alteration of any document or account belonging to Smart Awards
 - Forgery or alteration of any cheque, banker's draft, or other financial document
 - Stealing, obtaining by deception, or misusing funds, securities, equipment, or other assets
 - Impropriety in the handling or reporting of money or financial transactions
 - Profiting as a result of insider knowledge of the activities of Smart Awards or as a result of any undisclosed relationship with a third party entering into any transaction with Smart Awards
 - Disclosing, without authority, trading activities engaged in or contemplated by Smart Awards
 - Disclosing, without authority, confidential and proprietary information
 - Accepting or soliciting anything of material value from any third-party providing goods or services to Smart Awards or acting directly or indirectly on behalf of Smart Awards or any other person or entity involved in any transaction with Smart Awards
 - Giving anything of material value to any third-party providing goods or services to Smart Awards or acting directly or indirectly on behalf of Smart Awards or any other person or entity involved in any transaction with Smart Awards
 - Destruction, removal or unauthorised use of records, furniture, fixtures, and equipment belonging to Smart Awards

- Unauthorised access to, or unauthorised modification of, any computer system or computer program belonging to or used by Smart Awards for the purpose of diverting or misusing assets or for the purpose of obtaining confidential information

PROCESS FOR RAISING A CONCERN

5. It is important that you tell Smart Awards as soon as possible
6. Raising a concern
 - Step 1 - the concern is raised and reported to Smart Awards
 - Step 2 - the concern is added to Smart Awards risk register
 - Step 3 – acknowledgment of receipt of the concern will be sent with 1 day
 - Step 4 – the concern will then be investigated following the investigation policy
 - Step 5 – outcome of concern is communicated within 28 days of receiving a complaint, confirming our final position

INVESTIGATION RESPONSIBILITIES

7. The primary responsibility for investigating all suspected fraud is with Smart Awards. Investigations will follow the investigations process and will be conducted impartially, fairly, objectively and in good faith
8. Decisions to prosecute or refer the investigation result to the appropriate law enforcement agency and/or regulatory agencies for independent investigation, and the final disposition of the case will be made in conjunction with senior management and legal advisers
9. Smart Awards will seek to treat the source of all information received confidentially. In certain circumstances (such as the police and auditors) it may be necessary to disclose evidence and its source to third parties. In these circumstances (such as the police and auditors) Smart Awards will provide an explanation to the person submitting the information of the reasons for its disclosure.
10. Smart Awards will have free and unrestricted access to all records and premises whether owned or rented. They will also have authority to examine, copy and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises (other than lockable areas provided to employees for personal storage purposes) without prior knowledge or consent of any individual who may use or have custody of any such items, provided always that such actions are within the scope of the investigation.

REPORTING PROCEDURES

11. Any individual or organisation who discovers or suspects fraud will immediately contact Smart Awards. The individual or organisation may remain anonymous. All enquiries from the suspected individual, his or her lawyer or representative or any other inquirer concerning the activity under investigation will be directed to Smart Awards or legal advisers.
12. The reporting individual or organisation will be told not to contact the suspected individual or organisation in an effort to determine facts or demand restitution, and not to discuss the case, facts,

suspicious or allegations with anyone unless specifically asked to do so by the legal advisers or Smart Awards.

WHERE FRAUD IS SUSPECTED

13. Where a member of staff suspects fraud, Smart Awards must be informed
 - Smart Awards will be responsible for appointing the fraud investigator and for involving the assistance of Smart Awards staff as necessary
 - Where the suspected fraud has occurred all appropriate records are retained
 - If a third party makes the allegation of fraud, a signed written statement is required
 - The anonymity of the information will be respected.
14. In all cases the investigator will:
 - Determine whether allegations or suspicions warrant further investigation
 - Take confidential advice from appropriate sources including legal advisors
 - Agree on an appropriate time to involve the police if appropriate
 - Inform the board and other senior management of the existence of any investigation
 - The knowledge that a fraud is being investigated will be restricted on a need to know basis.

INTERVIEWING

15. Interviewing persons suspected of fraud or irregularity requires great care. Interviews must be conducted properly if the information from them is to be admissible as evidence in any legal proceedings. Trained investigators should carry out interviews and it should generally be possible to conduct a preliminary investigation without interviewing key suspects. Consideration must be given to whether the suspect should be accompanied during an interview. In some circumstances, the interview must be conducted in accordance with the Code of Practice of the Police and Criminal Evidence Act.

REPORTING

16. After completing the investigation, a written report will be compiled. This report will include the following:
 - An assessment of whether there has been any fraud or irregularity
 - Its nature and extent
 - The damage to the finances and reputation that may be caused to Smart Awards
 - Who was, or may have been, involved
 - The strengths and weaknesses of evidence discovered
 - Prospects of recovery of missing assets
 - An action plan covering treatment of suspects and improvements in controls.
17. All have the right to appeal following an investigation by following Smart Awards appeals process.

REVIEW OF THIS POLICY

18. This policy is reviewed and revised annually in response to feedback, changes in legislation and guidance and from other appropriate organisations.

PROCESS FOR RAISING A CONCERN

