

FRAUD POLICY & PROCEDURE

Updated: 1st April 2011
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POLICY STATEMENT

ELCAP will not tolerate any form of fraud or corruption. ELCAP will investigate any allegations of fraud or corruption and will involve the police and lawyers if necessary. Any proven instances of fraud or corruption will be recorded in the Fraud Register and brought to the attention of the Board.

PROCEDURE

Introduction

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Definitions of fraud and corruption

Fraud is defined as the intentional distortion of financial statements or other records by persons internal or external to the organisation which is carried out to conceal the misappropriation of assets or otherwise for gain

Corruption is defined as the offering, giving, soliciting or acceptance of an inducement or reward, which may influence the actions of any person.

Involvement of the Police

If the fraud relates to a service users funds then the Adult Support & Protection (ASP) guidelines must be followed and the relevant person contacted.

If the fraud does not relate to service user funds then the decision on whether to involve the police will be taken by the Director based on:

- Discussion with Assistant Directors
- Possible value of alleged fraud

- The section on Criminal Offences: ELCAP Disciplinary Policy & Procedure

Managing the investigation

The investigation will be carried out according to ELCAP's Disciplinary Policy & Procedure under the section Investigation and Record Keeping.

If a criminal act is suspected, then the Police will be notified, as soon as possible and ELCAP's investigatory procedures will be followed.

If it does not appear that a criminal act has taken place, then the next step will be an internal investigation to determine the facts, and what can be done to recover any loss. Consideration must be given to ways of improving control to prevent future occurrences. Once the facts have been established, and if the investigation team recommend disciplinary action, this should be carried out in line with the ELCAP's Disciplinary Policy and Procedure.

If recovery for the loss requires civil action, legal advice should be taken from the Charity's solicitors. A decision to proceed with legal action will be taken after considering:

- a) The impact of the fraud or corruption on the name of ELCAP and any related publicity
- b) The estimated cost to ELCAP of legal fees
- c) The loss incurred by ELCAP