

Cleveland Police Authority Counter-Fraud and Corruption Policy

1. Introduction

- 1.1. Cleveland Police Authority is committed to a culture that is one of honesty, integrity and propriety in the use of public funds and the holding of public office. The Authority will not tolerate fraud and corruption in the administration of its responsibilities from within or from any source outside of the Authority.
- 1.2. The Police Authority is committed to an effective Counter-Fraud and Corruption strategy designed to encourage prevention, promote detection, ensure investigation is carried out and remedial action is taken.

2 Definition of Fraud and Corruption

- 2.1 The new Fraud Act 2006 came into force on the 15th January 2007. The Act introduces provision for a general offence of fraud which is broken into three sections
 - Fraud by false representation
 - Fraud by failing to disclose information
 - Fraud by abuse of position

Fraud by false representation

- 2.2 Representation must be made dishonestly, and is made with the intention of making a gain or causing a loss or risk of loss to another. A representation is defined as false if it is untrue or misleading and the person making it knows that it is, or might be, untrue or misleading. Representation can be stated by words or communicated by conduct i.e. written, spoken or by electronic means.

Fraud by failing to disclose information

- 2.3 Fraud by failing to disclose information details that a fraud will have been committed, if a person fails to declare information which he/she has a legal duty to disclose. There is a requirement that the person acts dishonestly and intends to make a gain for himself/herself, cause a loss to another or expose another to a risk of loss.



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Fraud by abuse of position

- 2.4 Fraud by abuse of position requires a person who is in a privileged position to act dishonestly by abusing the position held; and by doing so, fails to disclose to another person, information which he/she is legally required to disclose. The dishonest act must be with the intention of making a gain for himself/herself or another. Alternatively it may be with the intention of causing a loss or risk of loss to another. The offence may be committed by omitting to make a declaration as well as by an act.
- 2.5 The introduction of the Fraud Act 2006 **does not prevent** the prosecution of offences under the various Theft Acts and Forgery and Counterfeiting Act, e.g. theft, counterfeiting and falsification of documents.

3 Application of this Policy

- 3.1 This policy is applicable to Members of the Police Authority, police officers of all ranks, police support staff, volunteers and to all external persons with whom the Police Authority and Cleveland Police conduct business. It also applies to those Police Authority employees reporting to the Chief Executive.

4. Objectives of the Policy

- Provide a clear statement of the Authority's position on fraud and corruption.
- Minimise the risk to the Authority's assets and good name.
- Promote a culture of integrity and accountability in Members, Police Staff, Police Support Staff and all those with whom the Authority and Force does business.
- Enhance existing procedures aimed at preventing, discouraging and detecting fraud and corruption; and
- Raise awareness of the risk of fraud and corruption being perpetrated against the Authority.

5 Relationship with other Policies

- 5.1 A number of policies within the Police Authority and Force interrelate with this policy. Other policies that should be read in conjunction with this document include:

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- Model Code of Conduct for Members of Cleveland Police Authority
- Police Authority Standing Orders and Financial Regulations
- Force Professional Standards - Integrity Unit - Reporting Booklet
- Whistleblowing policy.
- Code of Conduct for Support Staff
- Code of Corporate Governance

6 Policy

6.1 The policy of Cleveland Police Authority in relation to fraud and corruption is as follows. The Authority requires that:

- a) Members, police officers, volunteers and police support staff at all levels will lead by example in ensuring compliance with legal requirements, rules, procedures and codes of best practice, including those relating to acceptance of gifts & hospitality, and outside business interests.
- b) Members will conduct themselves in accordance with the spirit and letter of the Code of Conduct for Members of the Police Authority.
- c) Senior officers of the Police Authority and Force are required to deal swiftly and firmly with those who defraud the Authority and are corrupt.
- d) Individuals and organisations, such as suppliers, contractors, service providers, and partnerships that it conducts business with, will act towards the Authority with integrity and a total absence of fraudulent or corrupt practices.
- e) All police officers paid by the Police Authority, volunteers, police support staff and employees of the Police Authority have a duty to report any suspected of fraudulent or corrupt practice affecting the Police Authority or the Force to the appropriate line manager or senior manager at the earliest opportunity.
- f) Members have a duty to report any fraudulent or corrupt practice coming to their notice that may affect the Police Authority or the Force to the Chief Executive or the Monitoring Officer at the earliest opportunity.
- g) All fraud and corruption affecting the Police Authority or the Force, including suspected cases shall be reported immediately to the Head of Internal Audit on behalf of the Chief Executive, irrespective of whether the matter is the subject of a criminal investigation. The Chief Executive will bring to the attention of Members and the Chief Constable those cases he regards as sufficiently serious to so do.

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- h) In those cases where sufficient evidence is available, criminal or disciplinary action will be taken.
- i) Civil recovery (including court action) of funds lost by fraud and corruption will be considered in all established cases.
- j) Managers at all levels will ensure that effective procedures, practices and controls are in operation in their areas of responsibility to minimise the opportunities for fraud and corruption.
- k) The memorandum of understanding between the Head of Internal Audit, and the Head of Professional Standards is to be regularly reviewed, to facilitate effective and appropriate action in responding to cases of suspected fraud and corruption.

6.2 **General Duty**

It is expected that every Member, police officer, police support staff, volunteer and those Police Authority staff reporting to the Chief Executive will conduct themselves ethically at all times in respect of their duties and will act in accordance with the Authority's policy as set out at 6.1 of this document.

6.3 **Managers**

Managers at all levels, police and police support staff, and in the Police Authority have duties laid to them in the policy, particularly:-

- To ensure that areas for which they have responsibility have effective controls in place to minimise the risk of fraud, deter fraudsters and detect fraud when it occurs. Advice on appropriate controls is available from the Head of Internal Audit, and the Head of Professional Standards.
- Taking action when fraud is detected in accordance with the fraud response plan.
- Taking decisions on the basis of the Authority's fraud policy set out at 6.1 above.

6.4 **Corporate Governance**

Good practice in corporate governance in public sector authorities requires processes and procedures compliant with codes of best practice, including

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Police Regulations, to be in place, this is particularly relevant in the area of law enforcement. The Police Authority and Force have comprehensive codes of practice and strategies in place to cover other risk as well as fraud and corruption.

These published codes of practice are intended to provide practical advice on the standard of conduct that is expected. Failure to follow the guidance may result in disciplinary action being taken, or in the case of Members, the matter being referred to the Standards Board for England for investigation.

6.5 Police Authority Staff reporting to the Chief Executive

Police Authority staff reporting to the Chief Executive are required to conduct themselves to the same standard as staff under the control and direction of the Chief Constable, and as set out in the published codes of practice.

6.6 Published Codes of Practice

Codes of practice for all groups, and for specific groups or issues can be found in the following documents available on the Police Authority website or on the force intranet.

- Members' Code of Conduct for the Police Authority
- Code of Conduct for Police Officers
- The Police (Conduct) Regulations 2004
- Professional Standards – Integrity Unit - Reporting Booklet
- Police Support Staff Code of Conduct

7 Reporting Fraud and Wrongdoing

There are a number of avenues available for the public, contractors, Members and staff of the Police Authority and police support staff to report their concerns, in confidence, about instances of possible fraud or corruption, or indeed any wrongdoing. These include

- The Police Authority
- The Chief Constable
- Head of Internal Audit
- Head of Professional Standards
- Appropriate line management.
- Any police officer
- Any member of staff
- Police Authority and Force websites
- Staff Associations and Trades Unions

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- The IPCC
- The Audit Commission.
- Confidential phone line 0800 028 1060

Members and staff of the Police Authority, and police support staff are able to use a totally confidential e-mail system to anonymously raise any concern with the Professional Standards Department.

All cases or suspected cases of fraud must be reported at the first opportunity to the Head of Internal Audit Services, whether or not there is a police investigation.

8. Public Interest Disclosure Act

8.1 The Public Interest Disclosure Act 1998 protects employees, who report suspected fraud or corruption activities, from any reprisals as long as they meet the rules set out in the Act.

8.2 In simple terms the rules for making a protected disclosure are:

- The information disclosed is made in good faith
- The person making the disclosure must believe it to be substantially true
- The person making the disclosure must not act maliciously or make false allegations
- The person making the allegation must not be seeking any personal gain

9 Detection and Investigation

9.1 Managers becoming aware of fraud will ensure that the matter is reported and investigated. Such matters will be reported to the Head of Professional Standards, who will liaise with the Head of Internal Audit.

9.2 A memorandum of understanding will be maintained between the Head of Professional Standards, and the Head of Internal Audit to ensure that all allegations of fraud and corruption are appropriately investigated. The Head of the Professional Standards Department will advise on all investigatory matters including possible referral for criminal prosecution

9.3 When an allegation of fraud or corruption is made an appropriate senior manager will be appointed to oversee the proper conduct of the investigation and subsequent action.



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- 9.4 The investigation and any managers involved will take account of the Authority's policy on fraud and corruption set out in this document when determining the action to take.
- 9.5 The investigation conducted into allegations of fraud, corruption or wrongdoing shall take into account the requirements of the criminal law, discipline arrangements set out on Police Regulations, and Police Support Staff disciplinary arrangements.
- 10 **Liaison between the Head of Professional Standards and the Head of Internal Audit.**
- 10.1 The Head of Professional Standards will consult with the Head of Internal Audit when revising the Force policy and procedures for dealing with fraud and wrongdoing, who will ensure that they comply with the Authority's financial regulations and the policy set out in this document.
- 11 **Liaison between the Authority and others**
- 11.1 Serious case of fraud or wrongdoing will be reported to the Chief Executive, who will determine if the matter has to be drawn to the attention of the Authority. In the event that a Member is involved, the matter will be reported to the Monitoring Officer.
- 11.2 The Head of Internal Audit will maintain a link with the Authority's external auditors in order to keep them apprised of developments in serious cases.

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