

# National Association of Racing Staff



**nars**

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## **Fraud Policy**

Date; 3/11/2015

Signed; George McGrath, Chief Executive

## Introduction

NARS requires all staff at all times to act honestly and with integrity and to safeguard the public resources for which they are responsible. The Department for Business, Innovation and Skills (BIS) and unionlearn will not accept any level of fraud or corruption; consequently, any case will be thoroughly investigated and dealt with appropriately. The union is committed to ensuring that opportunities for fraud and corruption are reduced to the lowest possible level of risk.

## What is Fraud?

The Fraud Act 2006 gives a single legal definition of fraud for the first time. Under the Act, fraud may be committed in three ways:

- False representation;
- Failure to disclose information; and
- Abuse of position.

In all cases, there must be dishonesty and an intention by the perpetrator to make a gain, cause a loss to another person, or expose them to the risk of loss

There does not need to be any actual gain or loss for an offence to have occurred.  
RISK OF FRAUD

## Avenues for Reporting Fraud

Individuals or organisations can also use or refer to the Whistle Blowing Policy to raise issues or concerns

Staff should report any suspicions to their line managers, to unionlearn's Business and Finance Manager or to unionlearn's internal auditors.

All matters will be dealt with in confidence and in strict accordance with the terms of the Public Interest Disclosure Act 1998. This statute protects the legitimate personal interests of staff.

Vigorous and prompt investigations will be carried out into all cases of actual or suspected fraud discovered or reported.

## Responsibilities

Annexe 4.7 of *Managing Public Money (2009)* sets out the responsibilities of government departments in relation to fraud. Under these responsibilities, BIS are required to report annually to HM Treasury on incidences of suspected fraud. As a result, they require unionlearn to report all suspected frauds.

Schedule 3 of the contract with unionlearn requires the union to report all suspected instances of fraud to unionlearn. This is to support unionlearn in meeting their funding conditions from BIS.

Overall responsibility for managing the risk of fraud at NARS has been delegated to the project manager. Their responsibilities include:

- Developing a fraud risk profile and undertaking a regular review of the fraud risks associated with each of the key project objectives in order to keep the profile current;
- Establishing an effective anti-fraud policy and fraud response plan, commensurate with the level of fraud risk identified in the fraud risk profile;
- Designing an effective control environment to prevent fraud commensurate with the fraud risk profile;
- Establishing appropriate mechanisms for reporting fraud risk issues;
- Making sure that all staff are aware of the organisation's anti-fraud policy and know what their responsibilities are in relation to combating fraud;
- Ensuring that vigorous and prompt investigations are carried out if fraud occurs or is suspected;

Every member of staff is responsible for:

- Acting with propriety in the use of official resources and the handling and use of public funds whether they are involved with cash or payments systems, receipts or dealing with suppliers;
- Conducting themselves in accordance with the seven principles of public life set out in the first report of the Nolan Committee "Standards in Public Life". They are:
  - selflessness, integrity, objectivity, accountability, openness, honesty and leadership;
- Being alert to the possibility that unusual events or transactions could be indicators of fraud;

- Reporting details immediately through the appropriate channel if they suspect that a fraud has been committed or see any suspicious acts or events;
- Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.

### Fraud Response Plan

The union has a Fraud Response Plan that sets out how to report suspicions, how investigations will be conducted and concluded. This plan forms part of the union's anti-fraud policy.

### Conclusion

The circumstances of individual frauds will vary. The union takes fraud very seriously. All cases of actual or suspected fraud will be vigorously and promptly investigated and appropriate action will be taken.