



Suspect Fraud Case Studies

CASE STUDY A

- An anonymous whistleblower sent a letter to the SEUPB raising concerns about cheque fraud within a project.
- The SEUPB arranged a meeting with the Lead Partner for the project. Following the meeting, all project expenditure was reviewed.
- The Lead Partner identified expenditure by a project partner that could potentially have been susceptible to the type of cheque fraud outlined in the whistleblower letter.
- The SEUPB then undertook an On-the-spot check of the project partner, reviewing their activities, financial processes and project expenditure.
- Following this review, a quantity of cheques were recalled from the project partner's bank.
- Upon examination, two of the requested cheques were found to be irregular and not eligible for inclusion within the Programme.
- The SEUPB compiled and forwarded a case file to the PSNI.
- The PSNI carried out an investigation and concluded that there was insufficient information to prove that there was an intentional act to perpetrate fraud.
- Having breached the terms and conditions of the grant, a request for re-imburement from the Lead Partner was made.
- The funds were later recovered from the Lead Partner and there was no loss to the public purse.

CASE STUDY B

- A whistleblower contacted the SEUPB raising concerns about potential procurement fraud within a project.
- The concern was that a representative of the funded organisation may have created the tender documentation on behalf of the successful contractor, and put this documentation in place retrospectively in order to satisfy the procurement requirements of the Programme.
- The Certifying Authority placed a hold on all payments to the project
- The Managing Authority initiated the Fraud Response Plan.
- Investigations were carried out. The Managing Authority conducted an investigation into the Lead partner, and an internal audit was carried out on the project partner.
- No suspected fraud was proven, however it was found that the project did not adhere to the Programme Rules on Eligibility of Expenditure.
- The Managing Authority determined that this procurement exercise, and all of the associated expenditure, was irregular and therefore ineligible for funding within the Programme.
- The full value of this irregular expenditure was fully recovered from the Lead Partner with no loss to public funds.