

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

AUDIT COMMITTEE

25 MARCH 2013

1. **ANTI-FRAUD AND CORRUPTION POLICY**

Joint report of the Chief Fire Officer and Treasurer

RECOMMENDED

THAT the Committee recommends the updated Anti-Fraud and Corruption Policy – Standing Order 1/22, attached as the Appendix to this report, be adopted by the Authority.

2. **PURPOSE OF REPORT**

This report and the Anti-Fraud and Corruption Policy details the organisation's approach to managing Anti-Fraud and Corruption in the West Midlands Fire Service.

3. **BACKGROUND**

3.1 For the Authority's purpose fraud can be defined as:

"The intentional distortion of financial statements or other records by persons internal or external to the Authority which is carried out to conceal the misappropriation of assets or otherwise for gain (this covers theft, false accounting, bribery and corruption, deception, collusion, money laundering and identity theft)."

3.2 Examples of fraudulent activities include:

- The offering, giving, soliciting or acceptance of an inducement or reward that may influence the actions taken by the authority, its members or officers
- Destroying, defacing, concealing or falsifying any account, record or document required for an accounting purpose, with a view to personal gain or gain for another (including falsifying expenses claims and time records)
- Theft of cash and Authority assets/property

3.3 **Consequences of Fraud**

Where there are any incidents of Fraud within West Midlands Fire Service, it carries several negative effects, not only for the Service, but also for its Partners, the public and staff. Negative effects include adverse publicity, loss of assets (anything from time to money), loss of morale, reduced performance and loss of trust.

3.4 **Who has responsibility for the detection of Fraud and Corruption?**

Everyone has a responsibility for identifying and reporting any suspected instances of fraud and corruption to their line manager or, if required, direct to Audit Services.

3.5 **Members**

Members have a responsibility as the duly elected representatives of the Authority for ensuring that the assets and resources of the Service are protected from all forms of abuse (including fraud and corruption).

3.6 **The Treasurer (Section 151 Officer)**

The Treasurer has a statutory responsibility under Section 151 of the Local Government Act to ensure that proper arrangements are made for the Authority's financial affairs. Therefore, all frauds have to be reported to the S151 Officer. Only the S151 Officer can decide if the police should be contacted in regard to any irregularity.

3.7 The Fire Service policy on Anti-Fraud and Corruption has been in place for many years and has been regularly reviewed and updated. Being a Fire Service standing order ensures that it is made available and is known to all employees.

3.8 In January 2010, the Audit Committee adopted Standing Order 1/22. This has been reviewed and updated and Members are asked to consider it before it is submitted to the Authority via the minutes.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is required and has been carried out. The initial Equality Impact Assessment did not raise issues which required a full Equality Impact Assessment to be completed.

5. **LEGAL IMPLICATIONS**

The Accounts and Audit Regulations Act states that a relevant body must “maintain an adequate and effective system of internal audit of its accounting records and of its systems of internal control in accordance with the proper internal audit practices”.

6. **FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from this report.

BACKGROUND PAPERS

Report to the Audit Committee – 11 January 2010 – item 8

The contact name for this report is Mike Griffiths, Director Resources, 0121 380 6907.

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CHIEF FIRE OFFICER

S. KELLAS
TREASURER