



**Office of the Police and Crime Commissioner  
North Wales**

**Anti-Fraud and Corruption  
Policy**

**Dogfen Bolisi / Policy Document**

## Polisiâu a Gweithdrefnau / Policies and Procedures

### Policy and Procedure Summary

The aim of this policy is to explain the anti-fraud and corruption procedure operated within the Office of the Police and Crime (OPCC) north Wales. The anti-fraud and corruption policy is designed to encourage prevention, promote detection and identify a clear pathway for investigation of fraudulent and/or corrupt activities or behaviour.

“Local Policing Body” is a new term introduced by the Police Reform and Social Responsibility Act 2011. The Local Policing Body in north Wales is the Office of the Police and Crime Commissioner.

This policy applies to staff employed by the OPCC north Wales under the direction of the OPCC Chief Executive, with the exception of the Chief Executive and the Chief Finance Officer, where a separate policy will apply.

This policy has been adopted by the OPCC North Wales.

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### 1. Introduction

- 1.1 Fraud and corruption can have a severe impact on the operation, status and reputation of an organisation, particularly a local policing body and its police service, and should be opposed at every opportunity.
- 1.2 In administering its responsibilities in relation to fraud and corruption, whether it is attempted on the local policing body or from within it, the local policing body is committed to an effective fraud and corruption policy designed to:
  - Encourage prevention;
  - Promote detection; and
  - Identify a clear pathway for investigation.
- 1.3 The organisation's expectation on propriety and accountability is that the local policing body and staff at all levels will lead by example in ensuring adherence to rules, and that all procedures and practices are above reproach.
- 1.4 The local policing body also demands that individuals and organisations it comes into contact with will act towards the organisation with integrity and without thought or actions involving fraud or corruption.

### 2. Definition of fraud and corruption

- 2.1 For the purposes of this policy, fraud and corruption have been defined as follows:
  - 2.1.1 **Fraud:** The intentional distortion of financial statements or other records by persons internal or external to the organisation, which is carried out to conceal the misappropriation of assets or otherwise for gain.

This may include: falsifying travel and subsistence claims, falsifying overtime or flexi claims, and obtaining employment through false qualifications.
  - 2.1.2 **Corruption:** Any activity carried out by an individual for gain, favour, advancement or reward that is inconsistent with the proper practice of their office, employment or responsibility.

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This may include: hospitality, computer misuse, pecuniary interests of the police and Chief Constable, Police and Crime Commissioner, Deputy Police and Crime Commissioner and staff, and disposal of assets.

### 3. Anti-fraud and corruption strategy

3.1 The local policing body's Anti-Fraud and Corruption Policy is based on a series of comprehensive and inter-related procedures that provide a framework to counter fraudulent activity. These include:

- Culture
- Prevention
- Detection and investigation
- Training

3.2 There is also a high level of external scrutiny of organisational affairs by a variety of bodies including:

- Her Majesty's Inspector of Constabulary (HMIC)
- Wales Audit Office (WAO)
- HM Revenue and Customs
- Internal Audit
- Local Communities
- The Media

3.3 Application of this policy applies to the Police and Crime Commissioner, Deputy Police and Crime Commissioner and all officers engaged in carrying out duties of the local policing body. Detection, prevention and reporting of fraud and corruption is the responsibility of the Police and Crime Commissioner, Deputy Police and Crime Commissioner and others of the local policing body. The local policing body offers reassurance that any concerns will be treated in confidence and properly investigated without fear of reprisal or victimisation.

### 4. Culture

4.1 The local policing body is determined that the culture and tone of the organisation is one of honesty and opposition to fraud and corruption.

4.2 There is an expectation and requirement that all individuals and organisations associated in any way with the local policing body will act with integrity, and that local policing body staff at all levels will lead by example in these matters. They are positively encouraged to raise any

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concerns they may have as it is often the alertness of such individuals that enables detection to occur and the appropriate action to be taken against fraud or corruption. Concerns may be about something that:

- Is unlawful
- Is against the organisation's Standing Orders or policies
- Falls below established standards or practices
- Results in waste or loss to the organisation
- Amounts to improper conduct.

4.3 The Chief Executive is responsible for following up any allegation or suspicion of fraud or corruption received and will do so through clearly defined procedures. These procedures are designed to:

- Deal promptly with the matter
- Record all evidence received
- Ensure that evidence is sound and adequately supported
- Ensure security of all evidence collected
- Notify relevant bodies
- Implement disciplinary procedures where appropriate.

4.4 If necessary, a route other than a normal line manager may be used to raise such issues. Examples of such routes are:

- Chief Finance Officer of the local policing body
- Chief Executive & Monitoring Officer of the local policing body
- Staff Associations

4.5 There may be circumstances where a person may prefer to contact an external agency through the following contacts:

- Wales Audit Office
- Internal Audit
- Safecall
- Public Concern at Work – independent charity offering free advice on fraud or other issues of malpractice
- Crimestoppers

If a person decides to take the matter outside the organisation, they should ensure that they **do not** disclose 'Confidential' or 'Restricted' information.

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4.6 The Public Interest Disclosure Act 1998 protects employees who report suspected fraud or corruption activities from any reprisals, as long as they meet the rules set out in the Act. Put simply, the rules for making a protected disclosure are:

- The information disclosed is made in good faith.
- The person making the disclosure must believe it to be substantially true.
- The person making the disclosure must not act maliciously or make false allegations.
- The person making the allegation must not be seeking any personal gain.

Under the Act, the designated officer required to receive disclosures is the Chief Executive and Monitoring Officer.

4.7 Members of the public are also encouraged to report concerns through any of the above avenues.

4.8 Allegations/concerns can be made anonymously; however, it should be noted that such cases can be more difficult to investigate. The likelihood of action will depend on:

- The seriousness of issues raised
- Credibility of the concern
- Likelihood of confirming the allegation from attributable sources.

4.9 Senior management are responsible for following up any allegation of fraud and corruption received and will do so by:

- Dealing promptly with the matter;
- Recording all evidence received;
- Ensuring that evidence is sound and adequately supported;
- Ensuring security of all evidence collected;
- Notifying the relevant bodies; and
- Implementing internal disciplinary procedures where appropriate.

4.10 The local policing body can be expected to deal swiftly and thoroughly with any person(s) who attempts to defraud the organisation or who are corrupt and therefore should be considered as robust in dealing with financial malpractice.

## 5. Prevention

5.1 It is recognised that a key preventative measure in the fight against 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. Staff recruitment is therefore

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required to be in accordance with procedures laid down and in particular to obtain written references regarding known honesty and integrity of potential staff before employment offers are made.

- 5.2 Local policing body employees are expected to follow any Code of Conduct related to their personal professional qualifications and also abide by the Staff Code of Conduct as published applicable to them.
- 5.3 The Nolan Committee sets out the seven guiding principles that apply to people who serve the public. The local policing body will seek to develop its working behaviour around these principles (attached at [Appendix 2](#)). All such declarations will be recorded in a public Register maintained by the Chief Executive and made available to the public on request.
- 5.4 Similarly, the Police and Crime Commissioner, Deputy Police and Crime Commissioner and staff are also required to declare in any offers of gifts or hospitality accepted or declined which are in any way related to the performance of their duties in relation to the organisation.
- 5.5 Significant emphasis has been placed on the thorough documentation of financial systems, and every effort is made to continually review and develop these systems in line with best practice to ensure efficient and effective internal controls. The adequacy and appropriateness of the organisation's financial systems is independently monitored by both Internal and External Audit. Senior management places great weight on being responsive to audit recommendations.
- 5.6 Arrangements are in place to continue to develop and encourage the exchange of information between the local policing body, police force and other agencies on national and local fraud and corruption activity in relation to local policing bodies and police forces.

### **6. Detection and investigation**

- 6.1 The array of preventative systems, particularly internal control systems within the organisation, has been designed to provide indicators of any fraudulent activity, although generally they should be sufficient in themselves to deter fraud.
- 6.2 It is the responsibility of management to prevent and detect fraud and corruption. However, it is often the alertness of staff and the public that enables detection to occur and the appropriate action to take place when there is evidence that fraud or corruption may have been committed or is in progress.

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- 6.3 Despite the best efforts of managers, supervisors and auditors, many frauds are often discovered by chance or 'tip-off', and the local policing body has arrangements in place to enable such information to be properly dealt with.
- 6.4 Depending on the nature and anticipated extent of the allegations, the provider of the organisation's Internal Audit will normally work closely with the management and the investigating agency to ensure that all allegations, suspicions and evidence are properly investigated and reported upon.
- 6.5 The relevant misconduct/disciplinary procedure concerning the suspected individual will be initiated where the outcome of the Audit Investigation indicates improper behaviour. In addition, civil legal action may be taken for the recovery of money or property misappropriated from the organisation.
- 6.6 All managers and supervisors should ensure that controls are in place to prevent and detect fraud and error. There is a need to be aware of the possibility of fraud when reviewing or presented with, for example, claims, forms, and documentation. Issues that may give rise to suspicions or allegations are:
- Documents that have been altered, use of correction fluid, or different pens and different handwriting
  - Claims that cannot be checked, particularly if prior authorisation was not given
  - Confused, illegible text and missing details
  - Delays in documentation completion or submission
  - Lack of vouchers or receipts to support claims.

### 7. Training

- 7.1 The organisation recognises that the continuing success of its Anti-Fraud and Corruption Policy and its general credibility will depend largely on the effectiveness of programmed training and the responsiveness of the Police and Crime Commissioner, Deputy Police and Crime Commissioner and of employees throughout the organisation.
- 7.2 To facilitate this, the local policing body supports the concept of induction and training, particularly for staff involved in internal control systems, to ensure that their responsibilities and duties in this respect are regularly highlighted and reinforced.
- 7.3 The possibility of disciplinary action against staff who ignore such training and guidance is made clear.



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### 8. Conclusion

- 8.1 The local policing body has in place a clear network of systems and procedures to assist in maintaining the high standards of conduct it has always achieved. It is determined that these arrangements will keep pace with any future developments in both preventative and detection techniques regarding fraudulent or corrupt activity that may affect its operation.
- 8.2 To this end, the organisation maintains a continuous overview of such arrangements through, in particular, its Chief Finance Officer and Chief Executive, through Standing Orders and Financial Regulations, Codes of Conduct and Accounting Instructions, and via Internal and External Audit arrangements.
- 8.3 This Policy Statement will be subject to review to reflect any amendments to local policing body rules, or changes in legislation and working practices.

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### Appendix 1

#### 1. Guidelines for reporting irregularities

Attention is drawn to the information contained within section 4 of the policy document, which identifies potential avenues of bringing suspected wrong-doing to the attention of others. Individuals intending to report irregularities should normally give consideration to the following issues:

- Do not approach, interview or accuse anyone suspected of being involved.
- Assemble all the facts and documentation available from the sources immediately to hand.
- If the information has come from a member of the public by telephone, then information notified should be written down, date and time noted, and the name and address of the supplier of the information recorded, and if they are willing to make it available.
- Prepare a briefing note of the circumstances.
- Do not make further enquiries without authorisation.

#### 2. How the local policing body will respond

In instances where an allegation of fraud or corruption is made:

1. The action taken by the organisation will depend on the seriousness of the concern. The matters will:
  - be investigated internally by an appropriate manager;
  - be referred to the police force if there is evidence of a criminal offence;
  - be referred to the External Auditor if there is evidence of financial impropriety; and
  - form the subject of an independent external or internal enquiry.
2. In order to protect individuals and the organisation, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Concerns and allegations which fall within the scope of existing procedures will normally be referred for consideration under those procedures.
3. Some concerns may be resolved by agreed action without the need for investigation.

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4. Within 10 working days of the concern being received, the local policing body will respond by:
  - acknowledging that the information has been received;
  - indicating how it intends to deal with the matter;
  - giving an estimate of how long it will take to provide a final response;
  - telling the complainant whether any initial enquiries have been made; and
  - letting complainants know whether further investigation will take place and if not, why not.
5. If additional information is required from the complainant, they have the right to be accompanied by a professional association, trade union or a friend who is not involved in the area of work to which concern relates.
6. The organisation will take steps to minimise any difficulties which complainants may experience as a result of raising a concern.
7. Where there are no legal constraints and confidentiality issues, the complainant will receive information on the outcome of any investigation.

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### Appendix 2

#### The seven principles of public life (NOLAN COMMITTEE)

##### **Selflessness**

Holders of public office take decisions in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or their 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 performance of the 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 scrutiny is appropriate to their office.

##### **Openness**

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly 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.