



London Ambulance Service **NHS**
NHS Trust

Anti-Fraud, Bribery and Corruption Policy

DOCUMENT PROFILE and CONTROL.

Purpose of the document: This document identifies the London Ambulance Service NHS Trust (LAS) Policy and framework for dealing with fraud.

Sponsor Department: Finance

Author/Reviewer: Deputy Director of Finance. To be reviewed by September 2016.

Document Status: Final

Amendment History			
Date	*Version	Author/Contributor	Amendment Details
02/10/14	1.1	IG Manager	Document Profile and Control update
10/09/14	0.5	SMT Review	The two IT sections merged into one (4.5)
02/09/14	0.4	IG Manager	Document Profile and Control page update
02/09/14	0.3	Deputy Director of Finance	Further changes
29/9/2014	0.2	Deputy Director of Finance	Adapted to comply with LAS standard format
24/7/2014	0.1	Deputy Director of Finance	First draft agreed by Finance Committee

***Version Control Note:** All documents in development are indicated by minor versions i.e. 0.1; 0.2 etc. The first version of a document to be approved for release is given major version 1.0. Upon review the first version of a revised document is given the designation 1.1, the second 1.2 etc. until the revised version is approved, whereupon it becomes version 2.0. The system continues in numerical order each time a document is reviewed and approved.

For Approval By:	Date Approved	Version
SMT	19/09/2014	1.0
Ratified by (If appropriate):		
EMT	24/09/2014	1.0

Published on:	Date	By	Dept
The Pulse	06/10/14	Governance Administrator	G&A
LAS Website	06/10/14	Governance Administrator	G&A
Announced on:	Date	By	Dept
The RIB	07/10/14	IG Manager	G&A

Equality Analysis completed on	By
02/09/14	Finance Team
Staffside reviewed on	By

Links to Related documents or references providing additional information		
Ref. No.	Title	Version
HR/09/02	Disciplinary Policy	2.0
HR003	Whistleblowing Policy	3.1
TP074	Anti-Bribery Policy – no longer in use – replaced by TP097	
	Standing Orders and Standing Financial Instructions	

Document Status: This is a controlled record as are the document(s) to which it relates. Whilst all or any part of it may be printed, the electronic version maintained in P&P-File remains the controlled master copy. Any printed copies are not controlled, nor substantive.

1. Introduction

- 1.1 This policy must be read and followed in conjunction with the London Ambulance Service NHS Trust (LAS) Disciplinary Policy and Whistleblowing Policy.
- 1.2 This document identifies the London Ambulance Service NHS Trust (LAS) policy and framework for dealing with fraud. It comprises three elements:-
- Anti-Fraud, Bribery and Corruption;
 - What individuals should do if they suspect fraud; and
 - An indication of how fraud will be investigated (the detail is contained in the Counter Fraud & Corruption Manual published by NHS Protect);
- 1.3 It is a part of the corporate governance framework which governs the actions of the LAS and promotes public service values.

2. Scope

- 2.1 This policy covers the Chairman, Chief Executive, Directors, Members and all employees of the LAS (including locum, bank and agency staff). It also applies to external stakeholders e.g. contractors, consultants, vendors as well as the volunteers, visitors and patients of the LAS.
- 2.2 This policy also covers all external persons with whom the LAS conducts business and all other organisations providing a service to the LAS, hereafter referred to as contractors.
- 2.3 The policy is supported by additional guidance on:
- Whom to contact if fraud is suspected (Appendix 1)
 - What to do if fraud is suspected (Appendix 2)
 - With further guidance on the investigation of irregularities available in a separate document.
- 2.4 The approach the LAS will take in addressing fraud and corruption will be inclusive, professional, comprehensive, fair, balanced, cost effective and specialist.

3. Objectives

The overall aims of this policy are to:

- 3.1 Improve the knowledge and understanding of everyone in the Trust, irrespective of their position, about the risk of fraud, bribery and corruption within the organisation and its unacceptability.
- 3.2 Assist in promoting a climate of openness and a culture and environment where staffs feel able to raise concerns sensibly and responsibly.
- 3.3 Set out the Trust's responsibilities in terms of the deterrence, prevention, detection and investigation of fraud, bribery and corruption.

3.4 Ensure the appropriate sanctions are considered following an investigation, which may include any or all of the following:

- Criminal prosecution
- Civil prosecution
- Internal/external disciplinary action (including professional/regulatory bodies)

4. Roles and Responsibilities

The Trust's anti-fraud arrangements will be overseen by the Audit Committee who will agree the work plan for Anti-Fraud each year.

4.1 Chief Executive

The Chief Executive has the overall responsibility for funds entrusted to the organisation as the accountable officer. This includes instances of fraud, bribery and corruption. The Chief Executive must ensure adequate policies and procedures are in place to protect the organisation and the public funds entrusted to it.

4.2 Director of Finance

The Director of Finance (DoF) is provided with powers to approve financial transactions initiated by directorates across the organisation.

The DoF prepares, documents and maintains detailed financial procedures and systems and ensures that they incorporate the principles of separation of duties and internal checks to supplement those procedures and systems.

The DoF will report annually to the Board on the adequacy of the internal financial control and risk management as part of the Board's overall responsibility to prepare a statement of internal control for inclusion in the NHS body's annual report.

4.2.1 The responsibility for initiating an investigation into any fraudulent or corrupt activity against the LAS rests with the Director of Finance, who will delegate any specific case to the LAFS or NHS Protect as appropriate.

4.2.2 The Director of Finance has responsibility for ensuring the following are notified as appropriate: -

1. NHS Protect.
2. Nominated LAFS
3. Chief Executive.
4. Audit Committee.
5. Board of the LAS.
6. Internal Audit.
7. Nominated Officer of Shared Service Provider (if appropriate).
8. Police.
9. External Audit.
10. Pension Agency.
11. Department of Health.

and appraised appropriately on each occasion.

4.2.3 It is also the responsibility of the Director of Finance to assess and quantify any loss arising and to instigate a process of recovery through civil proceedings, restitution or recovery via a claim on pension contributions.

4.2.4 In addition the Director of Finance will have responsibility for maintaining a register of reported frauds (Fraud Log) and ensure that details contained within it are regularly reported to Audit Committee.

4.3 Line Managers

4.3.1 The role of line managers is:

- To contact the Local Anti-Fraud Specialist as soon as they become aware of any concerns which may be related to a suspected fraud.
- Ensure that during recruitment of new staff, all appropriate pre-employment checks are carried out for all appointments, including temporary staff.
- Ensure that all staff are aware of and understand the Standards of Business Conduct for NHS Staff HSG(93)5 (as amended by the Bribery Act 2010).
- Ensure all staff are aware of the need to declare gifts and hospitality that have a monetary value of £20 and over – refer to Standing Orders on *The Pulse*.
- To be aware of and seek guidance where appropriate on the links between this policy and other associated policies (see page 2 for links with other documents).

4.3.2 Line managers should be alert to the possibility that unusual events or transactions could be symptoms of fraud. The following are some examples of circumstances that **may** indicate fraud and should therefore put people on the alert:

- Altered documents (correcting fluid, different pen or handwriting)
- Claim form details not readily checkable
- Changes in normal patterns, of e.g. cash takings or travel claim details
- Text erratic or difficult to read or with details missing
- Delays in completion or submission of claim forms and the like
- Lack of vouchers or receipts in support of expense etc claims
- Staff seemingly living beyond their means
- Staff under constant financial or other stress
- Staff choosing not to take annual leave (and so preventing others becoming involved in their work), especially if solely responsible for a “risk” area
- Complaints from public or staff
- Always working late
- Refusal of promotion
- New staff not staying long
- Insistence on dealing with a particular individual

4.4 Human Resources

4.4.1 Following the instigation of any investigation by the Local Anti-Fraud Specialist, Human Resources should be appraised by either the Director of Finance or the Local Anti-Fraud Specialist to offer advice and assistance on relevant aspects of employment law and the instigation of the LAS Disciplinary Policy.

4.4.2 Human Resources are responsible for ensuring the appropriate use of the LAS's Disciplinary Procedure. The Director of Support Services will advise those involved in the investigation in matters of employment law and in other procedural matters, such as disciplinary and complaints procedures, as requested. Close liaison between the LAFS and HR will be essential to ensure that any parallel sanctions (i.e. criminal and disciplinary) are applied effectively and in a coordinated manner.

Where an investigation results from an allegation that has been received outside of the approved route, the Director of Support Services will be responsible for agreeing how and when to inform the source of the 'allegation' of the outcome of the investigation. This decision and all related correspondence should be documented and retained on file for an appropriate period. The individual(s) concerned should be reminded of the importance of reporting allegations via the LAS's formal process and directed to the relevant guidance.

4.5 Information Technology

4.5.1 The Computer Misuse Act 1990 defines computer related fraud as private gain or benefit by:

- altering computer input in an unauthorised way;
- destroying, suppressing or stealing output;
- making unapproved changes to stored information; or
- amending or misusing programs (excluding virus infections).

This includes private gain or benefit by inappropriate Internet or e-mail use or through unapproved access to a system or data, including the use of other people's accounts.

4.5.2 Where there is actual or suspected fraudulent use of information technology, this should be reported to the Information Security Manager or equivalent and the LAFS.

4.5.3 The Director of Finance must be alerted in all cases where there is suspicion that IT is being used for fraudulent purposes.

4.5.4 Human Resources must be alerted if there is a suspicion that an employee is involved.

4.6 Local Anti-Fraud Specialist

4.6.1 The LAS Local Anti-Fraud Specialist is provided by KPMG. The lead LAFS is Charles Medley, who can be contacted via email at charles.medley@kpmg.co.uk or via telephone on 01132 542 997. An alternate contact is Kate Anderson on 0207 311 1543.

4.6.2 The investigation of fraud will be undertaken by the LAS Local Anti-Fraud Specialist or by NHS Protect where this is in line with national protocols. The investigation will be undertaken in accordance with the NHS Counter Fraud and Corruption Manual. The LAFS will update the Director of Finance at all appropriate stages of the investigation.

4.6.3 The LAFS will amongst other duties:

- Ensure that the Director of Finance is kept apprised of all cases.

- In consultation with the Director of Finance and NHS Protect will report any case to the Police as necessary.
- Report the outcome of the investigation to NHS Protect and Director of Finance.
- Ensure appropriate liaison with Human Resources where necessary. Human Resources will be informed in all cases where a LAS employee is a suspect.
- Ensure that any system weaknesses identified as part of the investigation are followed through with management.

4.7 Internal and External Audit

4.7.1 The role of internal and external audit includes reviewing controls and systems and ensuring compliance with financial instructions. Internal and External auditors have a duty to pass on any suspicions of fraud, bribery or corruption to the Local Anti-Fraud Specialist (LAFS).

4.8 The Area Anti-Fraud Specialist

4.8.1 The Area Anti-Fraud Specialist (AAFS) is responsible for the management and vetting of all locally investigated cases in respect of witness statements and evidence prepared and submitted for consideration of prosecutions. The AAFS works with the LAFS to ensure investigations are conducted within operational and legislative guidelines. The AAFS allocates, supervises and monitors fraud referrals and notifications from the LAFS.

5. Summary of Actions

- 5.1 Fraud, financial irregularity, bribery and corruption are criminal acts and the Governing Body is committed to eliminating any such acts within the LAS.
- 5.2 Where a Director, Member, employee, third party contractor or member of the public is suspected of fraud, financial irregularity or corruption he/she will be subject to investigation by the Local Anti-Fraud Specialist (LAFS), NHS Protect, and the Police. The investigation will be undertaken in conjunction with the relevant disciplinary policy, which may lead to dismissal and prosecution.
- 5.3 Where a Police or fraud investigation is instigated, this is separate from any internal process. Should more than one investigation be commissioned, these can run concurrently but will be distinctly separate.
- 5.4 Where the LAS incurs a loss arising from theft by, or the fraudulent or corrupt act of a Director, member, employee, third party contractor or member of the public; recovery of losses will always be sought.
- 5.5 Requests for references for employees dismissed for reasons connected with fraud, financial irregularity or corruption must be dealt with by the Director of Support Services or a delegated HR officer.
- 5.6 The Police will be contacted promptly as soon as theft is identified and notified in accordance with the protocols issued by NHS Protect.

6. Commitment of the Trust

6.1 The LAS as an organisation is committed to the seven principles of public life, set out in the Nolan Committee report. In essence these are:-

Selflessness: - Decisions must be made solely in terms of public interest, not in order to gain personal financial or other benefits.

Integrity: - Members, Directors and staff should not place themselves under any obligation to third parties.

Objectivity: - In carrying out LAS business all appointments, contracts and recommendations must be made on merit.

Accountability: - Members, Directors and employees of the LAS are accountable for their decisions and actions.

Openness: - The LAS Board and Directors will be as open as possible on all decisions and action taken.

Honesty: - Directors and staff have a duty to declare any private interests which may impact on their LAS duties.

Leadership: - The LAS Board and Directors will support these principles by leadership and example.

6.2 The policy is supported by a detailed procedure as defined in the NHS Counter Fraud Service Manual on the Investigation of Fraud & Corruption in the NHS.

7. Demonstrating Commitment

7.1 The commitment of the LAS to probity and public service values includes:

- the promotion of an ethical environment.
- the maintenance of an Audit Committee with clear terms of reference and unrestricted scope.
- the operation of a reward and remuneration committee.
- the use of clearly defined and documented policies.
- compliance with statutory financial reporting requirements.
- operation of an effective accounting and budgetary control system.
- an adequate and effective internal audit function.
- putting in place appropriate internal controls.
- holding regular public meetings.
- investigating all cases of alleged fraud and corruption.
- nomination of a Local Anti-Fraud Specialist (LAFS).

7.2 This commitment impacts on the day to day activities of Directors, staff and contractors through the operation and regular review of the following features:-

Activity	Review by board	Responsible officer
----------	-----------------	---------------------

Activity	Review by board	Responsible officer
Maintenance of Standing Financial Instructions.	Annual	Director of Finance
Maintenance of Standing Orders	Annual	Director of Corporate Affairs/Trust Secretary
Audit Committee/ Remuneration Committee	At least annual	Director of Finance /Chief Executive
Decisions Reserved for Board	Annual	Director of Finance /Chief Executive
Scheme of Delegation	Annual	Director of Finance /Chief Executive
Maintenance of Register of Interests	-	Director of Corporate Affairs/Trust Secretary
Maintenance of Register of Declarations of Gifts and Hospitality	-	Director of Corporate Affairs/Trust Secretary
Issue of Standards of Business Conduct HSG (93)5 to all staff (within this HSG, the Bribery Act 2010 replaces the 'Prevention of Corruption Acts '1889 - 1916')	-	Chief Executive as nominated officer but may discharge their duties to an approved officer of a shared service provider.
Annual Declaration of Interests by all Board Members	-	Director of Corporate Affairs/Trust Secretary
Undertaking adequate checks on the recruitment of staff (including temporary staff)	-	Director of Support Services as nominated officer but duties may be discharged to an approved officer of a shared service provider.
Fraud Log	Quarterly via Audit Committee meetings	Director of Finance

7.3 In addition the Board tries to ensure that a risk and fraud awareness culture exists in the LAS.

8. What are fraud, theft, corruption and financial irregularity?

8.1 Fraud

8.1.1 Fraud is defined as 'dishonest conduct with the intention to make a gain, or cause a loss or the risk of a loss to another'. The new Fraud Act 2006 came into force on the 15th January 2007. The Act introduces provision for a general offence of fraud which is broken into three main sections;

- Fraud by false representation
- Fraud by failing to disclose information
- Fraud by abuse of position

Fraud by false representation

A representation is defined as false if it is untrue or misleading and the person making it knows that it is, or might be, untrue or misleading. Representation can be stated by words or communicated by conduct i.e. written, spoken or by electronic

means. Examples of fraud by false representation include falsifying time sheets or expense claims.

Fraud by failing to disclose information

A fraud will have been committed if a person fails to declare information which he/she has a legal duty to disclose. There is a requirement that the person acts dishonestly and intends to make a gain for himself/herself, cause a loss to another or expose another to a risk of loss. An offence is committed under this section of the act where a job applicant fails to disclose a criminal conviction.

Fraud by abuse of position

Fraud by abuse of position requires a person who is in a privileged position to act dishonestly by abusing the position held; and by doing so, fails to disclose to another person, information which he/she is legally required to disclose. The dishonest act must be with the intention of making a gain for himself / herself or another. Alternatively it may be with the intention of causing a loss or risk of loss to another. The offence may be committed by omitting to make a declaration as well as by an act. An example covered by this section is where a person who is employed to care for an elderly or disabled person has access to that person's bank account and abuses their position by removing funds for their own personal use.

The introduction of the Fraud Act 2006 **does not prevent** the prosecution of offences under the various Theft Acts and Forgery and Counterfeiting Act, e.g. theft, counterfeiting and falsification of documents.

8.2 Theft

8.2.1 A person is guilty of theft if he dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it.

8.3 Corruption

Corruption is defined (in the context of the Prevention of Corruption Acts) as the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person. Bribery, a form of corruption, is an act implying money or gift giving that alters the behaviour of the recipient.

The Bribery Act 2010 replaces the fragmented and complex offences at common law and in the Prevention of Corruption Acts 1889-1916.

8.4 Bribery

There is no specific definition within the Bribery Act 2010 of this term. The Act however does set out four offences of bribery from which a definition can be inferred as a financial or other type of advantage that is offered or requested intending to induce another person to perform improperly one of their functions in their position of trust or responsibility, or as a reward for improper performance.

In essence, bribery is offering an incentive or reward to someone to do/for doing something that they would not normally do.

There are four offences of bribery within the Bribery Act 2010:

- Two general offences covering the offering, promising or giving of an advantage, and the requesting, agreeing to receive or accepting of an advantage;
- A discrete offence of bribery of a foreign public official to obtain or retain business or an advantage in the conduct of business;
- A new offence of failure by a commercial organisation to prevent a bribe being paid for or on its behalf;

A legal defence within the Bribery Act 2010 requires organisations to demonstrate that they have “adequate procedures” in place to prevent any bribery from occurring. To demonstrate that the LAS has sufficient and adequate procedures in place and to demonstrate openness and transparency, all individuals working for the LAS are required to comply with the requirements of this policy.

8.5 Examples of Bribery

The Bribery Act 2010 outlines the offences of bribery as the receipt or acceptance of a bribe, or the offer to, promise or giving of a bribe, which assists in obtaining/retaining business or financial advantage, or the inducement or reward of someone for the improper performance of a relevant function. There are however no set types of bribery and there is huge variation in the types of scenarios and circumstances where bribery could occur. A non exhaustive list of examples of where bribery could take place is as follows:

Offering a bribe

- You offer a potential client tickets to a major sporting event, but only if they agree to do business with the LAS.

Receiving a bribe

- A supplier gives your nephew a job but makes it clear that in return they expect you to use your influence in the LAS to ensure that it continues to do business with them.
- Someone responsible for awarding an employment contract is offered gifts and/or hospitality by one of the candidates or someone linked to them to ensure that the job is offered to the candidate.
- Someone responsible for booking bank or agency staff is offered lavish gifts and/or hospitality by an agency to ensure their agency staff are booked by the LAS.
- Someone responsible for choosing suppliers (medical or non-medical) or awarding business contracts is offered gifts and/or hospitality by an existing/new supplier, contractor or business to ensure they are selected as a supplier.
- Someone associated with the purchasing of drugs and/or the selection of approved drugs to the LAS Formulary is offered gifts, hospitality and/or paid

expenses by a medical representative or Drugs Firm to ensure their drugs are purchased and/or added to the Formulary for prescribing by the LAS.

- Someone associated with the prescribing of drugs is offered gifts and/or hospitality by a medical representative or Drugs Firms to ensure they prescribe their drugs.
- Someone associated with the provision of training is offered gifts and/or hospitality by an external training company to ensure they are selected to provide training at the LAS.

8.6 Financial Irregularity

8.6.1 This may include any of the above descriptions.

8.6.2 These overview definitions are supported by more detailed narrative which can be found in the NHS Counter Fraud and Corruption manual. A copy is held by the Director of Finance and the Local Anti-Fraud Specialist (LAFS).

Fraud or financial irregularity also covers the alleged misuse of the resources of the LAS or any resources which the LAS manage on behalf of others.

9. The Role of Management and NHS Protect

9.1 With regard to fraud, financial irregularity and corruption, it is one of the fundamental duties of management to put in place systems which will ensure:-

- the security of assets
- compliance with laws and regulations
- effective financial stewardship and will demonstrate the probity of transactions
- the reduction of fraud to a minimum.

9.2.1 Consequently all Directors and Managers have a responsibility for ensuring that all the systems over which they exercise control comply with the principles outlined.

9.3 Managers must promote an anti-fraud culture within their team and ensure employees believe that dishonest acts will be detected and investigated. To this end they must:

- Participate in in-house training programs covering fraud, fraud detection and fraud prevention.
- Ensure staff understand that internal controls are designed and intended to prevent and detect fraud.
- Encourage staff to report suspected fraud directly to the Director of Finance or the Local Anti-Fraud Specialist (LAFS) for investigation without fear of disclosure or retribution.

- 9.4 NHS Protect has responsibility for all policy and operational matters relating to the prevention, detection and investigation of fraud, bribery and corruption in the NHS and any investigations will be handled in accordance with the NHS Protect guidance.

10. Approach to Countering Fraud

- 10.1 NHS Protect’s “standards for providers” consists of 26 individual standards under “four key principle” headings. The four key principles have been designed to incorporate the NHS national counter fraud strategy objectives for which the counter fraud services had to comply prior to the Health and Social Care Act.
- 10.1.1. **Strategic Governance** – This section sets out the standards in relation to the organisation’s strategic governance arrangements. The aim is to ensure that anti-crime measures are embedded at all levels across the organisation.
- 10.1.2 **Inform and Involve** – This section sets out the requirements in relation to raising awareness of crime risks against the NHS and working with NHS staff, stakeholders and the public to highlight the risks and consequences of crime.
- 10.1.3 **Prevent and Deter** – This section sets out the requirements in relation to discouraging individuals who may be tempted to commit crimes against the NHS and ensuring that opportunities for crime to occur are minimised.
- 10.1.4 **Hold to Account** – This section sets out the requirements in relation to detecting and investigating crime, prosecuting those who have committed crimes and seeking redress.
- 10.2 The creation of an anti-fraud culture requires the commitment of staff at all levels and in all areas of activity to be vigilant and to report matters that indicate fraudulent activity. Guidance on this aspect is provided in Appendix 1 of supporting guidance to this policy.
- 10.3 The principal mechanisms in place to prevent fraud include:
- 9.3.1 Standing Financial Instructions (SFIs)
 - 9.3.2 Standing Orders (SOs)
 - 9.3.3. Management control processes, including specific controls such as segregation of accounting responsibilities and authorisation procedures.
 - 9.3.4. Disciplinary Policy
 - 9.3.5 Whistleblowing Policy

11. Duty of Directors, staff and contractors

- 11.1 All Directors, staff and contractors have a duty to protect the assets of the LAS. Assets include information and intellectual property as well as tangible items.
- 11.2 Each and every Director, member of staff and contractor of the LAS has a responsibility to ensure that any suspected incidence of fraud, financial irregularity or corruption is identified and reported appropriately.
- 11.3 Any Director, member of staff or contractor who is aware of, but does not report any suspected fraudulent or corrupt act is condoning the act.

- 11.4.1 It should be noted that all Directors, staff and primary care contractors have a duty to comply with HSG (93)5 “Standards of Business Conduct for NHS Staff” (as amended by the Bribery Act 2010).
- 11.5 Staff are expected to act in accordance with the standards laid down by their Professional Institutes where applicable.
- 11.6 The LAS Standing Financial Instructions and Standing Orders place an obligation on all LAS staff and Non-Executive Directors to act in accordance with best practice. Non-Executive Directors are subject to the same high standards of accountability, and are required to declare and register any interests that might potentially conflict with those of the LAS.
- 11.7 All budget holders have access to the Financial Procedures and Policy Manual to guide them in financial matters, and all Finance staff have a special responsibility to ensure that budget holders and their staff act responsibly in the use of their budgets.

12. Notification Requirements

- 12.1 Where a Director, member of staff or contractor suspects that a theft, financial irregularity, fraud or corrupt act has taken place, they should inform either the Director of Finance or the Local Anti-Fraud Specialist (LAFS) immediately. Any unfounded or malicious allegations will be subject to a full investigation and appropriate disciplinary action. It is of note that once a prime facie case of theft has been identified, this will be referred to the police for investigation.
- 12.2 If the alleged irregularity concerns the Director of Finance an approach may be made directly to the Chief Executive. Where the alleged irregularity concerns the Chief Executive, the approach should be made to the Chairman of the LAS.
- 12.3 The Director of Finance or the Local Anti-Fraud Specialist will have the matter investigated according to the procedure as set out in the NHS Counter Fraud and Corruption Manual. Any information received will be treated as confidential. As soon as it appears that the matter may be dealt with under the LAS Disciplinary Policy, appropriate information will be passed to the HR Department for consideration, and an investigation will be initiated as required. At this point, if appropriate, two investigations will be run in tandem.
- 12.4 Individual(s) concerned will be required to submit a signed statement and may be required to appear as witness (es) in any subsequent formal hearing or criminal proceedings.

13. Alternative Disclosure

- 13.1 An employee may contact the National Fraud Reporting Line on 0800 028 40 60 who will offer advice and take details of an alleged fraud, passing the details back to the LAS.
- 13.2 An employee may choose instead to contact the charity ‘Public Concern at Work’ on 0207 404 6609 who will offer the employee advice on how to proceed.

13.3 An employee may refer to the Whistleblowing Policy and follow the procedures set out in that document.

14. Outline of investigation process

14.1 Appendix 'B' describes the LAS's intended response to a reported suspicion of fraud. The following will be considered:

- No case to answer no evidence of fraud found;
- No evidence of fraud found but system controls need to be strengthened;
- No evidence of fraud found but matter needs to be referred to HR for disciplinary sanction to be considered;
- Reasonably held suspicion/information/evidence of suspected fraud received requiring criminal investigation.

14.2 No case to answer.

14.2.1 The LAFS will inform the Director of Finance that no fraudulent action has been identified.

14.3 No evidence of fraud found but system controls need to be strengthened.

14.3.1 The LAFS will inform the Director of Finance.

14.3.2 A concluding report will be issued with recommendations to strengthen controls in identified areas of weakness. This report will be distributed in accordance with the requirements outlined in the NHS Counter Fraud & Corruption Manual. The recommendations will be followed up by the LAFS as part of future fraud prevention work.

14.3.3 In most cases any work that is undertaken to strengthen controls in identified areas of weakness should not involve the disclosure of personal information or information relating to why policies or systems are being changed.

14.4 No evidence of fraud found but the referral is returned to HR for potential disciplinary sanction to be considered.

14.4.1 The LAFS will inform the Director of Finance.

14.4.2 If the LAFS does not find evidence of fraud but a breach of policy/procedures may have occurred, the LAFS will meet with a member of HR to discuss the findings and pass on the file of evidence gathered to date. Disclosure should only take place following a thorough review of the file on a document by document basis (it is highly unlikely that a file compiled as part of a criminal investigation could be disclosed in full). HR should use this file of evidence to establish if further consideration/action is required.

14.4.3 The LAFS will take no further part in any additional investigation undertaken by HR regarding a suspected breach of procedures, as under Directions the LAFS is only charged with investigating fraud-related matters.

- 14.4.4 A concluding report will be issued with recommendations to strengthen controls in identified areas of weakness. This report will be distributed in accordance with the requirements outlined in NHS Counter Fraud & Corruption Manual. The recommendations will be followed up by the LAFS as part of future fraud prevention work.
- 14.5 Case to answer; criminal investigation undertaken and appropriate sanction considered.
- 14.5.1 The LAFS will liaise with the Director of Finance and conduct an investigation in accordance with investigative legislation such as the Police and Criminal Evidence Act 1984 (PACE) and the Criminal Procedure and Investigations Act (CPIA). Instructions outlined in the NHS Counter Fraud and Corruption Manual must be followed. Confidentiality will be respected during the course of the investigation.
- 14.5.2 Criminal investigations will be undertaken in a timely and professional manner so that the pursuit of other potential sanctions is not compromised.
- 14.5.3 Regular case meetings will be held so that the LAFS can keep the Director of Finance and the designated HR officer updated as the investigation progresses and discuss any potential sanctions that may be pursued.
- 14.5.4 If parallel sanctions are being undertaken, the LAFS will meet regularly with the HR investigating officer to share information where necessary and lawful to avoid any duplication of effort. An investigation plan setting out the requirements for the parallel sanctions will be established and maintained throughout the investigation process.
- 14.5.5 In liaison with the Director of Finance, HR, the relevant NHS Protect operational fraud manager and LAFS, the LAS will consider the following three sanctions in cases where there is prima facie evidence of NHS fraud:
- Criminal – A criminal sanction is pursued where evidence of offences has been obtained so that relevant punitive sanctions and redress can be sought. This sanction can only be pursued if agreed by the Director of Finance and in their absence the Chief Executive and NHS Protect Area Anti Fraud Specialist (AAFS).
 - Civil – Where it is cost-effective and desirable for the purpose of deterrence, it may be decided that civil redress is the most appropriate course of action. It is then the responsibility of the LAS to use the civil law to recover any losses.
 - Disciplinary – Disciplinary procedures are designed to test whether a person should be permitted to practice or continue their employment. Recovery should be considered whenever this action is pursued and the organisation has suffered a financial loss due to inappropriate actions. The disciplinary policy will be followed in these cases. Those conducting disciplinary hearings should never make an express or

implied statement that criminal proceedings will not be undertaken. Dismissal of an employee need not wait until the conclusion of any simultaneous criminal sanction that the LAFS may be undertaking.

14.5.6 Either one or a combination of these sanctions can be pursued. This will be assessed on a case-by-case basis.

15. Staff Training and Fraud Awareness

15.1 The LAFS is responsible for ensuring that key members of the LAS staff are aware of this policy, its requirements and the LAS initiatives to counter fraud through on-going awareness training.

15.2 Staff will be advised as part of the LAS induction training programme of the contents of this policy.

15.3 All LAS staff, where possible, should be provided with information about this policy and the part they have to play in the LAS' efforts to counter fraud.

16. Monitoring and assurance of this Policy

16.1 The policy will be monitored by the Director of Finance and Audit Committee of the LAS who will receive regular reports, including an annual report, from the Local Anti-Fraud Specialist.

16.2 In addition, the Local Anti-Fraud Specialist will submit an annual Self-Assessment in the form of a Self Review Toolkit (SRT), agree the self-assessment with the Director of Finance and submit to NHS Protect. The LAFS will support the LAS in any Quality Assessment (QA) undertaken by NHS Project.

IMPLEMENTATION PLAN				
Intended Audience	This policy applies to all staff			
Dissemination	The policy is to be made available on The Pulse and the LAS Website			
Communications	Staff will be informed about this policy through an announcement on the RIB			
Training	Training is not considered necessary			
Monitoring:				
Aspect to be monitored	Frequency of monitoring AND Tool used	Individual/ team responsible for carrying out monitoring AND Committee/ group where results are reported	Committee/ group responsible for monitoring outcomes/ recommendations	How learning will take place
Any activation of this policy will be discussed with the LAFS	Annually Preparation of report in conjunction with LAFS	Deputy Director of Finance to report findings to Audit Committee and Finance & Investment Committee	Trust Board	Local bulletins; NHS Protect web and intranet pages within LAS; Discussions with LAFS Reports to SMT and EMT

Quick guide to what to do if you suspect fraud or corruption

STAFF – Do's:

Make an immediate note of your concerns.

Note all relevant details, such as what was said in telephone or other conversations, the date, time and the names of any parties involved.

Convey your suspicions to the Director of Finance, or the Local Anti-Fraud Specialist.

Deal with the matter promptly, if you feel your concerns are warranted.

Any delay may cause the LAS to suffer further financial loss.

STAFF - Don'ts:

Do nothing.

Be afraid of raising your concerns.

You will not suffer any recriminations from the LAS as a result of voicing reasonably held suspicion. The LAS will treat any matter you raise sensitively and confidentially.

Approach or accuse any individuals directly.

Try to investigate the matter yourself.

There are special rules surrounding the gathering of evidence for use in criminal cases. Any attempt to gather evidence by people who are unfamiliar with these rules may destroy the case. The Local Anti-Fraud Specialist is trained in handling investigations in the proper manner.

Convey your suspicions to anyone other than those with the proper authority.

MANAGERS – Do's:

Be responsive to staff concerns.

Staff may approach you in the first instance. The LAS needs to encourage staff to voice any reasonably held suspicion as part of developing an effective anti-fraud culture. As a manager, you should treat all staff concerns seriously and sensitively.

Note details.

Note all relevant details. Obtain as much information as possible from the reporting staff member. If the staff member has made any notes, obtain these also. In addition, note any documentary evidence which may exist to support the allegations made. But do not interfere with this evidence in any way.

MANAGERS - Don'ts:

Ridicule suspicions raised by staff.

The LAS cannot operate effective anti-fraud and whistleblowing policies if staff are reluctant to pass on their concerns to Management. Staff may be reluctant to raise concerns for fear of ridicule or recrimination. You need to ensure that all staff concerns are given a fair hearing. In addition you should reassure staff that they will not suffer recrimination as a result of raising any reasonably held suspicion.

Approach or accuse any individuals directly.

Advise the appropriate person.

This is either the Director of Finance or the LAS Local Anti-Fraud Specialist.

Deal with the matter promptly, if you feel your concerns are warranted.

Any delay may cause your organisation to suffer further financial loss.

Convey your suspicions to anyone other than those with the proper authority.

Try to investigate the matter yourself.

Remember that poorly managed investigations by staff who are unfamiliar with evidential requirements are highly likely to jeopardise a successful criminal prosecution.

Fraud and Corruption Policy Guidance on Business Conduct – Checklist for staff

Do:

- Make sure you understand the guidelines on standards of business conduct, and consult your line manager if you are not sure.
- Make sure you are not in a position where your private interests and NHS duties may conflict.
- Ensure that the LAS is aware of all other employment that you may undertake.
- Declare to your employer any relevant interests. If in doubt, ask yourself:
 - a. am I, or might I be, in a position where I, (or my family/friends) could gain from the connection between my private interests and my employment?
 - b. do I have access to information which could influence purchasing decisions?
 - c. could my outside interest be in any way detrimental to the NHS or to patients' interests?
 - d. do I have any other reasons to think I may be risking a conflict of interest?

If still unsure - **Declare it!**

- Adhere to the ethical code of the Institute of Purchasing and Supply if you are involved in any way with the acquisition of goods and services.
- Seek your employer's permission before taking on outside work, if there is any question of it adversely affecting your NHS duties.
- Obtain your employer's permission before accepting any commercial sponsorship.

Do not:

- Accept any personal gifts, inducements or any hospitality which has a monetary value of £20 or above without consulting with your line manager – refer to Standing Orders on *The Pulse*.
- Abuse your past or present official position to obtain preferential rates for private deals.
- Unfairly advantage one competitor over another or show favouritism in awarding contracts.
- Misuse or make available official “commercial in confidence” information.

This checklist is extracted from HSG (93)5 Standards of Business Conduct for Staff (within this HSG, the Bribery Act 2010 replaces the 'Prevention of Corruption Acts '1889 - 1916'), and can be found at Appendix 4 to this document but if you have any queries please raise these with the

Director of Corporate Affairs, the Director of Finance and Performance or your local counter fraud specialist.

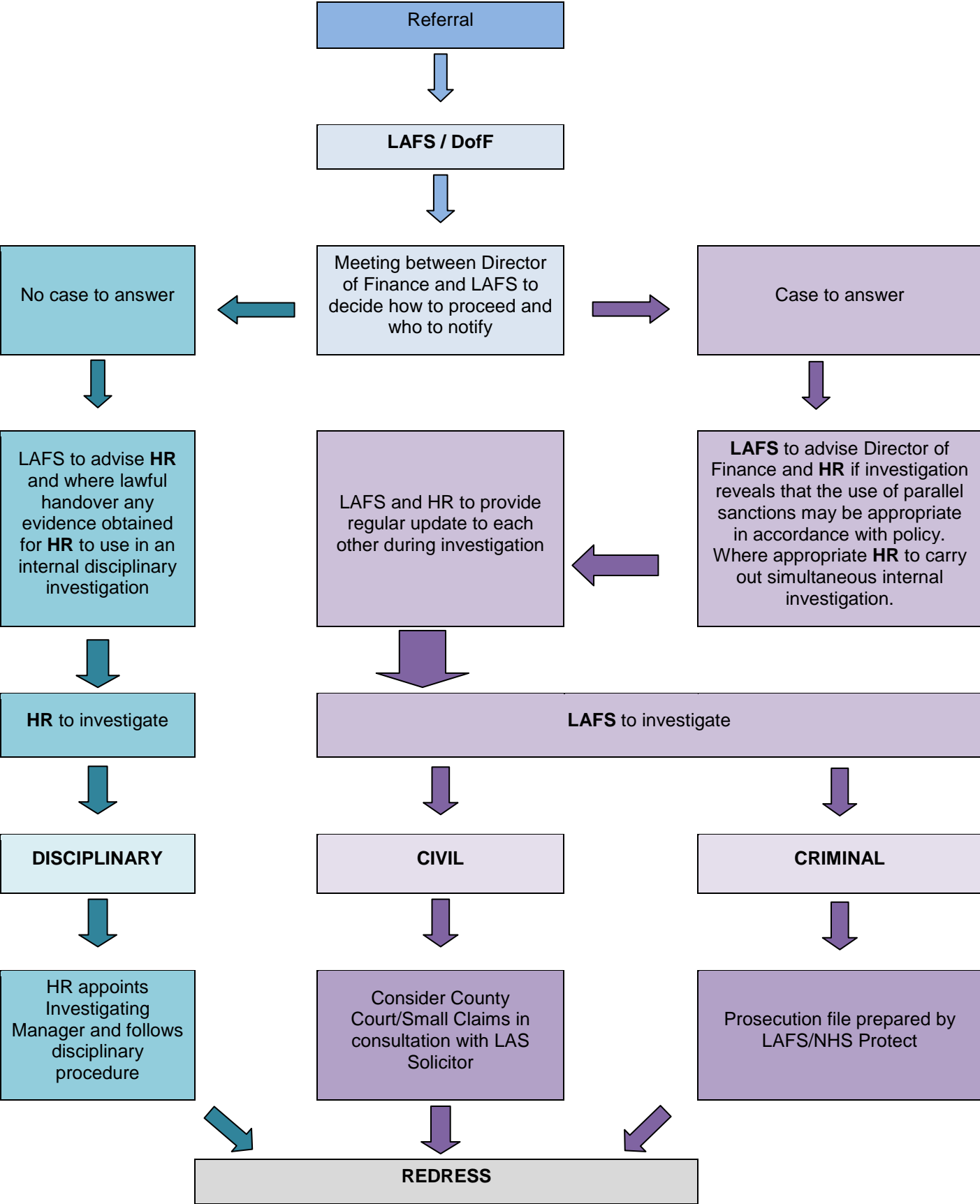
Guidance for Declaring Other Employment

All staff are required to consult with their line manager regarding other employment if they are considering taking on outside work or are already employed elsewhere. All such notifications and discussions will be kept confidential. The grievance procedure or preliminary interview with HR is an option if you are unhappy with your manager's decision.

It may be appropriate to address the following questions in discussions with your manager:

1. Is there likely to be a "business" conflict of interests, e.g. working for a local organisation with which LAS has dealings?
2. Is it possible that your secondary employment will interfere with your capacity to complete to your satisfaction, or your manager's, your duties or responsibilities at LAS?
3. Will you, in the course of your secondary employment, use LAS's equipment, stationery, lease cars or any other of LAS's resources?
4. Will your secondary employment in any way be detrimental to LAS's interests?

Process flow chart



STANDARDS OF BUSINESS CONDUCT FOR LONDON AMBULANCE SERVICE NHS TRUST

1. INTRODUCTION

- 1.1. These guidelines are produced in the light of the challenges that staff face in the new and more commercially oriented environment of Trust status, and are intended by the Trust to reinforce the guiding principles set out in the Codes of Conduct and Accountability in the NHS published by the Appointments Commission April 2004 for NHS Boards. Should there be any conflict between these principles and EL(94) 40 the latter will take precedence.
- 1.2. In promoting and safeguarding the reputation and standing of the London Ambulance Service NHS Trust (the Trust) with local communities, with customers and suppliers, with patients and with the media, it is Trust policy that the professional and social conduct of staff should reflect the highest possible standard of personal integrity and that the business affairs of the Trust are conducted in a moral, honest manner and in full compliance with all the applicable laws and Trust Standing Orders.

2. RESPONSIBILITY OF THE TRUST BOARD

- 2.1. The Trust Board is responsible for bringing these guidelines to the attention of all LAS staff and for introducing procedures to ensure that they are implemented.

3. RESPONSIBILITY OF LAS DIRECTORS

- 3.1. All LAS Directors have a responsibility to uphold these guidelines and to act primarily at all times, in the interest of the Trust as a whole.

4. RESPONSIBILITY OF LAS STAFF

- 4.1. It is the responsibility of Trust staff to ensure that they do not place themselves in a position where their private interests and the Trust duties conflict. This primary responsibility applies to all Trust staff.

5. GUIDING PRINCIPLE IN CONDUCT OF PUBLIC BUSINESS

- 5.1. It is important that the Trust, along with all public sector bodies, must be seen to be impartial and honest in the conduct of its business and that its staff should remain above suspicion. It is an offence under the Bribery Act 2010 for a member of staff corruptly to accept any inducement or reward for doing, or refraining from doing, anything in his or her official capacity, or corruptly showing favour, or disfavour, in the handling of contracts.
- 5.2. Note: Staff should be aware that a breach of the provisions of the Bribery Act 2010 renders them liable to prosecution and may lead to loss of their employment and superannuation rights in the Trust. Failure to adhere to the Business Conduct Policy may result in disciplinary action if it is proved that the employee has failed to declare a relevant interest, or has abused his/her official position or knowledge, for the purpose of self-benefit or the benefit of family, friends or those others with whom the employee has a relationship as defined in paragraph 33.3 of these Standing Orders.

6. PRINCIPLES OF CONDUCT WITHIN THE TRUST

- 6.1. Trust staff are expected to give the highest possible standard of service to the public and to provide appropriate advice to Directors of the Trust and to fellow employees. In particular Trust staff are required to:
- 6.1.1 ensure that the interests of patients remain paramount at all times;
 - 6.1.2 be impartial and honest in their conduct of official business; and
 - 6.1.3 use the public monies entrusted to them in a responsible and lawful manner to the best of advantage of the Trust, always ensuring value for money and avoiding legal challenge to the authority.
 - 6.1.4 It is also the responsibility of Trust staff to ensure that they do not:
 - 6.1.4.1 abuse their official position for personal gain or to benefit their family or friends; and
 - 6.1.4.2 seek to advantage or further their private business or other interests in the course of their official duties.
- 6.2 Wherever Trust staff have private or personal interests in any matter they have to deal with at work, they must not let these interests influence how they act on behalf of the Trust. Interest may be financial interests but non-financial interest can be just as important. Kinship; friendship; membership of an association, society or trusteeship and any other kinds of relationships can sometimes influence the judgement of Directors and employees of the Trust, or may be thought to do so. A good test is for staff to ask themselves whether others could possibly think the interest be close enough or of such a nature as to give rise to any suspicion. In such cases the member of staff must disclose the interest to the Chief Executive through his or her Director.

7. DECLARATION OF INTEREST

- 7.1. The Trust Board must be advised of all cases where a member of staff or his/her close relative, partner or associate has a controlling, or significant, or financial interest in a business, or any other activity, which may compete for a contract to supply goods or services to the Trust.
- 7.2. All Trust staff are required to declare such interests either when they are appointed or on acquisition of the interest, in order that it may be known to the Trust and in no way promoted to the detriment of the Trust or to the patients served by the Trust.
- 7.3. A Register of Interests shall be maintained by the Trust Secretary to whom all declarations must be submitted in writing. This Register shall be made available for inspection by all Trust Directors, by the public, and by contractors.
- 7.4. In determining what needs to be declared all Trust staff should:
- 7.4.1. ensure that they understand these guidelines and consult their line managers if further clarification is required;
 - 7.4.2. ensure that they are not in a position where their private interest and their Trust duties conflict;

7.4.3. declare to the Trust Board any relevant interests; if in doubt they should ask themselves:

7.4.4. am I, or might I be, in a position where I or my family or associates might gain from the connection between my private interests and my employment with the Trust?

7.4.5. do I have access to information which could influence purchasing decisions?

7.4.6. could my outside interest be in any way detrimental to the Trust or to patients' interests?

7.4.7. do I have any reason to think that I may be risking a conflict of interest?

7.5. If still unsure - **declare it!**

8. PREFERENTIAL TREATMENT IN PRIVATE TRANSACTIONS

8.1. Individual staff must not seek or accept preferential rates or benefits in kind for private transactions carried out with companies with which they have had, or may have, official dealings on behalf of the Trust. (This does not apply to any arrangements negotiated with companies on behalf of the Trust, or by recognised staff organisations, on behalf of all staff - for example LAS staff benefit schemes).

9. OTHER EMPLOYMENT

9.1. It is a condition of employment that Trust staff do not undertake any other employment, paid or unpaid, which conflicts with the requirements of their Trust post or be detrimental to it. Staff wishing to take up any employment must provide full details and seek prior written authority from the Director of Support Services. The Trust will be responsible for judging whether the interests of patients or of the Trust could be harmed e.g.:

9.1.1. full-time ambulance staff who undertake driving duties outside their employment;

9.1.2. employees associated with or working for private transport organisations; or

9.1.3. employees undertaking alternative employment.

9.2. If written approval is given to a member of staff to undertake any other employment the Director of Support Services will ensure that this is recorded in the Register of Staff Engaged on Other Employment held in his/her department.

10. ACCEPTANCE OF GIFTS AND HOSPITALITY

10.1. National Health Service regulations prohibit staff from soliciting gifts or hospitality from organisations, suppliers or individuals with whom they are brought into contact in the course of their work.

10.2. As a general rule all offers of gifts and hospitality should be refused except where such a refusal would cause offence but acceptance must be limited to items similar to those set out below:

10.3. Casual gifts offered by contractors and others, for example:

10.3.1 at Christmas time (articles of low intrinsic value (up to £20) such as pens, calendars, diaries etc.) or

10.3.2 small items of low value (up to £20) such as desk furniture and tankards received at the conclusion of an official visit or conference or seminar. These items may not be

connected with the performance of duties so as to constitute an offence under the Bribery Act 2010. Items of this nature do not need to be declared.

- 10.3.3 Staff must not, however, accept any money gifts or consideration where such acceptance could be deemed to influence or to have influenced their business conduct. Any member of staff who is unsure whether or not to accept a gift must consult their line manager or the appropriate Director. The Chief Executive will consult the Chairman in respect of gifts offered to him.
- 10.3.4 Tokens of gratitude from patients or their relatives must be politely but firmly declined. If, however, patients insist on crews accepting such gratuities, these must be reported to their line manager who will make arrangements for charity allocation.
- 10.3.5 Registers of Gifts Offered and Accepted shall be maintained by the Trust Secretary and all details of gifts offered and accepted must be submitted to him/her on a monthly basis. This will be reported to the Audit Committee.
- 10.3.6 Employees should only accept offers of hospitality if there is a genuine need to impart information or represent the Trust and that the Trust will benefit from such hospitality.
- 10.3.7 Modest hospitality may be accepted provided that it is normal and reasonable in the circumstances, for example, lunches in the course of working visits. In accepting hospitality, however, staff must not place themselves in a position where acceptance might be deemed by others to have influenced them in making a business decision. Offers to attend purely social or sporting functions should be accepted only when these are part of the life of the community served by the Trust or it is in the Trust's interest to attend for the execution of its business or its operational activity or where the Trust should be seen to be represented. Attendance at such events must be approved in advance by the relevant Director or by the Chief Executive for Directors and by the Chairman for such requests made by the Chief Executive. They should be properly authorised and then recorded by the Trust Secretary.
- 10.3.8 The frequency and type of hospitality accepted must not be significantly greater than the Trust would be likely to provide in return.
- 10.3.9 Offers of hospitality involving the provision of transport or overnight accommodation must only be accepted after approval from the appropriate Director or Chief Executive. If in doubt about the acceptance of hospitality, staff must seek advice from their line manager or appropriate Director, or in the case of the Chief Executive, the Chairman.
- 10.3.10 Registers of Hospitality Offered and Accepted shall be maintained by the Trust Secretary.
- 10.3.11 On an annual basis the Trust Secretary will remind all staff of the Trust's policy regarding the acceptance of gifts and hospitality.

11 COMMERCIAL SPONSORSHIP OR ATTENDANCE AT COURSES AND CONFERENCES

- 11.1 Acceptance by employees of hospitality through attendance at relevant conferences and courses is acceptable, but only where it is clear that the hospitality is corporate rather than personal and where the employee seeks permission in advance and the Trust is satisfied that acceptance will not compromise purchasing decisions in any way. On occasions where it is considered necessary for staff advising on the purchase of

equipment in operation in other parts of the country, or, exceptionally, overseas, to attend courses and conferences the Trust may consider meeting the costs so as to avoid jeopardising the integrity of subsequent purchasing decisions.

12 COMMERCIAL SPONSORSHIP OF POSTS - LINKED DEALS

- 12.1 If a company offers to sponsor a post for the Trust either wholly or partially, it should be made clear that the sponsorship can have no effect on purchasing decisions within the Trust. Where such sponsorship is accepted, purchasing decisions must be monitored by the Trust Secretary to ensure that they are not being influenced by the sponsorship arrangement.
- 12.2 Under no circumstances should the Trust agree to Linked Deals whereby sponsorship is linked to the purchase of particular products or to supply from a particular source.

13 “COMMERCIAL IN-CONFIDENCE”

- 13.1 Staff must not make public internal information of a “commercial in-confidence” nature, particularly if its disclosure would prejudice the principle of a purchasing system based on fair competition. This principle applies whether private competitors or other NHS providers are concerned, and whether or not disclosure is prompted by the expectation of personal gain. The term “commercial in-confidence” should not be taken to include information about service delivery and activity levels, which should be publicly available. Nor should it inhibit, for example, the exchange of data for medical purposes subject to the normal rules governing patient confidentiality and data protection. In all circumstances the overriding consideration must be the best interest of patients.

14 COMPLAINTS ABOUT BREACHES OF THE CODE

- 14.1 Any staff complaints about breaches of the guidelines on Standards of Business Conduct, maladministration or other concerns of an ethical nature should be taken up initially, through line management. Should that be inappropriate or non-productive then the matter should be referred up to Director and, if necessary, to Board level. Any report or suspicion of fraud or bribery will be referred by the Director of Finance and Performance to the LCFS for further investigation, or in cases where the Director of Finance and Performance is alleged to be involved a report will be made direct from the delegated responsible board member. Please refer to the Fraud Act 2006 and Bribery Act 2010.