

**WEST MIDLANDS FIRE SERVICE
ANTI-FRAUD AND CORRUPTION POLICY**

1. STRATEGY

The Service wants to achieve a culture which includes openness and honesty in all its dealings with wholehearted opposition to fraud and corruption in any form.

The Service's anti-fraud and corruption policy, strategies and procedures apply to all Service employees, all individuals and organisations (prospective employees, suppliers and contractors) that may have dealings with the Service.

The commitment to dealing with fraud and corruption is demonstrated by having in place systems and procedures designed to:

- limit as far as possible the opportunities to commit fraudulent acts;
- enable any such acts to be detected at an early stage; and
- deal with any subsequent investigations in a prompt, thorough and professional manner.

It is the Service's intention to pursue all individuals or organisations who are suspected of having defrauded or committed corrupt acts and report them to the police if appropriate.

Any fraud or corruption issue concerning the business of the Authority and one of its Members will be reported to the Standards Committee.

Staff will lead by example and ensure that they comply with all Orders, rules, regulations, instructions and policies.

The Service is totally committed to creating and maintaining an environment where fraud and corruption will not be tolerated and all instances will be investigated and the perpetrator(s) will be dealt with in accordance with established policies. Action will be taken to recover all monies stolen from the Authority.

Where appropriate, arrangements will be made to ensure that the case receives maximum publicity to deter potential fraudsters.

This document has been fully endorsed by the Members of the West Midlands Fire Authority, Chief Fire Officer and all Directors and will be enforced throughout the Service.

2. PROCEDURES

2.1 Systems

The Authority and the Service have in place Standing Orders, Financial Regulations, accounting instructions, cash handling instructions and a computer security policy that give clear instructions or guidance as to carrying out functions and responsibilities.

There is a commitment to having systems which incorporate efficient and effective internal controls which include, as far as is practicable, adequate separation of duties.

The Treasurer has a statutory duty under Section 151 of The Local Government Act 1972 to ensure that there are proper arrangements in place to administer the Authority's financial affairs. As part of this duty he or she will exercise a quality control on the Authority's main financial systems and sub systems. Management is responsible for ensuring that controls in systems are properly maintained.

The internal audit planning process provided by Sandwell MBC as the Lead Authority incorporates a risk assessment approach to planning audits, in conjunction with the

Chief Fire Officer, which will assist in determining the frequency of audits and the particular areas to focus attention on. The risk assessment process is subject to a periodic review.

The Authority's external auditors will examine the Authority's arrangements for the prevention, detection and investigation of fraud and corruption, and will report accordingly.

2.2 Staff

The Service acknowledges that the recruitment and retention of high calibre staff is vital if it is to deliver quality services. The Service will take steps at the recruitment stage to establish, as far as possible, the honesty and integrity of potential staff.

Staff recruitment will be in accordance with procedures laid down in Service Standing Orders, in particular Standing Order No. 2/6. Written references and evidence of qualifications will always be obtained before offers of employment are made.

Staff will be bound by any Authority or Service Standing Orders, codes of conduct, codes issued by professional bodies of which they are members and the national schemes of conditions of service and any other conditions of service agreed locally.

The Service's disciplinary procedure is laid down in Standing Order No. 2/1. This Order is to be followed whenever staff are suspected of committing a fraudulent or corrupt act.

Staff are required to provide the Director of Human Resources with up to date information concerning their direct or indirect pecuniary interests which will be entered into a register kept for that purpose in accordance with Standing Order No. 2/12.

Staff are required to declare membership of any organisation not open to the public without formal membership and/or requiring commitment of allegiance and/or which has secrecy about rules and/or membership and/or conduct. A register will be kept for such a purpose and will be maintained in accordance with Standing Order No. 2/15.

The Service's Secondary Employment Policy is laid down in Standing Order No. 2/25. All secondary employment must be declared in accordance with the procedures detailed within Standing Order No. 2/25. Such employment must not conflict with or react detrimentally to the Authority's interests, or in any way weaken public confidence in the conduct of the Authority's business.

The Service's position on the giving or receipt of gifts and hospitality is laid down in Standing Order No. 2/15.

2.3 Raising a concern

Members and staff are encouraged to raise any matters that concern them relating to the Service's methods of operation.

Concerns can be raised in the certainty that they will be treated seriously and properly investigated in a confidential manner. Where staff feel unable to raise concerns with their immediate line manager they can discuss matters with any of the following:

- the Clerk to the Authority;
- any member of Corporate Board; or
- the Treasurer to the Authority

in line with paragraph 2.2 of Standing Order 2/20 – Whistle Blowing Policy. Overall responsibility for investigating fraud and corruption rests with the Treasurer to the Authority.

Members of the public, organisations, Service suppliers and contractors will also be encouraged to raise any issues that concern them through whichever channel they consider appropriate.

Unless there are good reasons to the contrary, any allegations received by way of anonymous letters or telephone calls will be given serious consideration and investigated in an appropriate manner.

Corporate Board Officers are responsible for taking action regarding any allegations of fraud and corruption that they receive and they will do so in a thorough, prompt, professional and impartial manner.

The adequacy, appropriateness and effectiveness of internal controls will be independently monitored by the Treasurer's internal audit service, provided by Sandwell MBC as Lead Authority, as part of their programme of work. Any weaknesses identified in internal control will be reported to the Chief Fire Officer, or any Corporate Board Member, whose duty it will be to ensure that corrective action is taken. The Treasurer, as the Section 151 Officer, will use his or her statutory power to enforce the required changes if necessary.

There is a need to ensure that the investigation process is not abused, however, and any abuse, such as raising unfounded malicious allegations, may be dealt with as a disciplinary matter.

2.4 Detection and investigation

The Service is committed to having systems which incorporate internal control features and as such deter fraud although it is accepted that fraud can still occur.

Under the Authority's Financial Regulations, Corporate Board Members are required to notify the Chief Fire Officer and Treasurer immediately of any irregularity or suspected irregularity.

(The Financial Regulations are on the Intranet Quick Links/Important/go to Drop down option at end of latest News Articles. Click on Finance/Financial Regulations on first page).

Depending upon the nature of any irregularity, the Internal Audit Section of Sandwell MBC will work closely with management and other agencies, where applicable, such as the Police, to ensure that all matters are investigated thoroughly and reported upon.

To enable a consistent approach to be applied to any investigation following the discovery of a fraud, the Internal Audit Section of Sandwell MBC will prepare a plan which will set out the steps to be followed from the initial suspicion of, or discovery of, a fraud and cover the time up to and beyond the point at which the disciplinary procedure is initiated.

The Service's disciplinary procedure will be followed if the initial investigation indicates improper behaviour.

2.5 Recovery of Monies

The Proceeds of Crime Act 2002 gives the Authority a legal recourse to recover money/assets lost through fraudulent actions of employees and/or partnering organisations. The Authority will pursue this through the Director Finance and Procurement who will co-ordinate all such cases for the Authority.

2.6 Information and openness

The Authority recognises and supports the importance of awareness of these issues in the delivery of high quality services and also the concept of fraud awareness by managers and staff involved in internal control systems to ensure that their

responsibilities and duties are undertaken in line with the procedures in this and other related Service Orders.

Internal and external audit reports are submitted to the Fire Authority and are public documents and can be found on the intranet via the front page, selecting "External Sites" from the menu options at the top left of the page and then selecting CMIS Fire Authority Homepage.

3. CROSS REFERENCES

Standing Order No. 1/5	Freedom on Information Act 2000
Standing Order No. 1/8	Procurement Procedures
Standing Order No. 2/1	Disciplinary Procedure
Standing Order No. 2/2	Grievance Procedure
Standing Order No. 2/6	Recruitment Procedure
Standing Order No. 2/12	Official Conduct
Standing Order No. 2/16	Data Protection Act 1998 and Disclosure of Information
Standing Order No. 2/20	Whistle Blowing Policy
Standing Order No. 2/15	Declaration of Membership of External Organisations and Acceptance of Donations, Gifts and Hospitality
Standing Order No. 2/25	Secondary Employment Policy

4. KEY CONSULTEES

Other than a new last paragraph in 1 and a new 2.5 being added on the instruction of internal audit, all other changes were of a minor nature.

5. EQUALITY IMPACT ASSESSMENT

The initial equality impact assessment raised no issues.

6. OWNERSHIP

Amendment to this Standing Order does require Authority approval.

7. RESPONSIBILITY AND REVIEW/AMENDMENT DETAILS

7.1 Responsible Corporate Board Member/Department

Director Corporate Services.

7.2 Created/fully reviewed/amended

This Standing Order was reviewed and amended by the Administration Manager, in January 2010.