

Anti-Fraud and Corruption Strategy

Report of the Treasurer

For further information about this report please contact Keith Dixon, Treasurer, on 01743 260202 or Joanne Coadey, Principal Accountant, on 01743 260215.

1 Purpose of Report

This report requests Members to agree and adopt the Anti-Fraud and Corruption Strategy for the Fire Authority, following the annual review conducted by officers.

2 Recommendations

The Fire Authority is asked to agree and adopt the Anti Fraud and Corruption Strategy, which is attached as an appendix.

3 Background

At its meeting on 25 April 2005, the Fire Authority adopted an Anti-Fraud and Corruption Strategy, which is required to be reviewed annually.

The Strategy has been reviewed and is attached as an appendix. It has been updated to reflect the post-investigation reviews, which will take place to minimise potential re-occurrences of fraud or corruption.

Additions to be agreed are shown in bold italics, and deletions struck through.

4 Financial Implications

There are no direct financial implications arising from this report.

5 Legal Comment

Although the Fire Authority is not legally required to have in place an Anti-Fraud and Corruption Strategy, it is considered best practice to do so.

6 Equality Impact Assessment

An Initial Equality Impact Assessment has been completed and is attached to this report.

7 Appendix

Anti-Fraud and Corruption Strategy 2009

8 Background Papers

Shropshire and Wrekin Fire and Rescue Authority
25 April 2005, Report 17 - Anti Fraud and Corruption Strategy

Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk), the implications are detailed within the report itself.

Balanced Score Card		Integrated Risk Management Planning	
Business Continuity Planning		Legal	*
Capacity		Member Involvement	
Civil Contingencies Act		National Framework	
Comprehensive Performance Assessment		Operational Assurance	
Efficiency Savings		Retained	
Environmental		Risk and Insurance	
Financial	*	Staff	*
Fire Control/Fire Link		Strategic Planning	
Information Communications and Technology		West Midlands Regional Management Board	
Freedom of Information / Data Protection / Environmental Information		Equality Impact Assessment	*



Shropshire Fire & Rescue Service EQIA number

Initial Equality Impact Assessment Form

Directorate	Executive	Department/ Section	Finance
Name of officer	Joanne Coadey	Job title	Principal Accountant
Name of Policy/Service to be assessed	Anti Fraud and Corruption Strategy	Date of assessment	July 2009
New or existing policy	Existing		

1. Briefly describe the aims, objectives and purpose of the policy/service	The policy aims to encourage prevention of fraud, promote its detection and identifies a clear pathway for investigation.		
2. Are there any associated objectives of the policy/service?			
3. Who is intended to benefit from the policy/service and in what way?	All stakeholders will benefit; members and officers through working in an organisation which actively discourages fraudulent activity; suppliers and contractors for the same reason; local tax payers through assurance that their funds are being safeguarded against fraud and corruption.		
4. What outcomes are wanted from this policy/service?	To minimise any potential occurrences of fraudulent activity by officers, members and other stakeholders acting with vigilance and integrity		
5. Who are the main stakeholders in relation to the policy/service?	Officers of the Authority, local tax payers, suppliers, contractors		
6. Who implements the policy/service and who is responsible for this?	All officers and members are expected to lead by example, and are all responsible for reporting any potential occurrences of fraud or corruption.		
7. Are there any concerns that this policy/service could have a differential impact on the following groups and what existing evidence do you have for this? Yes or No, please detail in boxes below.			
8. Age	Y	N	No differential impact on any particular group – these are guidelines which all employees must adhere to regardless of the 6 strands.
9. Disability	Y	N	
10. Gender	Y	N	

11. Race	Y	N	
12. Religion or belief	Y	N	
13. Sexual orientation	Y	N	
14. Dependant/caring responsibilities	Y	N	
15. Could the differential impact identified in 7-14 amount to there being the potential for adverse impact in this policy/service?	Y	N	Please detail
16. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group or another reason?	Y	N	Please explain for each, equality heading on a separate piece of paper.
17. Have you consulted those who are likely to be affected by the policy/service?	Y	N	List those groups/individuals that have been consulted.
18. Should the policy proceed to a full impact assessment?	Y	N	Please detail
19. Date by which full impact assessment to be completed			
20. Reason for non completion			

I am satisfied that this policy has been successfully impact assessed.

I understand the Impact Assessment of this policy is a statutory obligation and that, as owners of this policy, we take responsibility for the completion and quality of this process.

Signed: (Assessing person)	Joanne Coadey	Date:	24 June 09
Signed: (Line Manager)		Date:	
Please note that this impact assessment will be scrutinised by the E&D Officer			



Shropshire and Wrekin
Fire and Rescue Authority

Anti-Fraud and Corruption Strategy

Introduction

Shropshire and Wrekin Fire Authority employs over 600 staff, and manages a revenue budget of over £20m per year. In administering its responsibilities, the Authority is set against fraud and corruption, whether it is attempted from inside or outside of the organisation. To this end, it is committed to an effective anti-fraud and corruption strategy designed to

- encourage prevention
- promote detection and
- identify a clear pathway for investigation.

This strategy is based on a series of comprehensive and inter-related procedures designed to prevent, detect and deter fraud and to take effective action against any attempted or actual fraudulent act affecting the Authority.

Scope

It is expected that all officers (permanent and temporary) and Members of the Authority will lead by example, and ensure adherence to legal requirements, rules, procedures and practices.

The Authority also expects that the individuals and organisations that it comes into contact with (i.e. suppliers, contractors, service providers and consultants) will act towards the Authority with integrity and without thought or actions involving fraud and corruption.

Culture

The Authority's employees are an important element in its stance on fraud and corruption, and they are positively encouraged to raise any concerns that they may have on these issues where they are associated with the Authority's activity.

The Authority's Brigade Order, "Reporting of Illegality and Malpractice (Whistleblowing)" gives details about the support and safeguards that are available to those who do raise concerns.

Members of the public can also report concerns through the Authority's complaints procedure, the District Auditor or the Local Government Ombudsman, or, where the conduct of Members is concerned, through the Standards Board for England.

The Authority participates in the National Fraud Initiative, the Audit Commission's bi-annual data matching exercise which seeks to detect fraudulent payments from the public purse. In addition, the Authority proactively incorporates anti fraud work into its Internal Audit plans.

Prevention

Staff

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. In this regard, temporary and casual staff should be treated in the same manner as permanent staff.

Once officers are recruited in accordance with Human Resources guidelines, they Officers of the Authority are recruited in accordance with Human Resources guidelines documented in Brigade Orders, and are expected to adhere to the Authority's procedures, practices and policies.

Officers who are members of professional bodies must follow that body's Code of Conduct. Officers may also voluntarily register membership of other bodies. The Authority's Brigade Order "Gifts and Hospitality" outlines the procedure to be followed by officers, if they receive gifts or hospitality from a supplier or other stakeholder.

Members

Members must sign an undertaking to abide by the Authority's Code of Conduct and any breaches of this Code are dealt with by the Standards Board for England. Under the Code Members must complete a register of their financial and other interests, which is available for inspection by the public. The Fire Authority also has in place a detailed Protocol on Gifts and Hospitality for Members.

The agenda for every meeting of the Authority includes an item on declarations of interest, at which point Members must declare if they have a personal or prejudicial interest in any business to be considered at that meeting. If the interest is prejudicial the Member must leave the room when that item is considered. Members are also required annually to declare any related party transactions.

Systems and Procedures

Financial regulations and standing orders relating to contracts and for the regulation of business are in place to ensure that Members and officers act in accordance with best practice when dealing with the Authority's affairs. The Authority has a statutory duty under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs, and ensure that one of its officers has responsibility for the administration of these affairs. The Authority's designated Chief Finance Officer is the Treasurer. In his absence the Principal Accountant acts as the deputy section 151 officer.

The Authority has developed systems and procedures which incorporate efficient and effective internal controls and which include adequate segregation of duties. The Treasurer is responsible for the operation and documentation of such systems. Their existence and appropriateness is independently reviewed and reported upon by Internal Audit Services at Shropshire County Council.

Reporting of Financial Malpractice

The Authority is committed to ensuring the prevention and detection of fraud and corruption, and will endeavour to investigate all potential occurrences in a prompt and timely manner.

In the event that an employee is concerned about suspected unlawful conduct, they should speak in the first instance to their line manager, or, if this is not appropriate, to a senior manager.

Senior management are responsible for following up any allegation of fraud or corruption received, and will be expected to deal with it urgently, referring it to the Treasurer, or, if this is not appropriate, to Internal Audit Services.

The Treasurer has statutory duties in relation to financial administration and stewardship on behalf of the Authority. Section 114 of the Local Government Finance Act 1988 requires the Treasurer to report to the Authority, if one of its officers

- has made, or is about to make a decision, which involves incurring unlawful expenditure
- has taken, or is about to take, an unlawful action, which has or would result in a loss or deficiency to the Authority
- is about to make an unlawful entry in the Authority's accounts

Procedures are in place within Internal Audit Services to investigate any allegations presented to them. The Treasurer, together with the Authority's Internal Auditors, will

- deal promptly with the matter
- record all evidence received
- ensure that evidence is sound and adequately supported
- ensure security of all evidence collected
- contact other agencies where necessary, e.g. the Police
- implement the Authority's disciplinary procedures where appropriate

Outcomes

Following an investigation, the outcomes and findings of the investigation will be used to strengthen management processes and systems already in place, to ensure that any potential reoccurrences of fraud or corruption are minimised.

Conclusion

This Strategy demonstrates that Shropshire and Wrekin Fire Authority has systems and procedures in place to assist in the fight against fraud and corruption.

The Strategy will be brought to the attention of all employees and members, and will be reviewed regularly to ensure that its contents remain up-to-date.