
Anti-Fraud, Bribery and Corruption Policy

**A policy for tackling fraud,
bribery and corruption in
Wiltshire 2022**

Strategy Statement

Wiltshire Council has a **zero-tolerance** approach to fraud, bribery and corruption. Controls are in place to ensure compliance with policies, and the council is committed to taking all necessary steps to prevent fraud, bribery and corruption, and will seek the appropriate disciplinary and / or legal action is taken against those found to have committed fraud and, where possible, recover losses.

All staff have a responsibility to assist in preventing fraud, bribery and corruption and expected staff behaviours are contained within the Code of Conduct. This policy is supported and endorsed by the Corporate Leadership Team and Cabinet.

This strategy defines the Council's approach to managing the risk of fraud, bribery and corruption ensuring best practice is embedded across all services, projects and partnerships. Any fraudulent act or act of bribery or corruption committed against the council effectively constitutes theft of taxpayers' money. It is unlawful and deprives the council of resources which should be available to provide public services.

The threat from fraud, bribery and corruption is both internal and external. The council's expectation is that councillors and employees at all levels will lead by example to ensure the highest standards of probity and accountability are established and strictly adhered to, and that personal conduct is above reproach at all times.

The strategy is based upon comprehensive ongoing risk assessments in all areas of council activity, to reduce losses from fraud and corruption to an absolute minimum, through:

- Reinforcing an organisational culture of zero tolerance to fraud, bribery and corruption
- Encouraging prevention
- Pro-actively detecting fraud, bribery and corruption
- The instigation of legal, disciplinary and recovery action against any individual found to have acted fraudulently or corruptly in their relationship and dealings with the council

This holistic approach to tackling fraud, bribery and corruption is an integral part of existing governance arrangements, policies and procedures. Providing a raft of measures designed collectively to deter would be offenders.

As a living document it is envisaged that this strategy will continually evolve as the council gains a better understanding of the potential threat from fraud, bribery and corruption, as new threats arise, and as new and existing partnerships develop.

The Fraud, Bribery and Corruption Strategy underpins these principles in seeking to ensure sound governance. In adopting this approach and culture the strategy supports the outcomes

in enabling greater engagement with the community and partners, whilst protecting the public purse. As such this strategy is a key support for the delivery of the council's business plan 2022-2032

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Contents

- 1. Purpose**
- 2. Key Principles**
- 3. Relevant Legislation**
- 4. Reporting Fraud**
- 5. Investigation of Fraud**
- 6. Prevention**
- 7. Detection**
- 8. Recovery of Losses**
- 9. Conclusion**

1. Purpose

1.1 The purpose of this policy is to set out clearly:

- The Council's commitment and approach to tackling fraud, bribery and corruption.
- The responsibilities of Members and employees to report any suspicions they have.
- The importance of the public in tackling fraud.

1.2 This policy applies to:

- Members
- Employees
- Agency staff
- Contractors
- Consultants
- Suppliers
- Service users
- Employees and committee members of organisations funded by Wiltshire Council
- Employees and principals of partner organisations
- Volunteers working for Wiltshire Council

1.3 In addition to the above Wiltshire Council expects members of the public to be honest in their dealings with the Council.

1.4 Other relevant policies, procedures and controls include:

- Council Constitution including Financial Regulations
- Standards Committee
- Codes of Conduct for Councillors and for Employees
- Registers of Interest
- Procurement Rules and Guidance
- Anti-Money Laundering Policy and Procedures
- Whistle Blowing Policy
- HR policies and procedures for managing performance including disciplinary matters
- HR policies and procedures for managing recruitment
- I.T. Security Policy
- Benefit Fraud Sanction Policy
- Benefit Fraud Strategy

1.5 A priority aim is to fully integrate this strategy into existing policies, procedures and controls' ensuring it becomes a key part of the council's governance and risk management framework. The arrangements set out in this policy will be reviewed annually to ensure the Council remains resilient to fraud threat.

2. Key Principles

2.1 The Council has reviewed its arrangements in line with the Fighting Fraud and Corruption Locally Strategy (2020) – the Local Government blue print for tackling fraud

in Local Government. The strategy outlines its 5 pillars for effective fraud management, as below:

Pillar 1	Pillar 2	Pillar 3	Pillar 4	Pillar 5
Govern	Acknowledge	Prevent	Pursue	Protect
having robust arrangements embedded throughout the organisation	acknowledging and understanding fraud risks	preventing and detecting more fraud	being stronger in punishing fraud/ recovering losses	protecting itself and its residents
<p>Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.</p> <p>Having a holistic approach to tackling fraud is part of good governance.</p>	<p>Assessing and understanding fraud risks.</p> <p>Committing support and resource to tackling fraud</p> <p>Maintaining a robust anti-fraud response.</p>	<p>Making better use of information and technology.</p> <p>Enhancing fraud controls and processes.</p> <p>Developing a more effective anti-fraud culture.</p>	<p>Prioritising fraud recovery and the use of civil sanctions.</p> <p>Developing capability and capacity to punish fraudsters.</p> <p>Collaborating with law enforcement.</p>	<p>Recognising the harm that fraud can cause in the community.</p> <p>Protecting itself and its' residents from fraud.</p>

- 2.2 The council will not tolerate fraud, bribery or corruption and if proven employees will face possible dismissal and/or prosecution.
- 2.3 The council expects that Members and officers at all levels will lead by example to ensure high standards of propriety, integrity and accountability and operate within relevant Codes of Conduct.
- 2.4 The council will endeavour to raise fraud awareness among employees both at induction and periodically throughout their employment.
- 2.5 The council expects Members and Senior Officers to emphasise the importance of anti-fraud work and to actively promote and support the fight against fraud.
- 2.6 The council expects individuals and organisations with whom it comes into contact with to act with integrity towards the council.
- 2.7 The council understands the fraud risks it faces and will implement policies and procedures to identify and prevent fraud, bribery and corruption, but will also take all action necessary to investigate and identify it.

- 2.8 The council will take appropriate action against those responsible for fraud and where possible recover losses incurred (see Recovery of Losses section).
- 2.9 Members of the public are asked to contribute to the council's fight against fraud by remaining vigilant to the potential for fraud and reporting it where they suspect the council is being targeted. Employees and Members have a duty to do so, and concerns should be raised when it is reasonably believed that one or more of the following has occurred, is occurring or is likely to occur:
- A criminal offence.
 - A failure to comply with a statutory or legal obligation.
 - Improper or unauthorised use of public or other official funds, or assets.
- 2.10 The investigation of fraud will be fair, independent and objective. Officers will be mindful of the Equality Act 2010 and will not let their political or personal views regarding suspects, victims or witnesses unduly influence their decisions. Officers will not be affected by improper or undue pressure from any source.
- 2.11 Wiltshire Council will endeavour not to facilitate fraud against other bodies including tax evasion. If through its operation or investigation work, it identifies possible fraud against another organisation, it will report this to the 'appropriate body'.
- 2.12 Work with service areas to help raise awareness of fraud risk and scams that affect the public relative to the service area.

3. Relevant Legislation

- 3.1 Fraud is defined in the Fraud Act 2006 which came into effect from 15 January 2007. There are three basic types of fraud:
- **False representation**
Where a person makes a representation that is intentionally and dishonestly made, knowing that it is, or might be, untrue or misleading with intent to make a gain for him/herself or another, to cause loss to another or to expose another to risk of loss.
 - **Failing to disclose information**
Where a person fails to disclose information to another person when he/she is under a legal duty to disclose that information honestly, intending by that failure to make a gain or cause a loss.
 - **Abuse of position**
Where a person occupies a position in which he/she is expected to safeguard, or not to act against, the financial interests of another person and abuses that position dishonestly intending by that abuse to make a gain/cause a loss (the abuse may consist of an omission rather than an act).

A person can be found guilty even if there is no victim of the crime; all that needs to be proven is the intent to make a gain or cause a loss by the accused.

3.2 The Bribery Act 2010 contains two general offences:

- Section 1 - the offering, promising or giving of a bribe (active bribery);
- Section 2 - and the requesting, agreeing to receive or accepting of a bribe (passive bribery)

3.3 The Theft Act 1968 and the Forgery and Counterfeiting Act 1981 define offences of:

- Theft
- False Accounting
- Forgery

3.4 The Criminal Finance Act 2017 created a criminal offence of failing to put adequate measures in place to prevent tax evasion in the United Kingdom or overseas.

3.5 The Proceeds of Crime Act 2002 made it a criminal offence to fail to disclose knowledge of or suspicion of money laundering.

4. Reporting Fraud

4.1 Council employees and members **must** report any concerns they may have regarding fraud and corruption, whether it relates to dishonest behaviour by council employees, Members, contractors or by others. That action will be free from recrimination. Such concerns will be treated in confidence and will be properly investigated. In the first instance a member of staff should contact a senior manager within the line management structure.

However, if the member of staff considers the matter too serious or sensitive or inappropriate to raise within the line management structure then one of the following may be contacted – in person, by telephone or e-mail (marked confidential):

- Chief Executive
- Corporate Director of Resources & Deputy Chief Executive (S151 Officer)
- Assistant Director of Finance
- SWAP Internal Audit Services
- Monitoring Officer
- Chair of Audit Committee

Concerns can also be raised directly to the SWAP Internal Audit Services Counter Fraud Team through their Confidential Reporting Line:

SWAP Confidential Reporting Line	
Confidential Helpline	020 8142 8462
Confidential Email	confidential@swapaudit.co.uk
https://www.swapaudit.co.uk/contactus	Report It

- 4.2 All matters will be treated in confidence and an expressed wish not to reveal the identity of a complainant will be respected wherever possible. (Concerns expressed anonymously are much less powerful but will be considered by the council). Alternatively, any person with a concern may use the Council's Confidential Whistleblowing Policy or as an external contact point our external auditors, Deloitte LLP.
- 4.3 Elected members should normally report any concerns to the appropriate Corporate Leadership Team officer, the Chief Executive, the Corporate Director of Resources & Deputy Chief Executive (S151 Officer) or the Monitoring Officer.

4.4 The Council's Disciplinary Policy clearly identifies the following as gross misconduct:

- Dishonesty, including theft and/or fraud, falsification of records or information, non-declaration of information.
- Serious Data protection breaches, unauthorised disclosure of council documents or confidential information to others inside or outside the council
- Misuse of an official position for personal gain

Only a Manager / Officer at Head of Service level or above, can dismiss an employee on the grounds of gross misconduct in accordance with HR policies and procedures.

- 4.5 An accusation of dishonest behaviour by a Member of the council should be referred to the Monitoring Officer for an assessment of whether this is likely to constitute a breach of the Members' Code of Conduct.
- 4.6 If a case involves action against a third party, any action to be taken will be agreed between the Corporate Director of Resources & Deputy Chief Executive (S151 officer) and the Monitoring Officer, with advice sought from SWAP.
- 4.7 Where investigation reveals evidence of suspected criminal activity with regard to fraud, bribery and corruption the Corporate Director of Resources & Deputy Chief Executive (S151 officer) **must** refer the matter to the Police. Where an employee is involved, the matter should be reported to the Assistant Director of HR&OD.

5. Investigation of Fraud

- 5.1 The investigation of fraud, bribery and corruption is a complex and specialist area and will usually be undertaken by staff in the Counter Fraud Team – SWAP Internal Audit Services or, for less complicated cases, managers, under advice from the Counter Fraud Team. The Counter Fraud Team or manager will liaise as appropriate with the Chief Executive, Corporate Director of Resources & Deputy Chief Executive (S151 Officer), Monitoring Officer, Assistant Director of HR&OD, Corporate Leadership Team, relevant members and the Police.
- 5.2 To facilitate audit work and investigations, the Counter Fraud Team are accorded rights, by the Accounts and Audit Regulations (England) 2015, to access all necessary documents, records, information and explanations from any member of staff.

6. Prevention

- 6.1 There are many ways of preventing fraud and corruption happening. The Council has adopted the following preventative measures including:
- Having a sound Governance Framework with performance against it, being reviewed annually by senior management. Reported to Audit & Governance Committee.
 - Ensuring that the risks of fraud and corruption are controlled via corporate and operational risk registers.
 - The Council's Recruitment and Selection procedure requires that references should always be taken up when recruiting posts externally.
 - The officers' standards of conduct makes clear the expected conduct of its employees.
 - The members' Code of Conduct makes clear the expected conduct of its Councillors.
 - The council maintains a register of all pecuniary and personal interests (and where appropriate prejudicial interests) as well as details of gifts and hospitality received.
 - Contracts Standing Orders and Financial Regulations prescribe the minimum standards for financial controls that must be in place within all processes throughout the council.
 - Targeted training of services where the perceived risk is higher.
 - The council seeks to maintain relevant procedures, including top-level commitment to tackling fraud, bribery and corruption and effective communication, including training. Senior Officers have an additional responsibility (beyond that of the employees own) for ensuring this policy is communicated effectively to staff and frequently refreshed throughout their department along with other good practice regarding ethical behaviour.
 - The council subscribes to the National Anti-Fraud Network.
- 6.2 Each individual employee and Member is responsible for observing these rules and codes. This will go a long way to preventing and detecting improper practice.

7. Detection

- 7.1 The array of preventative systems, particularly internal controls systems with the council, help to provide indicators of, and help to deter, any fraudulent activity. Where fraudulent activity is suspected, this may be investigated by Internal Audit. It is not Internal Audit's primary responsibility to detect fraud; the role of Internal Audit is to check the adequacy of the controls within systems. However, the assessment of the risk of fraud is routinely taken into account in planning all internal audits. High risk areas will be considered for annual audit reviews.
- 7.2 It is the responsibility of the Corporate Leadership Team and their managers to prevent and detect fraud, bribery and corruption. However, it is often the alertness of staff, Members and the public to the possibility of fraud, bribery and corruption, that enables detection to occur and appropriate action to take place when there is evidence that fraud, bribery or corruption may have been committed or is in progress.

- 7.3 Allegations can be a key factor in the detection of fraud and as such the Council treats all suspicions and concerns and complaints seriously and is committed to investigate all such matters.
- 7.4 The Council's Code of Practice on Whistleblowing allows employees and Members to raise any concerns they may have in confidence and anonymously should they so wish.
- 7.5 The Council takes part in the Government's National Fraud Initiative (NFI) which brings together data from NHS bodies, local authorities, government departments and other agencies to detect a wide range of frauds against the public sector. This data matching exercise which is run every two years. Potential frauds uncovered through NFI will be investigated in accordance with this Policy. Along with this the council subscribes to CiFAS, giving access to their national fraud database.

8. Recovery of Losses

- 8.1 The council will always seek to recover the losses incurred as a result of fraud, bribery and corruption.
- 8.2 The council's Chief Accountant and/or Insurance Team Lead should be informed as soon as possible of any potential insurable loss. Details of the case should also be given together with an indication of what recovery action is being attempted.
- 8.3 If anyone under investigation offers money in settlement of any losses to the council, it should be made clear that any monies offered will be accepted:
- without prejudice to any other action the council may wish to take.
 - that acceptance is only in respect of losses identified to date.
 - and that the council reserves the right to seek recovery of any further losses that may come to light in the future.
- 8.4 Claims under the council's insurance arrangements in fraud, bribery and corruption cases should be regarded as a "last resort" and will only be instigated once all other avenues of recovery have been fully explored.
- 8.5 Instances of fraud will be reported to the police and consideration will be given to legal action against the perpetrator of fraud or those benefiting from fraud in order to recover the council's losses.

10. Policy Review

- 9.1 The council will maintain a continuous overview of these arrangements.
- 9.2 This Policy Statement will also be subject to regular review at least every other year to ensure that it remains compliant with good practice and legislative requirements. If you have any questions about these procedures, please contact the Assistant Director of Finance.