

Counter Fraud and Corruption

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Counter Fraud and Corruption

1. Policy statement

Public confidence in the police depends on police officers and police staff demonstrating the highest level of personal and professional standards of behaviour. Cleveland Police expects the highest standards of conduct and performance from all employees.

Cleveland Police is committed to a culture that is one of honesty, integrity and propriety in the use of public funds and the holding of public office and will not tolerate fraud and corruption in the discharge of its responsibilities.

The procedures set out in this document apply to all Police Officers, Police Staff; including those employed by the Police and Crime Commissioner and partner agencies, Special Constables and volunteers.

This policy must be applied fairly, equally, and consistently by and to all Police Officers and employees irrespective of age, disability, gender, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation, or any other unjustifiable grounds.

2. Purpose

Cleveland Police has adopted a Counter Fraud and Corruption Strategy designed to encourage prevention, promote detection, and to ensure the investigation of fraud and corruption is undertaken together with appropriate remedial action. In accordance with this strategy the Force must ensure that measures are in place to minimise the risk of fraud or corruption occurring.

This policy will provide a clear, simple and standardised approach to minimising fraud and corruption.

The Force expects individuals to be familiar with this document, to act within the guidance given, and to seek appropriate professional advice as necessary. Individuals are expected to highlight potential fraud or corruption issues and if considered prudent to do so to seek the views of their line manager.

3. Underpinning procedures

The Police and Crime Commissioner and Chief Constable for Cleveland Police produce a 'Joint Corporate Governance Framework'. The Anti-Fraud and Corruption Strategy is set out at Section I. This framework can be accessed through the following hyperlink: [Here](#)

The Chief Constable sets out in an Annual Governance Statement the extent to which the force is meeting the principles of good financial governance. This most up to date statement can be accessed through the following hyperlink: [Here](#)

4. Procedure details: Anti-Fraud and Corruption Strategy

INTRODUCTION

- 4.1 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.
- 4.2 In administering its responsibilities in relation to fraud and corruption, whether it is attempted on the local policing body or from within it, Cleveland Police is committed to an effective fraud and corruption policy designed to:
- Encourage prevention;
 - Promote detection; and
 - Identify a clear pathway for investigation
- 4.3 The organisation's expectation on propriety and accountability is that Cleveland Police and staff at all levels will lead by example in ensuring adherence to rules, and that all procedures and practices are above reproach.
- 4.4 Cleveland Police 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.

DEFINITION OF FRAUD AND CORRUPTION

- 4.5 For the purposes of this policy, Fraud and Corruption have been defined as follows:
- 4.6 **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.
- 4.7 Fraud is a criminal offence as set out in the Fraud Act 2006, which provide for different ways of committing the offence: section 2 (fraud by false representation), section 3 (fraud by failing to disclose information), and section 4 (fraud by abuse of position).
- 4.8 **Corruption:** The offering, giving, soliciting or acceptance of an inducement or reward which may improperly influence the action of any person. This may include: hospitality, computer misuse, pecuniary interests, and disposal of assets.

- 4.9 Corrupt acts covered in this procedure may also be a criminal offence, as set out in the Bribery Act 2010 and Section 26 of the Criminal Justice and Courts Act 2015

ANTI-FRAUD AND CORRUPTION STRATEGY

- 4.10 Cleveland Police'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
- 4.11 There is also a high level of external scrutiny of organisational affairs by a variety of bodies including:
- Her Majesty's Inspector of Constabulary and Fire & Rescue Services (HMICFRS)
 - External Audit
 - HM Revenue and Customs
 - Internal Audit
 - Local Communities
 - The Media
- 4.12 This policy applies to all officers and members of staff acting under the direction and control of the Chief Constable. The detection, prevention and reporting of fraud and corruption is the responsibility of all members of the force. The force adopts the position on reporting wrong doing as set out in the College of Policing's *Reporting Concerns* (2016) and anyone making a report of wrongdoing can do so without fear of reprisal or victimisation.

CULTURE

- 4.13 The local policing body is determined that the culture and tone of the organisation is one of honesty and opposition to fraud and corruption.
- 4.14 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 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
 - Amounts to a breach of standards of professional behaviour as set out in the College of Policing's Code of Ethics
 - Falls below established standards or practices
 - Results in waste or loss to the organisation
 - Amounts to improper conduct

- 4.15 The Head of Standards and Ethics 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 information and evidence received
 - Ensure that evidence is sound and adequately supported
 - Ensure security of all evidence collected
 - Notify relevant bodies
 - Investigate, and implement disciplinary procedures where appropriate
- 4.16 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 & Monitoring Officer of Cleveland Police
 - Chief of Staff & Monitoring Officer of the local policing body
 - Standards and Ethics Department
 - Staff Associations
- 4.17 There may be circumstances where a person may prefer to contact an external agency through the following contacts:
- The Force Auditors
 - Action Fraud
 - Public Concern at Work – independent charity offering free advice on fraud or other issues of malpractice
 - Crimestoppers
- 4.18 If a person decides to take the matter outside the organisation, they should ensure that they **do not** disclose Official – Sensitive marked information.
- 4.19 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
- 4.20 Under the Act, the designated officer required to receive disclosures is the Chief Finance Officer and Monitoring Officer.
- 4.21 Members of the public are also encouraged to report concerns through any of the above avenues.
- 4.22 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

4.23 Cleveland Police 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.

PREVENTION

4.24 A key preventative measure in the fight against fraud and corruption is to take effective steps at the recruitment vetting stage to establish, as far as possible, the previous record of potential staff in terms of their propriety and integrity. Staff recruitment is therefore required to be in accordance with vetting procedures laid down and in particular to obtain written references regarding known honesty and integrity of potential staff before employment offers are made.

4.25 Cleveland Police employees are expected to follow any Code of Ethics and Standards of Professional Behaviour as well as any rules of conduct of any of profession of which they are a member.

4.26 All officer and staff are required to declare any offers of gifts or hospitality which are in any way related to the performance of their duties in relation to Cleveland Police.

4.27 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.

4.28 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.

DETECTION AND INVESTIGATION

4.29 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.

4.30 It is the responsibility of all officers and staff 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.

4.31 Despite the best efforts of managers, supervisors and auditors, many frauds are often discovered by chance or 'tip-off', and Cleveland Police has arrangements in place to enable such information to be properly dealt with.

- 4.32 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.
- 4.33 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.
- 4.34 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

TRAINING

- 4.35 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 Cleveland Police and its officers and staff throughout the organisation.
- 4.36 To facilitate this, Cleveland Police 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.
- 4.37 The possibility of disciplinary action against staff who ignore such training and guidance is made clear.

CONCLUSION

- 4.38 Cleveland Police 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.
- 4.39 To this end, the organisation maintains a continuous overview of such arrangements through, in particular, its Chief Finance Officer and Monitoring Officer, through Standing Orders and Financial Regulations, Codes of Conduct and Accounting Instructions, and via Internal and External Audit arrangements.

4.40 This Policy Statement will be subject to review to reflect any amendments to local policing body rules, or changes in legislation and working practices.

5. Compliance and monitoring

The Head of Counter Corruption is responsible for the accuracy and integrity of this document. This policy will be continuously monitored, and updated when appropriate, to ensure full compliance with legislation. The Head of Standards and Ethics will review this process to ensure that all aspects are being adhered to in accordance with the framework of this policy.

6. Version control

This policy will be reviewed and updated at least every three years by the owner, and more frequently if necessary. The Corporate Services Department will ensure this document is available on the Force intranet, including any interim updates. The following identifies all version changes.

Version	Date	Reason for update	Author
0.1	Jan 2010	Inclusion in Governance Framework	Head of PSD
1.0	Jan 2010	Published Policy	Head of PSD
1.1	Nov 2012	Policy amended to reflect introduction of PCC, statement only	██████████
1.2	May 2013	Policy Review	Head of PSD
1.3	Nov 2014	Policy update to incorporate the introduction of the office of PCC.	██████████
1.4	Aug 2017	Policy update to refer to updated legislation	██████████████████
1.5	Sept 2017	Change of owner department name	██████████
1.6	Feb 2020	Policy review	██████████████████ ██████