

WESTMINSTER CITY COUNCIL

FRAUD RESPONSE PLAN



City of Westminster

Date of Issue	Audit and Performance Committee - review
November 2024	25 th November 2024

1. Introduction

- 1.1 The City of Westminster is committed to sound corporate governance and protecting the public funds entrusted to it. In discharging its responsibilities, the Council wishes to discourage fraud and corruption, whether this is attempted by internal or external sources. Where fraud, bribery, or corruption is suspected, the Council will deal with the allegations seriously in accordance with Council procedures.
- 1.2 The purpose of the Fraud Response Plan is to define responsibilities for action and reporting lines in the event of suspected fraud or corrupt activity. The Plan should enable the Council to prevent the loss of public money, recover losses, and secure evidence necessary for any further action.
- 1.3 It is important to ensure that the Council implements a structured and consistent approach to the investigation of any cases of fraud, bribery and corruption. This Fraud Response Plan sets out the Council's approach to ensure:
 - Councillors and staff are aware of how to report any allegations of fraud, bribery or corruption.
 - There is a clear understanding of who will lead investigations and that appropriate staff will be informed and involved.
 - Further losses of funds or assets where fraud may have occurred are prevented, and the recovery of losses is maximised.
 - Evidence is gathered to support an allegation and inform further action.
 - Evidence necessary for possible disciplinary and criminal action is established and secured.
 - Any adverse effects or publicity on the business of the Council or any other partner organisations involved are minimised.
 - The reasons for the incident and actions taken to improve control, strengthen procedures, and prevent recurrence are reviewed.
- 1.4 The Fraud Response Plan has been designed to be flexible, enabling the approach to be varied in individual cases. Generally, the approach taken shall depend on the perceived risk to the Council.

2. Reporting a suspected fraud

- 2.1 The Plan should be followed for all suspected fraud, bribery and corruption involving Council staff, its partners and suppliers.

- 2.2 You may also encounter instances where external third parties are attempting to defraud or scam the Council, for example, by submitting false information, bogus invoices, or changing suppliers' bank details. Any concerns such as these should be reported to the Shared Corporate Anti-Fraud Service (CAFS) mailbox **investigations@rbkc.gov.uk**, which will investigate further.
- 2.3 Examples of fraud, bribery and corruption include but are not limited to theft, financial irregularities, misuse of Council property, vehicles or equipment, misuse of Council systems, conflicts of interest and supplier kickbacks.
- 2.4 If your concern relates to your personal situation or the treatment you have received from the Council, its managers, or colleagues acting on its behalf, please contact People and Culture and use the existing [grievance procedures](#) established by the Council.

ACTION BY EMPLOYEES

- 2.5 Staff are encouraged and expected to raise any concerns regarding fraud, bribery, and corruption that they may have without fear of recrimination. Any concerns raised will be treated in the strictest confidence and properly investigated.
- 2.6 You should raise your concerns or suspicions with your line manager in the first instance. If you feel unable to approach your line manager, you should report any concerns or suspicions upwards to one of the following persons:
- Director of Audit, Fraud, Risk and Insurance
 - Director of People and Culture
 - Head of Fraud, or,
 - Executive Director of Finance and Resources.
- 2.7 Alternatively, you may choose to report your concerns or suspicions anonymously via the Council's whistleblowing reporting procedures outlined in the [Whistleblowing Policy](#). To raise a concern you can either do so by calling our confidential external whistleblowing hotline, Safecall, on 0800 915 1571 or by completing and submitting the online form located [here](#).
- 2.8 Whilst total anonymity cannot be guaranteed, every effort will be made not to reveal your name. However, if criminal activity is found and the case is forwarded to the police, your identity may be needed later.
- 2.9 If you suspect a colleague is committing fraud, **under no circumstances** confront them with accusations of wrongdoing. This may allow the destruction

of evidence and, in extreme cases, may expose you to physical danger. If your suspicions are mistaken, then workplace relationships may be poisoned irretrievably. The official investigators are best placed to interview suspects.

- 2.10 Once you have reported the incident, the Corporate Anti-Fraud Service may contact you further as part of the ongoing investigation. You should provide them with as much information as possible to enable the investigation to progress effectively.

ACTION BY MANAGERS

- 2.11 If you have reason to suspect fraud or corruption in your work area or received information that might suggest wrongdoing, you should do the following:
- Listen to your staff's concerns and treat every report seriously and sensitively. Reassure staff that their concerns will be taken seriously and passed on to the appropriate officer.
 - Obtain as much information as possible from the staff member, including any notes or evidence to support the allegation. Do not interfere with this evidence, and ensure it is kept securely.
 - **Do not** attempt to investigate the matter yourself or covertly obtain any further evidence, as this may compromise any further disciplinary or criminal investigation.
 - Please report the matter immediately to the Director of Audit, Fraud, Risk and Insurance, Director of People and Culture, or Head of Fraud.

ACTION BY COUNCILLORS

- 2.12 If a Councillor has suspicions about fraud, bribery, or corruption, whether from a fellow elected Councillor, officers of the Council, or partner organisations of the Council, they should report this to the Chief Executive or the Monitoring Officer at the earliest opportunity.

MEMBERS OF THE PUBLIC

- 2.13 If a member of the public would like to raise a concern, they should follow the reporting procedure contained on the Council's website—report fraud—or contact CAFS via their mailbox **investigations@rbkc.gov.uk**.

MALICIOUS ALLEGATIONS

- 2.14 If an allegation is made in good faith, but the investigation does not confirm it, no action will be taken against the person raising the concern. If the allegations are malicious or vexatious, then action may be taken against the person making the allegation.

3 Investigation process

- 3.1 Should there be any substantial or urgent risk to the Council's financial stability, instances of significant fraud, bribery, or major accounting failures, the Director of Audit, Fraud, Risk and Insurance must be promptly notified, who will subsequently inform the Executive Leadership Team. In cases where the allegation pertains to a Member, the Monitoring Officer will be notified.
- 3.2 If there are apparent grounds for concern or complaints regarding the alleged misconduct of Council personnel, the referral will be addressed by People and Culture and Corporate Anti-Fraud Service. They will review the allegation, establish the statements' facts, and agree on an investigation strategy (see flowchart in Appendix 1).
- 3.3 The Corporate Anti-Fraud Service is responsible for initiating and overseeing all fraud investigations. It has a dedicated team of trained investigators who will lead the enquiries. In accordance with Section 67(9) of the Police and Criminal Evidence Act, officers of the Corporate Anti-Fraud Service are referred to as "*charged with the duty of investigating offences or charging offenders.*"
- 3.4 However, the strategy planning may sometimes reveal a requirement for referring the allegations to the police or appropriate law enforcement agency. It may also identify the need for specialist technical expertise that the investigating team does not possess. In these circumstances, the Executive Director of Finance Resources may appoint external specialists to lead or support the investigation..
- 3.5 Where it is decided that a formal investigation is required in accordance with the [Disciplinary Procedure](#), the employee's direct line manager will act as the investigating officer or an investigator from the Council's pool of trained investigators will be used, or an appropriate investigating officer will be nominated.

- 3.6 In some cases, it may be necessary to suspend officers from work to conduct the investigation. People and Culture will be consulted if it is deemed necessary to suspend an employee.
- 3.7 Investigations will be carried out promptly, ensuring that all allegations are properly investigated and reported whilst ensuring the investigation complies with all:
- Relevant statutory requirements,
 - Codes of Practice,
 - Ethical standards of relevant professional bodies,
 - Council policies.
- 3.8 After the investigation is completed, the investigating officer will prepare a full written report, which will set out the background, findings, and recommendations to reduce further exposure if fraud is proven.
- 3.9 Where appropriate, the person raising the concern may be kept informed of the outcome, but in certain cases, it might not be possible to provide specific details about the actions taken.
- 3.10 The half-yearly Corporate Anti-Fraud Report to the Audit and Performance Committee may publish a brief and anonymised summary of the circumstances.

4 Disciplinary/Legal action

- 4.1 Where evidence of fraud is discovered, and those responsible can be identified:
- Appropriate disciplinary action will be taken in line with the disciplinary procedure.
 - Where legal action is considered appropriate, full cooperation will be given to investigating and prosecuting authorities, including the police, if applicable.

5 Recovery of loss

- 5.1 Where the Council has suffered loss, restitution will be sought for any benefit or advantage obtained, and costs will be recovered from an individual(s) or organisations responsible for fraud.

- 5.2 The Corporate Anti-Fraud Service will use all relevant powers to recover fraud losses, including Financial Investigators working within the realms of the Proceeds of Crime Act.
- 5.3 Where an employee is a member of the Council's Pension scheme and is convicted of fraud, the Council may recover the loss from the capital value of the individual's accrued benefits in the Scheme, which are then reduced as advised by the actuary.
- 5.4 The Council may also consider taking civil action to recover the loss.

6 Internal contacts

- 6.1 Advice or guidance about how to pursue matters of concern regarding potential fraud or corruption may be obtained from any of the following contacts:
- Executive Director – Finance & Resources: Gerald Almeroth
galmeroth@westminster.gov.uk, 020 7641 2904
 - Director of Audit, Fraud, Risk and Insurance: David Hughes,
David.Hughes@rbkc.gov.uk, 07817 507695
 - Head of Fraud: Andy Hyatt, Andrew.Hyatt@rbkc.gov.uk, 07739 313817
- 6.2 The Council is committed to tackling modern slavery and exploitation, and we encourage you to report any concerns you identify. You can contact the Modern Slavery & Exploitation helpline at 08000 121 700.

APPENDIX 1

The procedure for reviewing allegations (flow chart)

