

## PFCC Decision Report

Please ensure all sections below are completed

<b>Report reference number:</b> PFCC/049/19
<b>Classification:</b> Not protectively marked
<b>Title of report:</b> Anti-Fraud and Bribery Policy
<b>Area of county / stakeholders affected:</b> Countywide
<b>Report by :</b> Abbey Gough <b>Date of report:</b> 27 <sup>th</sup> March 2019 <b>Enquiries to:</b> Abbey Gough

### 1. Purpose of the report

- 1.1 To approve the updated Anti-Fraud and Bribery Policy
- 1.2 The strategy was presented to the PFCC and Chief Constable at the Joint Audit Committee on 22<sup>nd</sup> March 2019.

### 2. Recommendations

- 2.1 To approve the updated Anti-Fraud and Bribery Policy.

### 3. Benefits of the proposal

- 3.1 This policy demonstrates clearly that the PFCC and Chief Constable are firmly committed to dealing with fraud and corruption and will deal equally with perpetrators from inside and outside the PFCC.
- 3.2 This updated policy will be a schedule to the PFCC's constitution and therefore it will be a requirement for all employees, volunteers and contractors to adhere to.

#### **4. Background and proposal**

4.1 Following a review of fraud by the Joint Audit Committee members and Internal Audit it was felt that the existing policy needed to be developed further. In consultation with Internal Audit the updated Anti-Fraud and Bribery Policy was produced.

4.2 The policy clearly sets out the definitions of fraud and bribery as per the Fraud Act 2006 and the Bribery Act 2010 as well as the key offences under the Act. The policy expands on the five key themes to combat fraud and bribery, which are:

- a) Culture
- b) Prevention
- c) Deterrence
- d) Detection and investigation
- e) Awareness and training

4.3 The PFCC and Chief Constable will work to set the tone from the top down on fraud and bribery matters.

#### **5. Alternative options considered and rejected**

5.1 The alternative would be to not approve the policy, however the PFCC has a legal duty to abide by the Fraud Act 2006 and Bribery Act 2010 and this policy shows the PFCC's commitment to tackling these issues within the organisation.

#### **6. Police and Crime Plan**

6.1 The proposal ensures that there are good governance processes in place to allow the PFCC and Chief Constable to deliver against the Police and Crime Plan.

#### **7. Police operational implications**

7.1 Not applicable

#### **8. Financial implications**

8.1 There are no financial implications directly linked to the approval of this policy.

#### **9. Legal implications**

9.1 As discussed above and in the policy the PFCC must adhere to the Fraud Act 2006 and the Bribery Act 2010

#### **10. Staffing implications**

10.1 Staff must ensure that they are aware of the policy and the potential outcomes should the policy be breached. Senior Management and Chief Officers have a duty to ensure that all staff are aware of the policy.

**11. Equality and Diversity implications**

11.1 Not applicable

**12. Risks**

12.1 Failure to have such a policy in place could result in an increase in fraud and bribery cases.

**13. Governance Boards**

13.1 This policy was presented to the PFCC at the Joint Audit Committee on 22<sup>nd</sup> March 2019

**14. Background papers**

Appendix 1 – Anti-Fraud and Bribery Policy

**Report Approval**

The report will be signed off by the OPFCC Chief Executive and Treasurer prior to review and sign off by the PFCC / DPFCC.

Chief Executive / M.O.

Sign: 

Print: P. Beest-Smeewood

Date: 18 April 2019

Chief Finance Officer / Treasurer

Sign: 

Print: Abbeey Gosden

Date: 23.4.19

**Publication**

Is the report for publication?

YES   
NO

If 'NO', please give reasons for non-publication (Where relevant, cite the security classification of the document(s). State 'None' if applicable)

.....  
.....

If the report is not for publication, the Chief Executive will decide if and how the public can be informed of the decision.

**Redaction**

If the report is for publication, is redaction required:

1. Of Decision Sheet?	YES	<input type="checkbox"/>	2. Of Appendix?	YES	<input type="checkbox"/>
	NO	<input checked="" type="checkbox"/>		NO	<input checked="" type="checkbox"/>

If 'YES', please provide details of required redaction:

.....  
.....

Date redaction carried out: .....

**Treasurer / Chief Executive Sign Off – for Redactions only**

If redaction is required, the Treasurer or Chief Executive is to sign off that redaction has been completed.

Sign: .....

Print: .....

Chief Executive/Treasurer

**Decision and Final Sign Off**

I agree the recommendations to this report:

Sign:  .....

Print:  .....

PFCC/Deputy PFCC

Date signed:  .....

I do not agree the recommendations to this report because:

.....  
.....  
.....

Sign: .....

Print: .....

PFCC/Deputy PFCC

**POLICE, FIRE AND CRIME COMMISSIONER  
FOR ESSEX & ESSEX POLICE**

**ANTI-FRAUD & BRIBERY POLICY**

Policy Owner:  
Date of Adoption:  
Next Review:  
Version Number:

# Contents

<b>INTRODUCTION</b> .....	3
1. Introduction.....	3
2. What is Fraud? .....	3
4. What is Bribery? .....	4
<b>ANTI-FRAUD AND BRIBERY POLICY</b> .....	7
5. Introduction.....	7
6. Chief Officers and Senior Management .....	7
8. Staff.....	7
9. Contractors and Partners .....	8
10. Identifying the Specific Threats .....	8
<b>THE PFCC/ESSEX POLICE'S APPROACH TO TACKLING FRAUD AND BRIBERY</b> .....	10
12. Introduction.....	10
13. The Anti-Fraud Culture.....	10
15. Prevention .....	11
16. Deterrence.....	11
17. Detection and Investigation .....	12
18. Awareness and Training.....	13
19. Employee Recruitment and Conduct.....	13
20. Joint Working to Prevent and Combat Fraud.....	14
22. Sanction .....	14
23. Disciplinary Action .....	14
24. Criminal Sanctions .....	15
25. Redress .....	15
26. Whistleblowing .....	16
27. Updates .....	17
<b>APPENDIX 1 – ROLES AND RESPONSIBILITIES</b> .....	18

# INTRODUCTION

## 1. Introduction

This document sets out the Office of the Police, Fire and Crime Commissioner for Essex (PFCC) and Essex Police's policy in relation to anti-fraud and bribery. It has the full support of the Police, Fire and Crime Commissioner for Essex (PFCC) and Essex Police Chief Constable.

This Policy applies to all employees of the PFCC and Essex Police, regardless of position held, as well as consultants, vendors, contractors, and/or any other parties who have a business relationship with the PFCC or Essex Police. It will be brought to the attention of all employees and form part of the induction process for new staff. It is incumbent on all of the above to report any concerns they may have concerning fraud and bribery.

In implementing this policy, managers must ensure that all staff members are treated fairly and within the provisions and spirit of the PFCC and Essex Police's Equal Opportunities Policy. Special attention should be paid to ensuring the policy is understood where there may be barriers to understanding caused by the individual's circumstances, where the individual's literacy or use of English is weak, or where the individual has little experience of working life.

The PFCC and Essex Police are committed to the eradication of fraud, bribery and misappropriation and to the promotion of the highest standards of conduct. Our desire is to be a model of public probity, affording maximum protection to the funds we administer. To deliver the PFCC and Essex Police's corporate policy we need to maximise the financial resources available to us. In order to do this we must adopt a zero tolerance approach to fraud and misappropriation.

Furthermore, the PFCC and Essex Police recognises their responsibility to protect public funds and we will therefore, endeavour to implement proportionate and secure systems.

We will take the strongest possible action against those who seek to defraud the PFCC or Essex Police. This includes our own officers, staff, contracting partners and external individuals and organisations.

## 2. What is Fraud?

Fraud is defined as:

*"the intentional distortion of financial statements or other records by persons internal or external which is carried out to conceal the misappropriation of assets or otherwise for gain".*

The Fraud Act 2006 introduced the first legal definitions of fraud. These legal definitions are used for the criminal prosecution of fraud offences.

For the purposes of this policy, fraud is considered to be any action taken by an individual, group or organisation which is designed to facilitate dishonest gain at the expense of, (or loss to) the PFCC and/or Essex Police, the residents of Essex or the wider community.

This policy demonstrates clearly that the PFCC and Essex Police are firmly committed to dealing with fraud and bribery and will deal equally with perpetrators from inside and outside the PFCC or Essex Police. There will be no distinction made in investigation and action between cases that generate financial benefits and those that do not.

Fraud includes actions, as defined within the Fraud Act 2006:

- (a) fraud by false representation;
- (b) fraud by failing to disclose information; and
- (c) fraud by abuse of position.

This policy covers all financial irregularities and criminal acts which may affect the PFCC or Essex Police, including: theft of property; false accounting; obtaining by deception; computer abuse and crime.

### **3. What is Theft?**

Theft is stealing any property belonging to the PFCC and/or Essex Police or which has been entrusted to it (i.e. public funds and property), including cash, equipment, vehicles, data.

Theft does not necessarily require fraud to be committed. Theft can also include the stealing of property belonging to our staff or officers whilst on PFCC or Essex Police premises.

A person is guilty of theft under the Theft Act 1968 if:

- Section 1 – ‘they dishonestly appropriate property belonging to another with the intent of permanently depriving the other of it’; or
- Section 24A - ‘they dishonestly retain a wrongful credit’ e.g. where they do not report and repay an overpayment of salary or advance.

### **4. What is Bribery?**

The Bribery Act 2010 defines bribery as; *“Inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages”*.

This can be broadly defined as the offering or acceptance of inducements, gifts, favours, payment or benefit-in-kind which may influence the action of any person. Bribery does not always result in a loss. The corrupt person may not benefit directly from their deeds; however, they may be unreasonably using their position to give some advantage to another.



## **The Bribery Act 2010**

There are four key offences under the Act:

- Bribery of another person (Section 1);
- Accepting a bribe (Section 2);
- Bribing a foreign official (Section 6);
- Failing to prevent bribery (Section 7).

The Bribery Act 2010 (<http://www.legislation.gov.uk/ukpga/2010/23/contents>) makes it an offence to offer, promise or give a bribe (Section 1). It also makes it an offence to request, agree to receive, or accept a bribe (Section 2).

Section 6 of the Act creates a separate offence of bribing a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business.

There is also a corporate offence under Section 7 of failure by a commercial organisation to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business, for the organisation. This is what is known as a "strict liability" offence which means that there is no need to prove negligence or management complicity.

Whilst the public sector is not a commercial organisation and technically not covered by the Act in respect of the Section 7 offence, the guidance states that a "commercial organisation" is anybody formed in the United Kingdom and "...it does not matter if it pursues primarily charitable or educational aims or purely public functions. It will be caught if it engages in commercial activities, irrespective of the purpose for which profits are made." Therefore, there are circumstances in which the PFCC and Essex Police will be a commercial organisation for the purposes of Section 7. This policy is intended to ensure that the PFCC and Essex Police have in place the necessary procedures to act as a defense to a Section 7 offence.

An organisation will have a defense to this corporate offence if it can show that it had in place adequate procedures designed to prevent bribery by or of persons associated with the organisation.

These adequate procedures are defined by the Ministry of Justice as:

### **Proportionality**

The PFCC and Essex Police have procedures in place to prevent bribery by persons associated with it. These are proportionate to the bribery risks faced by the PFCC and Essex Police and to the nature, scale and complexity of the activities undertaken. They are also clear, practical, accessible, effectively implemented and enforced.

### **Top Level Commitment**

The PFCC, Chief Constable and their respective management teams are committed to preventing bribery by persons associated with their

organisations. They foster a culture within the organisation's in which bribery is never acceptable.

### **Risk Assessment**

The PFCC and Essex Police should assess the nature and extent of its exposure to potential external and internal risk of bribery on its behalf by persons associated with it. It should include financial risks but also other risks such as reputational damage and should be carried out as part of the PFCC/Essex Police's risk management process.

### **Due Diligence**

The PFCC and Essex Police should apply due diligence procedures, taking a proportionate and risk based approach in respect of persons who perform or will perform services for or on behalf of the PFCC and/or Essex Police, in order to mitigate identified bribery risks.

### **Communication (including training)**

The PFCC and Essex Police should seek to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisations through internal and external communication, including training that is proportionate to the risks it faces.

### **Monitoring and review**

Procedures designed to prevent bribery are monitored and reviewed and improvements are made where necessary.

# **ANTI-FRAUD AND BRIBERY POLICY**

## **5. Introduction**

The PFCC and Essex Police are responsible for the proper administration of their finances. This not only includes direct income and expenditure but also monies that we administer on behalf of the Government, on behalf of the residents of Essex and our partners, and that for which we are the responsible accountable body. Anyone committing fraud, both inside and outside the organisation, attack all of these sources of income and expenditure and our valuable assets.

This policy encompasses any action taken by an individual, group or organisation which is designed to facilitate dishonest gain (or a loss) at the expense of the PFCC or Essex Police, the residents of Essex, or the wider national community. It, therefore, includes theft, fraud, bribery and any financial irregularity or malpractice.

The PFCC and Essex Police will be vigilant in all of these areas and will apply the same principles of deterrence, prevention, detection, investigation and resolution across all its services. The PFCC and Essex Police will not be afraid to tackle difficult or uncomfortable cases and will take a robust line and seek the maximum appropriate sanction in all areas of operation.

## **6. Chief Officers and Senior Management**

Our PFCC, Chief Constable, Chief Officers and Senior Management are expected to act in a manner which sets an example to the community whom they represent and to the staff of the PFCC and Essex Police who implement their policy objectives. They are expected to conduct themselves in ways which are beyond reproach, above suspicion and are fully accountable. Chief Officers and Senior Management should be particularly careful to ensure that all relevant circumstances are properly declared in any and all of their financial dealings. No financial malpractice will be tolerated and where evidence indicates such malpractice has taken place, appropriate action will be taken.

## **7. Non-Executive Directors and External Memberships**

It is expected that Non-Executive Directors and representatives of external organisations appointed to memberships of management committees within the PFCC and Essex Police at all levels will lead by example in acting with the utmost integrity and ensuring adherence to all relevant regulations, policies and procedures.

## **8. Staff**

It is recognised that the vast majority of staff are hardworking and conscientious who conduct themselves in ways which are beyond reproach, above suspicion and fully accountable. However, theft, fraud, bribery and financial malpractice/irregularity will not be tolerated and where evidence indicates such activity has taken place, action will be taken under the PFCC or Essex Police's Disciplinary Policy and Procedure that may lead to dismissal. Criminal and/or Civil proceedings will also be pursued if appropriate.

There is a special responsibility on our senior management to lead by example. The PFCC and Essex Police expect these managers to set the standard by their own behaviour. This includes placing the PFCC and Essex Police's interests above their own and the whole-hearted promotion of the *Ten Principles of Public Life* as laid down by the Committee on Standards in Public Life.

In addition all those working in policing should adhere to the Code of Ethics produced by the College of Policing, this has been developed by the College in their role as the professional body for policing. The Code of Ethics sets and defines the exemplary standards of behaviour for everyone who works in policing.

It is the responsibility of the PFCC, Chief Constable, Chief Officers and Senior Management to be aware of the appropriate financial and other anti-fraud regulations and to be responsible for ensuring conformance to them by the staff for which they are responsible. The Financial and Procurement Regulations<sup>1</sup> set out the responsibilities of the PFCC, Chief Constable and S151 Officers in regards to preventing fraud and corruption. All staff have a responsibility to be aware of the Financial and Procurement Regulations.

## **9. Contractors and Partners**

The increase in partnership arrangements to deliver services places an additional requirement on the PFCC and Essex Police to ensure that public money invested in these services is appropriately used.

Those organisations undertaking work on behalf of the PFCC or Essex Police are expected to maintain strong anti-fraud and anti-bribery principles. Through contract documentation we will ensure that our service providers and partners take the issue of fraud and bribery seriously.

## **10. Identifying the Specific Threats**

Each department will be challenged to identify the risk of fraud and/or bribery occurring in their area. Where major risks are identified, they will be

---

<sup>1</sup> Financial and Procurement Regulations can be viewed <https://www.essex.pfcc.police.uk/wp-content/uploads/2019/01/PFCC-Financial-Regulations-v0.9.doc.pdf>

responsible for ensuring they are placed on the Risk Register and that actions are undertaken to address those risks.

Internal Audit, through its programme of work will test the control environment within Services and compile reports on its findings, highlighting weaknesses in controls. Management will be required to act upon those recommendations and monitor progress.

#### **11. Professional Standards and the Anti-Corruption Unit**

The Professional Standards Department and the Anti-Corruption Unit will conduct proactive exercises throughout the year and highlight any system weaknesses that are identified as a result of proactive work or investigations. These will be addressed through an agreed action plan with the relevant manager. The Anti-Corruption Unit will produce an annual confidential report to the PFCC/Essex Police Joint Audit Committee detailing activities undertaken during the year.

# THE PFCC/ESSEX POLICE'S APPROACH TO TACKLING FRAUD AND BRIBERY

## 12. Introduction

The corporate framework, which underpins the operations of the PFCC and Essex Police, have a number of layers that exist to protect the PFCC and Essex Police against fraud and bribery. The Anti-Fraud and Bribery Policy underpins this framework.

Our Policy to combat fraud and bribery is built upon five key themes:

- Culture
- Prevention
- Deterrence
- Detection and investigation
- Awareness and Training

Everyone is responsible for immediately notifying the Treasurer at the PFCC and the Chief Finance Officer at Essex Police of any circumstances suggesting the possibility of an irregularity which affect the PFCC or Essex Police's assets or interests.

## 13. The Anti-Fraud Culture

The prevention and detection of fraud and bribery and the protection of the public purse are everyone's responsibility.

Employees and other stakeholders play an important role in creating and maintaining this culture and are positively encouraged to raise concerns regarding fraud and bribery, immaterial of seniority, rank or status. Such concerns will, wherever possible, be treated in confidence.

Concerns must be raised when people reasonably believe that one or more of the following has occurred, is in the process of occurring or is likely to occur:

- a criminal offence
- a failure to comply with a statutory or legal obligation
- improper unauthorised use of public or other funds
- a miscarriage of justice
- maladministration, misconduct or malpractice
- endangering of an individual's health and safety
- damage to the environment
- deliberate concealment of any of the above.

Any allegations received in any way, including by anonymous letters or phone calls, will be taken seriously and investigated in an appropriate manner.

## **14. Gifts and Hospitality**

Courtesy gifts and hospitality must not be given or received in return for services provided or to obtain or retain business but shall be handled openly and unconditionally as a gesture of esteem and goodwill only. Gifts and hospitality shall always be of symbolic value, appropriate and proportionate in the circumstances, and consistent with local customs and practices. They shall not be made in cash. Please refer to the PFCC/Essex Police's Gifts and Hospitality policy and register for more guidance - C 3008 Procedure - Hospitality, Gifts and Gratuities

## **15. Prevention**

Fraud, theft and bribery are costly, both in terms of reputational risk and financial losses. To reduce the risk of loss we must aim to prevent it from happening in the first place.

The PFCC and Essex Police will ensure that this policy and other supporting policies are publicised to the widest possible audience, including officers, staff, partners and the public. We will actively promote the anti-fraud and anti-bribery culture and the consequences for those found to have committed such offences.

The PFCC and Essex Police will seek the most appropriate sanction and redress against all those who commit or attempt to commit fraud and/or bribery against the PFCC and/or Essex Police. We will publicise details of criminal convictions and provide statistical information in relation to disciplinary action to deter others who may have considered committing such offences themselves.

All Managers have a responsibility for ensuring that control measures are in place to minimise the risk of fraud. They must consider these control measures whenever new guidance or procedures are written or existing ones revised. The S151 Officers (PFCC Treasurer and Chief Constables Chief Finance Officer) have specific responsibilities to ensure that there are robust systems of risk management and internal controls in place across the organisation. They are charged with safeguarding public money, which includes implementing appropriate measures to prevent and detect fraud and corruption.

Managers must ensure that all staff are aware of these procedures and of the controls in place. Where effective controls are in place, there is less opportunity to commit fraud and therefore, this may act as a deterrent.

## **16. Deterrence**

Theft, fraud and bribery are serious offences against the PFCC and/or Essex Police. Employees will face disciplinary action if there is evidence that they have been involved in these activities. Disciplinary action will be taken in addition to, or instead of, criminal proceedings, depending on the circumstances of each individual case.

In all cases where financial loss to the PFCC or Essex Police has occurred, the PFCC and Essex Police will seek to recover the loss and advertise this fact.

## **17. Detection and Investigation**

The Professional Standards Department and the Anti-Corruption Unit will conduct proactive anti-fraud and bribery work throughout the year and highlight any system weaknesses that are identified as a result of proactive work or investigations. The Anti-Corruption Unit will produce an annual confidential report to the PFCC/Essex Police Joint Audit Committee detailing activities undertaken during the year.

Audits play an important role in the detection of fraud and bribery and will include reviews of internal controls within key financial systems and specific fraud and bribery tests. Spot checks and unannounced audits may also occur.

In some cases frauds are discovered by chance or 'tip-off' and arrangements are in place to enable such information to be properly dealt with. All suspected irregularities are required to be reported (verbally or in writing) either by the person with whom the initial concern was raised or by the originator.

Any decision to refer a matter to Internal Audit, External Audit or other external agency will be taken by the Treasurer/Chief Finance Officer in consultation with the Chief Executive/Chief Constable. The PFCC and Essex Police will normally wish an independent investigation in cases where financial impropriety is discovered.

Internal controls are only effective if they are properly designed and applied. Therefore, it is the responsibility of all managers to establish and maintain systems of internal control and to assure themselves that those controls are properly applied and on the activities intended. This includes responsibility for the prevention and detection of fraud, bribery and financial malpractice.

Our partners are expected to have adequate Whistleblowing Procedures and the PFCC/Essex Police's own procedure will be promoted to contractor staff working on behalf of the PFCC or Essex Police. Refer to section 26 for further details on Whistleblowing.

All staff have a duty to assist the PFCC and/or Essex Police with any matter under investigation. Failure to assist with an investigation may be considered as a breach of conduct or failure to comply with the Financial and/or Contract Procedure Rules. This could lead to disciplinary action being taken. Where staff are being interviewed in connection with alleged fraud they will have the



right to have a Trade Union representative present or to be accompanied by a work colleague. Alternatively, staff may wish to provide information under the Whistle-blowing procedures.

The PFCC and Essex Police will investigate any allegation that may have a direct, or indirect, impact on the finances for which we are responsible. This will include cases where staff may have financial information relating to organisations which are, or have been, funded by the PFCC/Essex Police or with whom the PFCC/Essex Police have a contract.

The PFCC and Essex Police will utilise the specific expertise of other services including Internal Audit, Human Resources and Legal Services in all cases where appropriate to progress investigations. The teams will also conduct joint investigations with other agencies to uncover the full extent of any offence.

Where an investigation involves an employee of the PFCC or Essex Police, the Anti-Corruption Unit will have regard to the possibility of both disciplinary and criminal action being taken. Through this work the Anti-Corruption Unit will ensure that the PFCC and Essex Police's Disciplinary Policy and Procedure is fully complied with in managing cases that involve employees of the PFCC or Essex Police.

Our partners should provide full access to their financial records, as they relate to our finances, and their staff will be required to assist fully with any investigation. These conditions will be included in any contract terms or agreements. Personnel records of any person suspected of being involved in fraud will be made available to the Anti-Corruption Unit.

## **18. Awareness and Training**

The PFCC and Essex Police recognise that the success of this policy will depend on the awareness of officers and staff throughout the PFCC and Essex Police and will ensure that officers and staff are made aware of this policy and that appropriate training is provided to existing staff and new starters within the PFCC and Essex Police.

## **19. Employee Recruitment and Conduct**

All employees must abide by the PFCC and Essex Police's rules as contained in relevant policies and procedures. This expectation forms part of each employee's contract of employment. Employees of the PFCC and Essex Police are also expected to follow any additional Codes of Conduct, either related to any professional body to which they are registered, or additional PFCC/Essex Police Codes of Conduct relevant to their post, and immediately notify the PFCC or Essex Police if they come into conflict with any such Code.

Where agency staff are being employed in positions where they have access to finance, personal data or other assets, their references will be checked direct with their previous employer. Our partners will be expected to have

adequate recruitment procedures and controls when they are handling finance on behalf of the PFCC or Essex Police. This expectation will be written into all contract terms and agreements.

## **20. Joint Working to Prevent and Combat Fraud**

The Professional Standards Department and Anti-Corruption Unit are responsible for investigating all allegations of fraud. The team will work with other public sector bodies as required.

## **21. National Fraud Initiative**

The Cabinet Office has drawn up a Code of Data Matching Practice for its National Fraud Initiative (NFI), which is recognised by the Information Commissioner as complying with Data Protection legislation. The NFI matches data from 1,300 public sector and 77 private sector organisations, including audit bodies in Scotland, Wales and Northern Ireland, government departments and other agencies. It flags up inconsistencies in the information that indicate a fraud, an error or an overpayment may have taken place, signaling the need for review and potential investigation. With effect from 2015, the responsibility for the NFI has passed to the Cabinet Office.

Where appropriate, we will participate in data-matching exercises and will share information using legislation or legal gateways available to us and our partners.

The PFCC and Essex Police will make full use of their statutory powers to obtain information, and will utilise the services of the National Anti-Fraud Network (NAFN) to support such information gathering.

## **22. Sanction**

We will seek the strongest available sanctions against all who commit fraud against the PFCC or Essex Police, or the public purse. This may include disciplinary action, criminal prosecution, civil proceedings, financial penalties or a combination of all. Where the fraud is committed by an employee of a contractor or partner organisation, we will request that the organisation takes appropriate disciplinary action against the individual. The ability to request removal of staff will be written into contract terms.

The decision to recommend any or all of the above sanctions will be made on a case by case basis, having regard to the Disciplinary Policy and Procedure and Prosecution Policy in place at the time.

## **23. Disciplinary Action**

At the conclusion of each investigation, the Anti-Corruption Unit will produce a report. The manager whose responsibility encompasses the area of that investigation will then decide whether or not to formally accept the report and take the appropriate action (disciplinary or other).

In most cases, where there is objective evidence available to lead to a conclusion of fraud, theft, bribery, serious financial malpractice, or use of position for personal gain or for the gain of others, this is likely to constitute gross misconduct and may lead to summary dismissal.

This applies to employees who improperly benefit from the PFCC and/or Essex Police as a corporate body, and not just those who steal funds from their own unit.

## **24. Criminal Sanctions**

In addition to any disciplinary action, the Anti-Corruption Unit will decide whether further action is appropriate in respect of any criminal offences. This decision will be made on a case by case basis and within the Prosecution Policy in force at the time.

We will use the PFCC and/or Essex Police's own Legal team and the Crown Prosecution Service, through the police, to bring offenders to justice. As a deterrent, we will also publicise our successful sanctions throughout the organisation.

## **25. Redress**

In all cases we will seek recovery of any fraudulently obtained amounts and we will utilise all means available to us to recover these amounts. This can include freezing assets, Compensation Orders, Confiscation Orders, Civil Litigation, recoup of monies paid through the Pension Fund, and general debt recovery.

The PFCC/Essex Police Debtors Procedure (G1903) provides clear guidance on the measures it will take to effectively recover monies owed to the PFCC and/or Essex Police.

Additionally, where a criminal conviction has been secured, we will utilise the power of the Courts to obtain Compensation Orders where appropriate. We will also consider the use of our partners' specialist skills in financial investigation to recover losses using the Proceeds of Crime Act 2002.

All partners and contractors will be responsible for any losses affecting PFCC and/or Essex Police funds attributable to their employees. This will be written into contract terms.

## REVIEW AND REPORTING

### 26. Whistleblowing

The PFCC and Essex Police are committed to ensuring that it, and the staff working for it, complies with the highest standards of openness, honesty and accountability.

The term whistleblowing has a specific legal definition, i.e. a disclosure or allegation of serious wrongdoing made by an employee, and a wider public definition, i.e. any disclosure or allegation of serious wrongdoing made by anyone.

Where any individual, irrespective of whether that individual is either an PFCC/Essex Police employee, a worker for an PFCC/Essex Police contractor (including seconded PFCC/Essex Police employees) or a member of the public, is aware of any serious wrongdoing, such as:

- Breach of a legal obligation;
- Any criminal activity, including incitement to commit a criminal act;
- Bribery or fraud;
- A miscarriage of justice;
- A danger to the health or safety of any individual or damage to the environment;
- Abuse of power or authority;
- Failure to comply with professional standards, PFCC/Essex Police policies or codes of practice/conduct;

committed by or related to the actions of:

- PFCC/Essex Police employees;
- PFCC/Essex Police; and/or
- Contractors, agency staff, suppliers or consultants of PFCC/Essex Police in the course of their work for the PFCC and/or Essex Police;

and reports it, the PFCC and/or Essex Police will investigate any such allegations and, where appropriate, take action. The PFCC and Essex Police are also committed to preventing any harassment, victimisation or unfair treatment of any person arising from their whistleblowing, and where appropriate, take disciplinary action against any member of staff responsible for such harassment, victimisation or unfair treatment against a whistle blower.

The Public Interest Disclosure Act 1998 makes it unlawful for an organisation to dismiss anyone (or carry out any other form of reprisal) on the basis that they have made a disclosure. Therefore, the PFCC and Essex Police encourages employees and members of the public and/or their representatives to feel confident in raising concerns or allegations in the

public interest about suspected serious wrongdoing in the PFCC or Essex Police and its services without fear of reprisals or victimisation even where the concern or allegations are not subsequently confirmed by the investigation.

Further guidance on Whistleblowing may be found at:

C 3015 Procedure – Reporting Wrongdoing,

<https://www.gov.uk/whistleblowing>

<http://www.acas.org.uk/index.aspx?articleid=1919>

<http://www.pcaw.org.uk/>

## **27. Updates**

This policy will be the subject of continuous review to ensure it supports the strategic objectives of the PFCC and Essex Police. It will be formally reviewed on a tri-annual basis.

Internal audit will also conduct a periodic review of the PFCC and Essex Police's operation against the policy to ensure the Anti-Fraud and Anti-Bribery culture is embedded within PFCC and Essex Police services.

A confidential report on the PFCC and Essex Police's activity in relation to cases of fraud and irregularities will be submitted to the Joint Audit Committee on an annual basis by the Anti-Corruption Unit.

## APPENDIX 1 – ROLES AND RESPONSIBILITIES

Role	Responsibility
PFCC/Chief Constable	<ul style="list-style-type: none"> <li>Facilitating an Anti-Fraud and Bribery culture by adopting and promoting a zero tolerance "tone from the top".</li> <li>Demonstrate a commitment to this Policy and ensure it has the appropriate profile within the PFCC/Essex Police.</li> <li>Ensure the Policy is effectively implemented across the PFCC/Essex Police.</li> </ul>
Joint Audit Committee (JAC)	<ul style="list-style-type: none"> <li>To monitor the Anti-Fraud and Bribery Policy.</li> <li>To monitor and review the effectiveness of the PFCC/Essex Police's risk management arrangements, internal controls and related Anti-Fraud and Bribery arrangements.</li> </ul>
Chief Executive/ Monitoring Officer/ Chief Constable	<ul style="list-style-type: none"> <li>Ensure that there is strong support for work to counter fraud and bribery.</li> <li>Ensure consistency across departments in the implementation of this Policy.</li> <li>Ensure that a programme of work is undertaken that is designed to publicise expected standards of ethical conduct.</li> <li>Ensure that the progress in raising standards will be communicated to stakeholders.</li> <li>Ensure that effective Whistle-blowing arrangements are established.</li> <li>Ensure Registers of Interests, Gifts &amp; Hospitality are maintained.</li> <li>Ensure officers and staff are fully aware of their obligations in relation to probity.</li> </ul>
Treasurer/Chief Finance Officer	<ul style="list-style-type: none"> <li>Ensure that those working to counter fraud and bribery are undertaking this work in accordance with a clear ethical framework and standards of personal conduct.</li> <li>Ensure that there is a level of financial investment in counter fraud and bribery work that is proportionate to the risk that has been identified.</li> <li>Ensure that reports on investigations include a section on identified Policy and system weaknesses that allowed the fraud/bribery to take place where appropriate.</li> <li>Ensure all instances of suspected or actual fraud are reported to the Chair of the JAC as the earliest opportunity.</li> </ul>
Director of Human Resources	<ul style="list-style-type: none"> <li>Ensure that there is an effective propriety checking system (i.e. safe recruitment)</li> </ul>

	<p>implemented by appropriately trained staff in place;</p> <ul style="list-style-type: none"> <li>• Provide advice to promote consistency;</li> <li>• Ensure employment policies support the Anti-Fraud and Bribery Policy;</li> <li>• Advise on and monitor that effective and appropriate sanctions are applied in all appropriate cases.</li> </ul>
PFCC/Essex Police Solicitor	<ul style="list-style-type: none"> <li>• Ensure resources are available to pursue appropriate criminal and civil proceedings.</li> </ul>
<p>PFCC- Chief executive, Treasurer and Assistant Directors</p> <p>Essex Police- Chief Constable, Deputy Chief Constable, Assistant Chief Constables and Chief Officer</p>	<ul style="list-style-type: none"> <li>• Ensure the risks of fraud and bribery are identified, entered on the Risk Register and Action Plans implemented to reduce the risk to an acceptable level.</li> <li>• Ensure the Anti-Fraud and Bribery Policy is implemented within their departments.</li> <li>• Ensure that as part of the risk management process the PFCC and Essex Police attempts to identify accurately the nature and scale of losses to fraud and bribery, and also takes into account fraud and bribery risks in relation to significant partnerships.</li> <li>• Ensure that there are framework agreements in place to facilitate working with other organisations and agencies.</li> <li>• Ensure that there are regular meetings to implement and update these agreements.</li> <li>• Consider fraud and bribery risks within all new policies and systems, and to revise existing ones to remove possible weaknesses.</li> </ul>
Managers	<ul style="list-style-type: none"> <li>• Ensure all employees are aware of their responsibilities under the Anti-Fraud and Bribery Policy.</li> <li>• Ensure all employees have read the PFCC and Essex Police's Code of Conduct in respect of all employee rules of conduct and understand their responsibilities.</li> <li>• Ensure all employees understand the Whistle-blowing Policy and reporting arrangements.</li> <li>• Ensure employees are aware of the process for reporting allegations of fraud.</li> <li>• Ensure accurate and timely reporting of gifts and hospitality.</li> </ul>
Employees/Officers	<ul style="list-style-type: none"> <li>• Ensure understanding of and compliance with the PFCC/Essex Police's Anti-Fraud and Bribery Policy.</li> <li>• Report suspected fraud or bribery and take responsibility for understanding the appropriate methods to do so.</li> </ul>

	<ul style="list-style-type: none"> <li>• Report gifts and hospitality and take responsibility for understanding the process to do so.</li> <li>• Declare interests and take responsibility for understanding the process to do so.</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>• Support Senior Management and their staff in identifying and mitigating risks for fraud and bribery.</li> <li>• Work closely with the Anti-Corruption Unit where appropriate to conduct investigations.</li> <li>• Make recommendations where weaknesses are identified, and ensure Action Plans are implemented to prevent reoccurrences.</li> </ul>
Anti-Corruption Unit	<ul style="list-style-type: none"> <li>• Ensure all allegations are recorded and risk assessed.</li> <li>• Conduct investigations in line with legislation.</li> <li>• Notify Human Resources, Internal Audit &amp; Legal Services at the outset of investigations into employees and at the conclusion of investigation, and liaise as appropriate during the investigation.</li> <li>• Pursue the most appropriate criminal/disciplinary sanction including prosecution.</li> <li>• Report annually to the Joint Audit Committee through a confidential annual report.</li> </ul>