

## ANTI- FRAUD AND CORRUPTION POLICY

### 1 INTRODUCTION

- 1.1 Bracknell Forest Council seeks to provide high quality services and secure value for money for the residents of Bracknell Forest. Fraud and corruption undermines these aims by diverting resources from legitimate activities, damaging public confidence in the Council and adversely affecting staff morale.
- 1.2 The public are entitled to expect any local authority to conduct its affairs with integrity, honesty and openness, and to demand the highest standards of conduct from those working for it. **The Council is committed to protecting the public funds entrusted to it and has a zero- tolerance policy regarding fraud and corruption.**
- 1.3 The Anti- Fraud and Corruption Policy forms part of the overall counter fraud and corruption framework which is set out in the Counter Fraud and Corruption Strategy. The Policy embodies a series of measures designed to frustrate any attempted fraudulent or corrupt act including bribery and the steps taken if such an act occurs. This has been separated into three areas:
- Culture;
  - Prevention; and
  - Detecting and Investigating.

### 2 CULTURE

- 2.1 The Council will not tolerate fraud nor any form of corruption including bribery whether from inside or outside the Authority and is committed to creating an anti fraud and corruption culture. The Borough Treasurer is responsible for the development and maintenance of an anti-fraud and anti-corruption policy. Senior managers are required to deal swiftly and firmly with those who defraud or attempt to defraud the Authority.
- 2.2 Members and staff are expected to lead by example by working within the Council's framework of guidance i.e. Code of Conduct for Employees, Code of Conduct for Members, Member/Officer Protocol, Financial Regulations and Contract Standing Orders. Copies of these policies are on BORIS or may be obtained from Corporate Human Resources and Finance. In addition, the Council expects all its suppliers, contractors, agents, partner organisations and individuals to act honestly and with integrity.
- 2.3 The Council wishes to encourage all residents and customers of its services to report any suspicions and concerns as to possible fraud or corruption they may have about any aspect of the Council's work. This can be done by speaking to either:
- Their Ward Councillor; or
  - The relevant Service Director; or
  - The Council's Borough Treasurer; or

- The Council's Borough Solicitor.

2.4 It is the Council's aim to create an atmosphere of honesty and openness amongst its staff. Staff may raise any concerns they may have about cases of potential fraud and corruption with:

- Their Line Manager; or
- Their Director; or
- The Chief Executive; or
- The Director of Corporate Services; or
- The Borough Solicitor; or
- The Borough Treasurer; or
- The Head of Audit and Risk Management; or
- The Council's External Auditors.

2.5 It is acknowledged that staff may feel reluctant to express their concerns for fear of being disloyal to their colleagues or to the Council or from fear of harassment or victimisation so alternatively may wish to raise their concerns under the Council's Whistleblowing Policy. This is available to all employees including agency employees working for the Council as well as organisations providing goods or services or carrying out works for the Council. The Policy is in place to encourage and provide a mechanism to enable those to whom the procedure applies to raise serious concerns without fear of reprisal. The Policy is available on BORIS or can be obtained from Corporate Human Resources.

2.6 Whichever route is taken, the Council will do its best to protect your identity. All information received will be treated with respect and given appropriate care and consideration. Where sufficient information is given, concerns will be investigated seriously.

### **3 PREVENTION**

3.1 The Council firmly believes that prevention is fundamental to beating fraud and corruption and it is essential to minimise the exposure to opportunities for fraud by instilling an anti-fraud culture amongst employees and Members and creating a robust system of internal controls.

#### **3.2 Employees**

3.2.1 The Council views its employees as its most important resource and recognises that its employees are the first line of defence in preventing fraud. The Council will expect and encourage them to be alert to the possibility of fraud and corruption and report any suspected cases.

3.2.2 Particular importance is attached to the recruitment process to ensure the best calibre of staff are appointed for each position. Appointment panels will obtain candidate references to verify their suitability, honesty and integrity and agencies used to supply staff will be asked to provide appropriate references. Checks are undertaken to verify the identity and right to work of all potential employees. For certain posts, due to the nature of the work and the potential for working with

vulnerable people, the Council will also carry out vetting checks to confirm whether a potential employee has a criminal record and, if so, whether this would conflict with the post applied for.

- 3.2.3 All staff employed will be bound by the Council's Code of Conduct for Employees. This states that employees should not place themselves in situations where their honesty and integrity may be questioned. The Code specifically covers the receipt and declaration of gifts and hospitality, misuse of any information obtained in the course of their employment for personal gain or benefit and conflicts of interest. Staff who are members of professional bodies will also be expected to abide by any codes of conduct issued by those bodies.
- 3.2.4 The Disciplinary Procedure operated by the Council will be used to instigate and progress actions against staff involved in perpetrating fraud or corruption. The Procedure will be used regardless of whether the Police have been involved and/or any legal proceedings are being taken against the member of staff.
- 3.2.5 Training is recognised as essential for the successful detection, investigation and prevention of fraud and corruption. Adequate financial resources will be provided to enable staff to attend training courses and seminars in order to remain conversant with current developments and initiatives.

### **3.3 Members**

3.3.1 As elected representatives of the public, all Council are required to operate within:-

- Government legislation,
- The Council's Code of Conduct for Members

3.3.2 In addition the following internal policies outline best practice:

- Council Standing Orders and Financial Regulations; and
- Locally adopted codes of conduct e.g. Member/Officer protocol.

3.3.3 In particular, Members are required to declare and register any "disclosable pecuniary interests" and "affected interests" in accordance with the Code of Conduct for Members and, in the case of "disclosable pecuniary interests" the Localism Act 2011.

### **3.4 Systems of Internal Control**

3.4.1 The risk of fraud and corruption can be mitigated by robust financial management and a sound system of internal control. The Council has adopted a Constitution incorporating a Scheme of Delegations, Financial Regulations and Contract Standing Orders which provide the framework for financial control within the Authority. All staff are required to act in accordance with these procedures when carrying out their duties.

- 3.4.2 The Borough Treasurer, as the Section 151 Officer, has a statutory duty to ensure that proper arrangements are made to administer the Council's finances. In that capacity he advises the Council on changes to the systems of control, finance and administration and their associated rules and regulations.
- 3.4.3 Each Council section has a responsibility for ensuring that its own system of controls secure probity and identify, prevent, deter and limit the extent of fraud and corruption. It is the responsibility of all managers to ensure that there are adequate controls in place within the systems for which they are responsible and that these are complied with at all times. An effective system of internal controls will include:
- adequate segregation of duties;
  - an up to date scheme of delegations;
  - authorisation and approval procedures;
  - adequate physical security over assets; and
  - reliable monitoring and reporting arrangements.
- 3.4.4 Support is provided in this by Internal Audit. The Borough Treasurer is responsible for ensuring that there are internal audit arrangements in place to satisfy the Council's statutory requirement to maintain an adequate and effective system of internal audit of its accounting records and of its systems of internal control in accordance with proper practices. Internal Audit's planned work takes into account all factors affecting systems (including known and perceived risks) and the adequacy of existing controls. Audit plans are regularly reviewed and revised to take account of new developments
- 3.4.5 The Director of Adult Social Care, Health and Housing has responsibility for administering Housing and Council Tax Benefits. Support is provided by specialist resources to investigate any claims which are suspected of being fraudulent or containing material untruths. Should investigations reveal wider aspects and/or Council staff are implicated then the matter will be reported to the Borough Treasurer for further action.

## **4 INVESTIGATION AND DETECTION**

- 4.1.1 The Council recognises that even the best controls may not prevent fraud or corruption. It therefore requires that any cases of suspected fraud or irregularity including bribery are reported to the Borough Treasurer immediately as specified in Financial Regulations.
- 4.1.2 The Council will investigate all fraud and corruption committed against the Authority by individuals and/or organisations. All cases of fraud and corruption including bribery will be investigated and dealt with irrespective of the identity of the perpetrator. Investigations will be carried out with due diligence and within the legislative framework governing actions by individuals involved in the investigation of crime and/or offences. The Borough Treasurer shall be consulted and will approve the specific arrangements for investigating each case of suspected fraud.

- 4.1.3 As part of this Anti-Fraud and Corruption Policy, the Council reserves the right to authorise the investigator to undertake all enquiries relevant to the investigation such as reviewing internet access, electronic files and Council email accounts, making enquiries with third party organisations to obtain information pertinent to the investigation (see 4.3) and reviewing any information in the public domain, without the permission of the employee or Member.

## **4.2 Exchange of Information**

- 4.2.1 There are various arrangements in place for sharing of data internally within the Council and for the regular exchange of information between the Council and other local authorities and agencies for the purpose of preventing and detecting fraud. These include participation in data matching across a range of public service organisations in order to detect fraud and erroneous payments.
- 4.2.2 The Data Protection Act 1998 allows that personal data processed for any of the purposes outlined below are exempt from non disclosure provisions:
- The prevention or detection of crime.
  - The apprehension or prosecution of offenders.
  - The assessment or collection of any tax or duty or of any imposition of a similar nature.
- 4.2.3 Personal data is any data which would enable a person to be identified from the information provided. If personal data is to be disclosed for the reasons detailed above, only the minimum amount of data to satisfy the purpose will be disclosed. Questions about the interpretation of this paragraph should be addressed in the first instance to the Council's Information Compliance Officer and the Borough Solicitor.

## **4.3 Prosecution Policy**

- 4.3.1 The Borough Treasurer shall consider during the course of any investigation or, as appropriate, at its conclusion whether the matter may require investigation by the Police.
- 4.3.2 Whilst the Council acknowledges that the Crown Prosecution Service make the ultimate decision on whether to proceed with a prosecution, the Police will be involved in all appropriate cases and prosecution sought if there is sufficient evidence.

## **5 Review**

- 5.1 The Policy will be subject to review and approval by the Governance and Audit Committee every 3 years.

## **6 Conclusion**

- 6.1 The Council's systems of control will be maintained and regularly reviewed. Managers are charged with ensuring controls are maintained which are sufficient to detect and prevent fraud and corruption. The Borough Treasurer is responsible for ensuring that systems and controls are audited and the Council will ensure that every possible support is given to maintain an environment which makes fraud and corruption difficult to perpetrate.