



*Dunbartonshire and Argyll & Bute  
Valuation Joint Board*

# **COUNTER FRAUD AND CORRUPTION STRATEGY**

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## **Introduction**

- 1.1 Dunbartonshire and Argyll & Bute Valuation Joint Board (“the Joint Board”) aims to provide excellent public service and needs to ensure propriety and accountability in all matters. The Joint Board has a zero tolerance approach to fraudulent or corrupt activity whether perpetrated by Elected Members, employees, partner organisations, suppliers, service users or members of the public in general. The Joint Board is determined to protect itself and the public from losses due to fraud and corruption and is committed to the rigorous maintenance of a counter fraud and corruption strategy which will provide a framework for:
- Encouraging fraud deterrence and prevention;
  - Raising awareness of fraud and corruption and promoting their detection;
  - Performing investigations and facilitating recovery;
  - Invoking disciplinary proceedings and referral to the Police; and
  - Monitoring, publicising and updating the policy and its related procedures and performance.
- 1.2 This Strategy demonstrates that the Joint Board is firmly committed to dealing with fraud and corruption and will deal equally with perpetrators from both inside (members and employees) and outside the Joint Board. In addition, there will be no distinction made in investigation and action between cases that generate financial benefits and those that do not.
- 1.3 In addition to this Strategy, the Joint Board has a range of related policies and procedures with which staff and Elected Members are required to comply, including: Financial Regulations, Standing Orders, Business Irregularities Procedures and the Employee Code of Conduct.
- 1.4 The responsibility for creating a strong anti-fraud culture lies with Elected Members and the Joint Board’s Management Team. The Elected Members will demonstrate their commitment to that culture through:-
- (a) Consideration and approval of this Strategy and its supporting Policies (See 1.3 above and 4.1.1 below),
  - (b) Their involvement in any disciplinary procedures in accordance with the Board’s Business Irregularities Procedures and Disciplinary Procedures.
  - (c) Raising any concerns regarding fraud and corruption in accordance with this Strategy (See 3.2.6, below),
  - (d) Ensuring that any allegations received in any way will be taken seriously and investigated in an appropriate manner (See 3.2.7, below),
  - (e) Dealing firmly with those who defraud the Joint Board, who are corrupt or where there has been financial malpractice (see 3.2.8 below),
  - (f) Compliance with the national Code of Conduct for members (See 4.1.1, below)
  - (g) Challenging and approving all audit reports and audit action plans

All members of staff must remain vigilant to the threat of fraudulent activity and should take the appropriate action if suspicions arise.

1.5 The Joint Board is also aware that there is a high degree of external scrutiny of its affairs by a variety of bodies such as Audit Scotland, the Local Government Ombudsman, HM Revenue & Customs. These bodies are important in highlighting any areas where improvements can be made.

## 2. **Definitions**

### 2.1 Fraud:

The Joint Board regards Fraud as, “*The intentional distortion of financial statements or records by persons internal or external to the Joint Board which is carried out to conceal the misappropriation of assets or otherwise for gain. Fraud is a deliberate act by an individual or group of individuals and is, therefore, always intentional and dishonest*”.

### 2.2 Corruption:

The Joint Board regards Corruption as any unethical behaviour including “*the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person*”. In addition, this strategy covers “*the failure to disclose an interest in order to gain financial or other pecuniary gain*”.

### 2.3 Error:

Error refers to unintentional mistakes such as:

- Arithmetic or clerical mistakes in the underlying records;
- Oversight or misrepresentation of facts; and
- Unintentional misapplication of accounting policies.

### 2.4 Embezzlement:

Embezzlement refers to “*theft or misappropriation of funds placed in one’s trust or belonging to one’s employer*”.

### 2.5 Bribery

Bribery refers to “*giving or receiving a financial or other advantage in connection with “improper performance” of a position of trust, or a function that is expected to be performed impartially or in good faith. A bribe may be offered directly to an Officer or influence their actions or it may be given to influence the actions of another Officer.*” (see further at paragraphs 3.10-3.14)

### 2.6 Money Laundering

Money laundering refers to “*the process in which the proceeds of crime are transformed into what appears to be legitimate money or assets.*”

### 3. **Key Elements of the Strategy**

#### Nolan Principles

3.1 The Joint Board aims to ensure that the culture of the organisation meets the expectations of the Committee on Standards in Public Life (the Nolan Committee), and is committed to the seven Nolan principles of objectivity, openness, leadership, accountability, honesty, selflessness and integrity. The Joint Board's culture therefore supports the opposition to fraud and corruption.

#### 3.2.1 **Whistleblowing**

A **whistleblower** is a person who exposes any kind of information or activity that is deemed

- Illegal;
- unethical; or
- not correct.

within an organisation. The information of alleged wrongdoing can be classified in many ways:

- Violation of policy/rules;
- Violation of the Law;
- Violation of Regulation;
- Threat to public interest/national security;
- Fraud and corruption; and
- Abuse of position.

Those who become whistleblowers can choose to bring information or allegations to surface either internally or externally. Internally, a whistleblower can bring their accusations to the attention of other people within the accused organisation such as an immediate supervisor. Externally, a whistleblower can bring allegations to light by contacting a third party outside of an accused organisation such as the media, government, law enforcement (subject to 12.7 below) , or those who are concerned.

3.2.2 The Joint Board wants to encourage Whistleblowing to be open to both employees AND members of the public, and encourage both to report examples of wrongdoing without the fear of repercussion or impunity. This is underpinned by the Public Interest Disclosure Act 1998 which protects employees who decide to make a qualifying disclosure.

3.2.3 The Public Interest Disclosure Act 1998 provides protection for employees to disclose, without fear of retribution, bad work practices which may endanger employees, the public or the environment. The categories of concern in relation to bad work practices are:

- Committing a criminal offence;
- A failure to comply with a legal obligation;
- A miscarriage of justice;
- Danger to the health and safety of an individual;

- Danger to the environment; and
- The deliberate concealment of information in relation to any of the above matters.

3.2.4 In order to meet the provisions of this Act the Joint Board has a Public Interest Disclosure Policy

3.2.5 The prevention / detection of fraud / corruption and the protection of the public purse are everyone's responsibility and the Joint Board encourages employees to raise any concerns using the Board's Public Interest Disclosure Policy. Within this policy there are various options available to staff to assist and reassure them including reporting issues via:

- Email;
- Post; and
- Intranet (a form is available on the intranet for completion and submission electronically).

3.2.6 The Joint Board's Elected Members play an important role in creating and maintaining this culture. They are positively encouraged to raise concerns regarding fraud and corruption, immaterial of seniority, rank or status, in the knowledge that such concerns will, wherever possible, be treated in confidence.

3.2.7 The Joint Board will ensure that any allegations received in any way, including by anonymous letters or phone calls, not specifically through the Whistleblowing procedures, will be taken seriously and investigated in an appropriate manner. Where contact details are provided an acknowledgement of the allegation received will be issued to the reporter.

3.2.8 The Joint Board will deal firmly with those who defraud the Joint Board, or who are corrupt, or where there has been financial malpractice. There is, of course, a need to ensure that any investigation process is not misused and, therefore, any abuse (such as employees raising malicious allegations) will be dealt with as a disciplinary matter.

### 3.3.1 **Bribery Act 2010**

3.3.2 The Bribery Act 2010 created an offence which can be committed by commercial organisations which fail to prevent persons associated with them from bribing another person on their behalf. At stake is the principle of free and fair competition, which is diminished by each bribe offered or accepted. It is expected that these principles should also be applied to public sector organisations. Bribery – the offer or acceptance of a reward to persuade someone to act dishonestly and / or breach the law – is unacceptable at any level.

3.3.3 This Act provides for 4 bribery offences:

- Bribing - the offering, promising or giving of an advantage;
- Being bribed - requesting, agreeing to receive or accepting an advantage;
- Bribing a foreign official; and
- The "corporate offence" where a commercial organisation fails to prevent persons performing services on its behalf from committing bribery.

- 3.3.4 It should be emphasised that fraud and corruption includes any activities which constitute acts of bribery as described in the Bribery Act 2010.
- 3.3.5 The Joint Board has practical procedures in place including decision making processes, financial controls and a Code of Conduct for Employees, to prevent persons performing services on its behalf from the risk of committing bribery. Allegations of corruption are dealt with under the Joint Board's Business Irregularities process, including an investigation which may result in a disciplinary sanction. Employees are required to adhere to the Code of Conduct and ensure that they do not breach legislation.
- 3.3.6 The Code of Conduct for Employees can be accessed from the Joint Board's web site (see <https://www.saa.gov.uk/dab-vjb/valuation-joint-board-section/policies/>).

#### **3.4 Improvement to systems and procedures**

- 3.4.1 When fraud or corruption have occurred because of a breakdown in the Joint Board's systems or procedures, the Board's Management Team will ensure that appropriate improvements in systems of control are implemented to prevent a reoccurrence.

### **4. Prevention**

#### **Elected Members**

##### **4.1 The Role of Elected Members**

- 4.1.1 As elected representatives, all members of the Joint Board have a duty to citizens to protect the Joint Board from all forms of abuse. This is done through this strategy document and compliance with the national code of conduct for members, the Joint Board's Financial Regulations, Standing Orders and relevant legislation.

#### **Employees**

##### **4.2 The Role of Managers**

- 4.2.1 Managers at all levels are responsible for the communication and implementation of this strategy in their work area. They are also responsible for ensuring that their employees are aware of Joint Board's Policies, Financial Regulations and Standing Orders, and that the requirements of each are being met in their everyday business activities.
- 4.2.2 Managers are expected to strive to create an environment in which their staff are comfortable in approaching them with any concerns they may have about suspected irregularities. Where they are unsure of the procedures, they must refer to the Public Interest Disclosure Policy.
- 4.2.3 The Joint Board recognises that a key preventative measure in dealing with fraud and corruption is for managers to take effective steps at the recruitment stage to

establish, as far as possible, the honesty and integrity of potential employees, whether for permanent or temporary posts.

4.2.4 The Joint Board has a formal recruitment procedure, which contains appropriate safeguards on matters such as receipt of references and verifying qualifications held. As with other public bodies, Disclosure checks will be undertaken on employees and potential employees where appropriate.

#### 4.3 Responsibilities of Employees

4.3.1 Each employee is governed in their work by the Joint Board's Standing Orders and Financial Regulations and other codes of conduct and policies (Health and Safety, ICT Acceptable Use & Security Policy). They are also governed by the Joint Board's Code of Conduct for Employees. Associated with the Code of Conduct are guidelines on gifts and hospitality and conflicts of interest. All core employment policies and procedures are available on the Joint Board's web site.

4.3.2 Employees will be aware of and are expected to follow any code of conduct related to their personal professional qualifications.

4.3.3 In addition to the requirements of paragraph 4.3.1, employees are responsible for ensuring that they follow the instructions given to them by management, particularly in relation to the safekeeping of the assets of the Joint Board. These will be included in induction training and procedure manuals.

4.3.4 Any concerns an employee may have about a suspected irregularity should be raised through the Joint Board's Public Interest Disclosure Policy.

4.3.5 Any offers of gifts or hospitality which are in any way related to the performance of Joint Board duties should generally not be accepted by employees. Offers of, or the acceptance of, gifts or hospitality, other than those offered as an indication of gratitude and of an inconsequential value, must be discussed by employees with their line manager and be recorded in the Register of Gifts and Hospitality. All core employment policies and procedures are available on the Joint Board's website.

4.3.6 Any fee, commission or other payment collected or received by a Joint Board employee, arising in any way from or through their Joint Board employment, is not permitted to be retained except with the approval of the Assessor & ERO or, in his absence, the Depute Assessor & ERO. Such approval must be formally recorded. Any breach of these regulations will be considered as gross misconduct.

### 5. **Conflicts of Interest**

5.1 Both elected members and employees must ensure that they avoid situations where there is a potential for a conflict of interest. Such situations can arise with externalisation of services, tendering, etc. Effective role separation will ensure decisions made are seen to be based upon impartial advice and avoid questions about improper disclosure of confidential information.

- 5.2 Employees, including senior managers, must declare any possible conflicts of interest they may have, whether in contracts entered into by the Joint Board or otherwise, in accordance with the Joint Board's Guidance on Conflicts of Interest. Such interests must be noted in the register maintained for that purpose by the Assessor & ERO.

## **6. The Role of the WDC Internal Audit and Corporate Fraud Teams**

- 6.1 Internal Audit is an independent function provided to the Joint Board by West Dunbartonshire Council's Shared Service. The Audit & Fraud teams operate under the direction of the Shared Service Manager – Audit & Fraud and will work together as appropriate on fraud investigations.

### **Internal Audit**

- 6.1.1 The main areas of Internal Audit responsibility are to review, appraise and report on:

- the extent to which the assets and interests are accounted for and safeguarded from loss;
- The soundness, adequacy and application of internal controls; and
- The suitability and reliability of financial and other management information.

- 6.1.2 Internal Audit plays a vital preventative role in trying to ensure that systems and procedures are in place to prevent and detect fraud and corruption. Internal Audit investigates all cases of suspected irregularity in relation to financial matters in accordance with the Board's Business Irregularities Procedure. This will be carried out in conjunction with colleagues from the Corporate Fraud team as appropriate. They liaise with management within the Joint Board to recommend changes in procedures to prevent losses to the Joint Board.

- 6.1.3 Internal Audit is also a consultancy service, providing:

- advice on cost effective controls for new systems and activities to balance risk and control;
- advice to highlight opportunities to reduce costs through greater economy and efficiency within systems and activities as part of strategic and service reviews;
- quality assurance on projects involving major change and systems development; and
- an independent and objective assessment of the evidence on progress with implementing action plans to demonstrate continuous improvement.

### **WDC Chief Officer-Resources/Shared Service Manager – Audit & Fraud**

- 6.2.1 The WDC Chief Officer-Resources/Shared Service Manager – Audit & Fraud are responsible for all fraud investigations within the Joint Board. In cases where employees are involved, they will work with Internal Audit, Human Resources and appropriate senior management to ensure that correct procedures are followed and that this strategy is adhered to.

- 6.2.2 The Chief Officer-Resources/ Shared Service Manager – Audit & Fraud are committed to the prevention, detection, deterrence and investigation of all fraud committed against the Joint Board.
- 6.2.3 Fraud can be committed by service users, contractors, sub-contractors or employees of the Joint Board.
- 6.2.4 The Chief Officer-Resources/ Shared Service Manager – Audit & Fraud will investigate suspected instances of fraud across all areas of function, as appropriate.

## **7. Legislation**

- 7.1 Every fraud investigation is conducted at all times in accordance with the following legislation:

### **Legal Framework Relevant to the Work of Internal Audit**

WDC's Chief Officer-Resources/ Shared Service Manager – Audit & Fraud is bound and assisted by the following legislation when carrying out investigations.

#### **i) Local Government (Scotland) Act 1973**

Makes arrangements for the proper administration of a local government body's financial affairs.

#### **ii) Social Security (Administration) Act 1992**

As amended by the Fraud Act 1997. Provides a legal gateway for Local Government bodies to share information to assist in the prevention and detection of fraud in relation to Housing Benefit and Council Tax.

#### **iii) Regulation of Investigatory Powers (Scotland) Act (2000) (RIPSA)**

This Act provides a legal framework for authorising covert surveillance by public authorities and an independent inspection regime to monitor activities within the United Kingdom.

#### **iv) Regulation of Investigatory Powers Act (2000) (RIPA)**

The Act empowers WDC to obtain communication data relating to members of the public.

#### **v) Freedom of Information Act (Scotland) 2002**

This Act makes provision for the disclosure of information held by public authorities or by persons providing services for them.

#### **vi) General Data Protection Regulation/Data Protection Act (2018)**

These Regulations and The Act make provision for the regulation of the processing of information relating to individuals, including the obtaining, holding, use or disclosure of such information.

#### **vii) Human Rights Act 1998**

This Act gives further effect to rights and freedoms guaranteed under the European Convention on Human Rights.

viii) **The Criminal Justice and Licensing (Scotland) Act 2010**

This Act came into force for Specialist Reporting Agencies (SRAs) other than the Police on 6 June 2011. The Act changes the way disclosure is made to the Crown in Scotland.

ix) **The Welfare Reform Act 2012**

This Act permits the sharing of information in relation to welfare services in prescribed circumstances.

x) **Criminal Procedures (Scotland) Act 1995**

This act allows a Police Officer to detain someone at a police office where they can be questioned by a Counter Fraud Officer if either Police Scotland or the Procurator Fiscal allows

**NB: This list is not exhaustive.**

**8. The Role of External Audit**

- 8.1 The independence of external audit is an essential safeguard in the stewardship of public money. This role is delivered through the carrying out of specific reviews that are designed to test (amongst other things) the adequacy of the Joint Board's financial systems and arrangements for preventing and detecting fraud and corruption.
- 8.2 It is not the external auditor's function to prevent fraud and irregularity, but the integrity of public funds is at all times a matter of general concern. External auditors are always alert to the possibility of fraud and irregularity, and will act without undue delay if grounds for suspicion come to their notice. The external auditor has a responsibility to review the Joint Board's arrangements to prevent and detect fraud and irregularity, and arrangements designed to limit the opportunity for corrupt practices.

**9. The Role of Senior Management: Control and Prevention of Future Occurrences of the Risk of Fraud**

- 9.1 The role of Senior Management includes the maintenance of proper internal controls for all processes and to support the work of Internal Audit & Fraud. Senior managers must comply with Financial Regulations. Managers are expected to:
- Maintain proper internal controls in all processes for which they have responsibility to ensure probity in systems and operations;
  - Promote the prevention, detection and resolution of fraud and irregularities;
  - Co-operate fully with Internal Audit and ensure that Internal Audit can properly fulfil their role; and
  - Consider and act upon Internal Audit findings and recommendations or accept responsibility for any resultant risk from not doing so.
- 9.2 The Joint Board's Management Team will consider the fraud risk for all areas of function when carrying out its annual assessment of Corporate Risk

- 9.3 The Joint Board's Management Team will take appropriate steps to negate or minimise any risks identified during this annual assessment and may seek advice from the Shared Service Manager – Audit & Fraud.
- 9.4 Implementing appropriate systems of internal control is the most common approach to management of the risk of fraud. Internal control is a management responsibility. All local government bodies are required to have adequate systems and controls in place to ensure the proper administration of their financial affairs. The Joint Board's Financial Regulations, supported by Standing Orders and the Scheme of Delegation, provide a framework through which a satisfactory control environment is established.
- 9.5 Controls depend on the nature and the evaluation of the risk but there are a number of well recognised internal controls that line managers are expected to implement to prevent or control the level of fraud within their area of function. The most common are:
- Clear written rules and procedures which are regularly updated and deployed to all appropriate members of staff;
  - Spot checks on procedures and systems and a record of same retained;
  - Checking the validity of any change in payment details provided by a supplier;
  - Robust pre-employment checks e.g. qualifications and references;
  - Avoiding accumulation of backlogs;
  - Building in safeguards against fraud when designing and developing new systems / processes;
  - A committed response to any allegation of fraud reported;
  - Reviewing and changing systems and procedures after any incident of fraud;
  - Learning about the circumstances surrounding incidences of fraud in other organisations that may have the potential to impact on the Joint Board; and
  - Ensuring that staff take their annual leave entitlement.

## **10. Co-operation with Others**

- 10.1 WDC's Chief Officer-Resources/ Shared Service Manager – Audit & Fraud have put in place, and will keep under review, procedures and arrangements to develop and encourage the exchange of information on national and local fraud and corruption activity in relation to local government bodies with external agencies such as:
- Police Scotland, both at local level and nationally through specialist Police units;
  - Other Local Authorities;
  - Local and national Internal Audit and Corporate Fraud networks;
  - The National Anti-Fraud Network (NAFN);
  - The Joint Board and WDC's insurers;
  - Audit Scotland;
  - Chartered Institute of Public Finance and Accountancy (CIPFA);
  - Department for Work and Pensions (DWP);
  - Other government departments and agencies; and

- Other public bodies.

10.2 Any exchange of information and data will be in accordance with legislative requirements.

10.3 On a biennial basis, the Valuation Joint Board participates in the National Fraud Initiative (NFI), a UK wide Government initiative involving the matching of data within key datasets across local authorities and other public bodies. For Scottish local authorities, this exercise is coordinated by Audit Scotland on behalf of the Cabinet Office. In addition there are also special exercises which the NFI coordinates on a more regular basis.

## **11. Deterrence**

### **11.1 Disciplinary Action**

11.1.1 Theft, fraud and corruption are serious offences against the Joint Board and, if there is evidence to support involvement in an offence, employees will face disciplinary action. An internal disciplinary process will take place in addition to, or instead of, criminal proceedings, depending on the circumstances of each individual case, after consultation with senior HR professionals. The Shared Service Manager – Audit & Fraud will ensure that the correct investigation procedures are followed in a consistent and fair manner, including adherence to this strategy.

11.1.2 Elected Members will face appropriate action under this strategy if they are found to have been involved in theft, fraud or corruption against the Joint Board. Action will be taken in addition to, or instead of, criminal proceedings, depending on the circumstances of each individual case, but in a consistent manner. This may include a complaint to the Standards Commission for Scotland in the event that there has been a breach of the provisions of the constituent Councils' Councillors Code of Conduct.

11.1.3 The Joint Board's Business Irregularities Procedures govern the manner in which all investigations are undertaken.

11.1.4 Where appropriate, investigation interviews carried out by Internal Audit /Shared Service Manager – Audit & Fraud will be carried out under caution.

### **11.2. Reporting and publicity**

#### **Elected Members**

11.2.1 The Assessor or the Shared Service Manager – Audit & Fraud will report any instance of fraud or corruption to the Joint Board as required.

#### **Audit Scotland**

11.2.2 The Joint Board reports any identified cases of Fraud and Corruption to Audit Scotland, annually.

## Local Media

- 11.2.3 In order to deter future fraudulent activity, where a case is referred to the Procurator Fiscal for criminal proceedings and is subsequently brought to court, the Joint Board may publicise the details of cases which have become a matter of public record in the local press.
- 11.2.4 West Dunbartonshire Council will publish general statistical information relating to the work of the Shared Service Manager – Audit & Fraud, on an annual basis.

## **12. Detection and Investigation**

- 12.1 WDC's Shared Service Manager – Audit & Fraud plays an important role in the detection of fraud and corruption. Reviews of system financial controls, specific fraud and corruption tests, spot checks and unannounced visits are included in the Annual Audit Plans for the Joint Board and West Dunbartonshire Council.
- 12.2 In addition to the Shared Service Manager – Audit & Fraud, there are numerous systems and controls in place to deter fraud and corruption, but it is often the vigilance of employees and members of the public that aids detection.
- 12.3 In some cases frauds are discovered by chance or 'tip-off' and arrangements are in place to enable such information to be properly dealt with, in accordance with the requirements of Human Rights legislation.
- 12.4 All suspected irregularities are required to be reported (verbally or in writing) either by the person with whom the initial concern was raised or by the originator, as per Procedures - Section 3 'Reporting a Concern' (the Joint Board's Public Interest Disclosure Policy). This is essential to the strategy, and:
- Ensures the consistent treatment of information regarding fraud and corruption; and
  - Facilitates a proper and thorough investigation by an experienced audit team.
- 12.5 This process will apply to all of the following areas:
- Fraud / corruption by elected members;
  - Fraud / corruption by employees;
  - Fraud / corruption by contractors' employees; and
  - External fraud / corruption (the public).
- 12.6 Any decision to refer a matter to the Police will be taken by the Assessor & ERO, Depute Assessor & ERO or other senior officer acting on their express authority. The Joint Board will normally wish the Police to be made aware of, and investigate independently, offenders where financial impropriety is discovered. Full co-operation will be given to the Police whilst they conduct their enquiries.
- 12.7 No approach is to be made to the Police by any Joint Board officer regarding business irregularities, except by the Assessor & ERO, Depute Assessor & ERO or other senior officer acting on their express authority.

- 12.8 The Joint Board will seek to recover any financial loss it has suffered as a result of fraudulent or corrupt activity, either through Court imposed compensation or by pursuing civil action.
- 12.9 Depending on the nature of an allegation, the Shared Service Manager – Audit & Fraud will normally work closely with the Assessor and the WDC Chief Officer - People & Technology to ensure that all allegations are thoroughly investigated and reported upon.
- 12.10 The Joint Board's Business Irregularities Procedures will be used to facilitate a thorough investigation of any allegations of improper behaviour by employees.

### **13. Prosecution Policy**

#### General

- 13.1 The Joint Board recognises that fraud is a wrongful or criminal deception intended to result in financial or personal gain and the Joint Board will strongly consider prosecution of that crime against anyone who commits such an offence as well as recovering any monies or assets fraudulently obtained.
- 13.2 In reaching a decision on whether or not to prosecute Fraud cases against the Joint Board, the Shared Service Manager – Audit & Fraud and the Assessor & ERO will consider the following criteria:
- a) The value of the benefit / asset obtained by fraud;
  - b) Whether there is sufficient evidence of false information;
  - c) Whether there is sufficient evidence of fraudulent intent;
  - d) The quality of evidence available to determine whether fraud was committed;
  - e) Whether a prosecution would be in the public interest;
  - f) Any previous offences against the Joint Board or its constituent Councils;
  - g) Social factors including the age and health of the offender; and
  - h) Literacy problems and language/learning difficulties.

#### Prosecution

- 13.3 This sanction is generally applied to such cases where the fraud is considered to be of a serious nature. The Joint Board's policy is to apply the prosecution sanction in cases where:
- a) The overpayment/asset is greater than £1,000 (this figure is a guideline only and subject to change); and
  - b) There is enough evidence to institute criminal proceedings; and
  - c) The investigation has proven criminal intent beyond reasonable doubt; or
  - d) There have been previous sanctions applied against the individual

### **14. Awareness and Training**

- 14.1 This policy will be communicated to all employees, Elected Members and external stakeholders and published on the Joint Board's website to promote general awareness.

- 14.2 The Joint Board's Management Team are responsible for ensuring that all employees in their area of operation are aware of this policy and the need for adherence thereto.
- 14.3 Managers should ensure that all members of staff are adequately trained in order to perform their duties. This includes the need for induction and work related training, particularly for those employees involved in overseeing internal controls over processes and systems.

**15. Conclusion**

- 15.1 This strategy fully supports the Joint Board's desire to provide high quality Best Value Services free from fraud and corruption.
- 15.2 The Joint Board has a network of systems and procedures in place to assist it in dealing with fraud and corruption when it occurs. It is determined that these arrangements will keep pace with any future developments in techniques to both prevent and detect fraudulent or corrupt activity that may affect its operation.
- 15.3 The Joint Board will maintain a continuous review of all these systems and procedures through Internal Audit.
- 15.4 This Strategy will be regularly reviewed.

**Related Documents:**

Financial Regulations  
Standing Orders  
Scheme of Delegation  
Code of Conduct for Employees  
Disciplinary Policy & Procedures  
Grievance Policy & Procedures  
Public Interest Disclosure Policy  
Complaints Procedure  
Business Irregularity Procedures