Anti-Fraud Policy and Fraud Response Plan

1. The General Medical Council (GMC) will not accept any level of fraud, bribery or corruption. We are committed to protecting our assets and are committed to promoting honesty and integrity in all of our activities. The GMC is determined to prevent, deter and detect all forms of fraud, bribery and corruption committed against it, whether by internal or external parties.

2. The GMC is committed to ensuring all of its business is conducted in an open, honest and fair manner. All members, associates, staff and third parties working on behalf of the GMC are expected to adopt the highest standards of propriety and accountability, and to play a key role in promoting an anti-fraud culture.

3. Where fraud is suspected the GMC will take direct action. All cases will be thoroughly investigated and dealt with appropriately. The form of action taken will depend on the level and circumstances of the fraud discovered and may include disciplinary procedures, dismissal and/or criminal prosecution. The GMC will always seek to recover funds lost through fraud.

4. This policy applies to all members, associates, staff whether permanent or temporary, and third parties working on behalf of the GMC.

5. Registrants are obliged to follow our published guidance, *Good Medical Practice* (GMP), which includes a comprehensive section on probity. While this policy is applicable to doctors who fall into the categories described in paragraph 4 it does not vary their obligations under GMP.

**Definition of fraud**

6. Under the Fraud Act 2006 the criminal offence of fraud can be committed in three ways: by false representation, by failing to disclose information, and by abuse of position. The Act also includes offences for obtaining services dishonestly and of possessing, making and supplying articles for use in fraud. The Medical Act 1983 s39 covers fraud or error in relation to registration (e.g. pretending to be a registered medical practitioner).

7. Bribery is defined as the offering, promising, giving, accepting or soliciting of money, a gift or other advantage as an inducement to do something that is illegal or a breach of trust in the course of carrying out an organisation’s activities.
8. The Bribery Act 2010 sets out, in broad terms, four categories of offence: (i) bribing another person; (ii) receiving a bribe; (iii) bribing a foreign public official; and (iv) the failure of a relevant commercial organisation to prevent bribery by an associated person. In essence, the Act makes it a criminal offence to give a bribe to or accept a bribe from a public or private individual, at home or abroad where the party guilty of an offence is covered by the jurisdiction of the Act.

**Prevention of fraud**

9. The GMC operates within a framework of statutes, regulations, codes of conduct and systems and procedures, including Financial Regulations, the Schedule of authority, and the procurement policy and procedure. These are designed, in part, to prevent fraud and corruption and to enhance accountability. We require all members, associates, staff and third parties working on our behalf to act in accordance with this framework.

10. The GMC has systems and procedures that incorporate robust internal controls designed to minimise the risk of fraud occurring. Managers are required to identify the risks to which systems are exposed (including the risk of fraud), to develop and maintain controls to mitigate and manage the risks and to ensure that such controls are properly complied with. The Corporate Risk Register identifies the risk of fraud, together with the mitigating actions in place to minimise the risk of fraud occurring. The Internal Audit service reviews the adequacy and effectiveness of internal controls, as part of their annual audit programme, to provide assurance to managers and the Audit and Risk Committee.

11. A key preventative measure to minimise the risk of fraud and corruption is to take effective steps at the recruitment stage to establish, as far as possible, the previous record of potential staff in terms of their propriety and integrity. In this regard, temporary staff should be treated in the same manner as permanent staff. Staff recruitment should be in accordance with procedures laid down in the relevant HR policies, and written references obtained before formal employment offers are made.

12. Members are required to comply with the Code of Conduct for Members, which includes the Seven Principles of Public Life (the 'Nolan Principles') listed in Annex 1.

13. Members and senior managers must also:

   13.1. Disclose details of any organisations in which they hold a position of authority or other material interest and whose business could bring them into contact with the GMC.

   13.2. Disclose any transactions between the GMC and parties related to them.

14. Associates are required to comply with the GMC’s Contract for Services, Conditions of Service and Code of Conduct.

15. Associates, staff and third parties working on behalf of the GMC should abide by the Seven Principles of Public Life (the 'Nolan Principles') listed in Annex 1.

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16. Staff are expected to follow any recognised codes of conduct related to their professional qualifications and they are also required to comply with our Conflicts of Interest policy and our Gifts and Hospitality policy, specifically:

16.1. To declare membership of outside bodies and organisations that might give rise to a conflict of interest.

16.2. To declare any outside paid employment or business, this must not conflict with the interests of the GMC.

16.3. Not to accept significant personal gifts or hospitality. Any gifts or hospitality accepted by staff must be reported to the appropriate director.

17. The GMC has adopted the following procedures to minimise the risk of bribery and corruption:

17.1. The Gifts and Hospitality policy requires all gifts to be reported to directors, who will maintain a register of any gifts received by staff in their directorates. Any gifts received by directors are reported to the Chief Executive.

17.2. The GMC requires all individuals engaging suppliers of services and working with partners of behalf of the GMC to ensure that service suppliers and partners are selected through a transparent and competitive selection process and due diligence is carried out on partners and suppliers before entering into contracts. Further information is set out in the GMC’s procurement policy and procedure.

17.3. All staff and suppliers must understand and comply with this policy. To ensure that this is communicated, the GMC publishes this policy on the staff intranet.

**Reporting fraud**

18. The GMC encourages and expects members, associates, staff and third parties working on our behalf to report incidents of suspected fraud, bribery and corruption in line with the information given in this document.

19. Public Interest Disclosure Policy (‘whistle-blowing’) is also in place to facilitate the reporting of concerns in confidence by these groups. The public are able to utilise the corporate complaints procedure or contact the GMC’s Contact Centre to report any concerns.

**Investigating allegations of fraud**

20. The GMC’s Fraud Response Plan (Annex 2) provides guidance to managers on the action to be taken should they receive an allegation of fraud, bribery or corruption.
In normal cases it will be the relevant director, in conjunction with the Director of Resources and Quality Assurance, who will arrange for an investigation to be undertaken. Matters of a criminal nature will be reported to the Police. We will also notify other relevant agencies, such as employers and the NHS Counter-Fraud Service, as appropriate.

**Training**

21. The GMC recognises that the success of this anti-fraud policy depends, to a large extent, on all members, associates, staff and third parties working on our behalf being aware of the GMC’s approach to fraud, bribery and corruption.

22. Details of our Anti-Fraud Policy and Fraud Response Plan are published on the intranet. In addition, mandatory fraud training will be provided to all staff within six months of commencing employment with the GMC.

**Monitoring fraud**

23. The Audit and Risk Committee is responsible for reviewing the arrangements in place by which staff may raise concerns about possible improprieties. As part of this, the Audit and Risk Committee will approve the Anti-Fraud Policy and Fraud Response Plan.

24. Any action taken by the GMC in connection with suspected fraud, bribery or corruption will be reported to the Audit and Risk Committee.
Seven Principles of Public Life

Underpinning the anti-fraud culture are the Seven Principles of Standards in Public Life. The principles apply equally to members, associates, staff and third parties working on our behalf, and are:

**Selflessness** - holders of public office should take decisions solely in terms of the public interest. They should not do so to gain financial or other material benefits for themselves, their families or friends.

**Integrity** – holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their official duties.

**Objectivity** – in carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards or benefits, holders of public office should make choices on merit.

**Accountability** – holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever public scrutiny is appropriate to their role.

**Openness** – holders of public office should be as open as possible about all the decisions and actions they take. They should give clear reasons for their decisions and restrict information only when the wider public interest (or legislation) demands.

**Honesty** – holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

**Leadership** – holders of public office should promote and support these principles by leadership and example.
Fraud Response Plan

Introduction

1. In line with the GMC’s commitment to its opposition to fraud, bribery and corruption this Fraud Response Plan is intended to provide direction and help to all members, associates, staff, third parties and members of the public who wish to raise their concerns about suspected fraud.

2. The Plan gives a framework to follow in responding to allegations of fraud, bribery or corruption and provides information that allows evidence to be gathered and collated in a way which facilitates informed initial decisions, while ensuring that evidence gathered will be admissible in any future criminal or civil actions.

Definitions

3. Under the Fraud Act 2006 the criminal offence of fraud can be committed in three ways: by false representation, by failing to disclose information, and by abuse of position. The Act also includes offences for obtaining services dishonestly and of possessing, making and supplying articles for use in fraud. The Medical Act 1983 s39 covers fraud or error in relation to registration (e.g. pretending to be a registered medical practitioner). The Registrar's functions in this respect are set out in the Registration Decisions: Arrangement of Procedures document.

4. Bribery is defined as the offering, promising, giving, accepting or soliciting of money, a gift or other advantage as an inducement to do something that is illegal or a breach of trust in the course of carrying out an organisation’s activities.

5. The Bribery Act 2010 sets out, in broad terms, four categories of offence: (i) bribing another person; (ii) receiving a bribe; (iii) bribing a foreign public official; and (iv) the failure of a relevant commercial organisation to prevent bribery by an associated person. In essence, the Act makes it a criminal offence to give a bribe to or accept a bribe from a public or private individual, at home or abroad where the party guilty of an offence is covered by the jurisdiction of the Act. Examples of bribery include:

   5.1. A potential supplier offering money or a gift in order to influence a tendering process

   5.2. A job applicant offering a reward to increase his/her chance of being offered employment

   5.3. A doctor offering a reward to influence a decision on a registration or fitness to practise issue.
6. As far as the GMC is concerned, fraud is the act of depriving the GMC or a third party of something by deceit, whether by theft, misuse of funds or other resources, or by more complicated crimes like misrepresentation, impersonation, false accounting and the supply of false information. Typically, fraud is likely to fall into one of the following categories:

6.1. System issues – where an individual deliberately falsifies records, or manipulates data in order to circumvent the GMC’s framework of internal controls (for example, the submission of false claims for expenses).

6.2. Financial issues – where individuals or companies have fraudulently obtained money from the GMC (for example, invalid invoices for work not done).

6.3. Equipment issues – where GMC equipment is used for unauthorised personal use.

6.4. Resource issues – where there is a misuse of resources (for example, theft of cash or materials).

6.5. Registration issues – where an individual falsifies an application for registration or impersonates a registered doctor.

6.6. Other issues – these include activities which are unlawful; contrary to GMC policies; which fall below established standards or practices; or improper conduct (for example, receiving inappropriate hospitality; or abuse of position for personal gain).

7. The Anti-Fraud Policy is supported by HR and Finance policies and procedures as detailed in Annex 3.

What staff should do if they suspect fraud

8. Staff are encouraged and, indeed, expected to raise any concern that they may have, without fear of recrimination (‘whistle-blowing’). To facilitate this, the GMC has a Public Interest Disclosure Policy. Any concerns raised will be treated in the strictest confidence and will be properly investigated.

9. Staff are often the first to spot possible cases of fraud or corruption at an early stage. Staff should not try to carry out an investigation themselves. This may damage any subsequent enquiry.

10. In the first instance, staff should normally raise the concern with their line manager. If the concern relates to a line manager, then staff should raise it with a director, and if it relates to a director, the concern should be raised with the Chief Executive. If the issue concerns the Chief Executive the concern should be raised with the Chair of Council, and if it relates to the Chair of Council the concern should be raised with the Chairs of the Audit and Risk and Remuneration Committees.
11. Where staff have a difficulty in approaching their own manager, because there is a concern that either management are involved or may not take the matter seriously, they can contact the Head of Consultancy and Review or the Assistant Director, Finance and Procurement, or use the Public Interest Disclosure Policy.

What a member or associate should do if they suspect fraud

12. Members and associates are encouraged and expected to raise any concerns and should normally report any concerns to the Chair of Council, Chief Executive, Chief Operating Officer, or a director.

13. If the issue concerns the Chief Executive or another member the concern should be raised with the Chair of Council, or with the Chairs of the Audit and Risk and Remuneration Committees if it concerns the Chair of Council.

What a third party, including members of the public, should do if they suspect fraud

14. Third parties, including the general public, can report concerns through the GMC corporate complaints procedure or the GMC Contact Centre. They can also report concerns direct to GMC members or staff, who will escalate the concern in line with the Anti-Fraud Policy.

15. In the event that a person feels unable to raise their concerns direct with the GMC, they may contact the GMC’s external auditor, whose name and address can be found in the GMC’s published accounts.

16. Anyone concerned about a wrongdoing that threatens the public interest can seek free, confidential legal help from the charity ‘Public Concern at Work’. They operate a helpline on 0207 404 6609, and can be emailed at helpline@pcaw.co.uk.

Reporting a suspected fraud

17. Speaking out against acts of fraud is not easy. The GMC will take every precaution to protect an individual’s identity when raising a concern if he or she does not want their name to be disclosed. Whilst every possible effort will be taken to protect an individual’s identity it must be appreciated, however, that the investigation process may reveal the source of the information and a statement by the individual may be required as part of the evidence.

18. The GMC encourages individuals to put their names to allegations. Concerns expressed anonymously are much less powerful, but they will be considered at the discretion of the GMC, taking into account the seriousness of the issues raised; the credibility of the concern; and the likelihood of confirming the allegation from other attributable sources.

19. If an allegation is made in good faith, but it is not confirmed by the investigation, no action will be taken against the person raising the concern. If, however, the
allegations are malicious or vexatious, action may be taken against the person making the allegation.

20. During an investigation, staff should not voice their concerns to the press or media without the consent of the Chief Executive and Chief Operating Officer. To do so could jeopardise the investigation process, result in compensation claims should the suspicion/allegation prove to be unfounded and generate disproportionately negative publicity for the GMC.

21. Where appropriate the GMC will ensure that the person raising the concern is kept informed of the investigation and its outcome.

**What a Manager should do when a suspicion is reported to them**

22. Any manager who has received information about a suspected fraud or a suspicion of corruption must report it immediately to the Director of Resources and Quality Assurance and relevant director who will, where appropriate, ensure that the Chief Executive and Chief Operating Officer are informed.

23. The relevant director, in conjunction with the Director of Resources and Quality Assurance, should satisfy themselves that there are reasonable grounds for the suspicion, and arrange for an investigation to be undertaken. The investigation should be assigned to a person with appropriate experience or qualifications. At this point the Head of Consultancy and Review should be notified of the investigation. Any decision to refer the matter to the Police will be made in consultation with the Chief Executive and Chief Operating Officer.

24. If the disclosure relates to the integrity of the Register the matter should be reported to the Director of Resources and Quality Assurance to be dealt with under the *Registration Decisions: Arrangement of Procedures* and/or the GMC's fitness to practise procedures.

25. The Director of Resources and Quality Assurance will log reports of suspected/actual frauds in a central Fraud Register.

26. Management should take immediate action to prevent further loss, and should take steps to safeguard any evidence.

27. The investigating officer should retain securely any relevant documentation, in its original format - it should not be written on or altered in any way. Preserving documents in plastic wallets is recommended. Other items or equipment relevant to the investigation must be safeguarded without any alteration to their original condition, for example, personal computers and any records thereon.

28. The final outcome of an investigation could result in a court appearance. It is therefore important that the investigation can withstand the rigours of cross-examination. Evidence is crucial, and the investigating officer should preserve evidence in a legally admissible form.
29. A detailed record of the investigation should be maintained. This should include a chronological file recording details of telephone conversations, discussions, meetings and interviews, details of documents reviewed, and details of any tests and analyses undertaken.

30. All interviews should be conducted in a fair and proper manner. Where there is the possibility of criminal prosecution, advise should be sought from the police to ensure that the requirements of the of the Police and Criminal Evidence Act (PACE) are met. The investigating officer should seek advice from the Assistant Director, HR before undertaking any interviews.

31. The Director of Resources and Quality Assurance will provide advice on the action needed to secure any cash and evidence, and will advise on disciplinary procedures, particularly where it may be necessary to suspend staff.

32. No information should be divulged to anyone other than the small group of senior managers who are directly involved in managing the investigation.

33. No information should be divulged to the press or media. Responsibility for divulging information to the media will be taken by the relevant director, in consultation with the Chief Executive and Chief Operating Officer, through the GMC’s media team.

34. The Head of Consultancy and Review, the Assistant Director, Finance & Procurement and the Assistant Director, HR are available to offer advice and guidance as necessary.

Providing feedback on fraud investigations

35. Within ten working days of a concern being raised, the relevant director or investigating officer will contact the person who raised the concern, to indicate how the matter will be dealt with.

36. The GMC recognises that those people who report suspected fraud or corruption need to be assured that the matter has been properly addressed. Therefore, subject to legal constraints, they will receive information about the outcome of any investigation, including action taken to improve controls and so mitigate the threat of future fraud.

37. The Head of Consultancy and Review will distribute details of lessons learned from the fraud investigation, where there may be implications for the organisation as a whole.

Internal Audit

38. It is a management responsibility to maintain systems and to ensure that resources are applied properly on approved activities. This includes responsibility for the prevention and detection of fraud and other illegal acts. Internal audit staff shall have regard to the possibility of such wrongdoing and should seek to identify serious defects in internal control which might permit the occurrence of such events. The Head of
Consultancy and Review should advise the internal audit provider of any discovery or suspicions of fraud. Likewise the internal audit provider should notify the Head of Consultancy and Review in the event of internal audit staff discovering evidence or suspicion of fraud.
Supporting policies

The Anti-Fraud Policy is supported by the following policies and procedures.

These policies can be found on the HR pages of the intranet:

- Public Interest Disclosure Policy
- Conflicts of Interest policy
- Gifts and Hospitality policy
- Disciplinary policy and procedures

These policies can be found on the Finance pages of the intranet:

- Financial Regulations
- Procurement policy