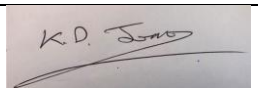
Staffordshire County Council

Walton Priory Middle School

SCC Fraud Bribery & Corruption Policy

Date Of Approval	November 2026	**Next Review Date**	When a change occurs
Approved by	Full Governors	**Signed**	

Anti-Fraud, Bribery & Theft Policy

Integrity Statement

Staffordshire County Council (the 'Council') recognises its responsibility for the proper administration of its assets and expects. It maintains a zero tolerance stance against fraud, bribery and theft and is committed to ensuring all Council resources are appropriately protected from loss.

The size and nature of services provided, as with any other large organisation, mean that there is an ever-present risk of loss due to fraud bribery and theft, from sources both internal and external. The Council takes a responsible, long term view of the need to continuously develop counter fraud, bribery and theft initiatives and maintain its culture of awareness.

Objectives

This Policy outlines the Council's approach to minimising the risk of fraud, bribery and theft through the principles of prevention, detection, investigation and seeking all appropriate sanctions.

It applies to all of the Council's activities; its personnel, including all levels and grades, those permanently employed, temporary staff, agency staff, contractors, agents, members, volunteers and consultants. The Council will seek to promote the adoption of policies consistent with the principles set out in this policy as part of its contractual arrangements with partners, joint ventures and suppliers.

The anti-fraud, bribery and theft effort will be supported by Members through ongoing commitment to supporting appropriate measures and by oversight of regular reports on fraud, bribery and theft matters to the Audit & Standards Committee.

To find out how to report a concern relating to Fraud, Theft, Bribery or Corruption, please refer to Appendix A.

What is Fraud Bribery, and Theft?

Fraud:
Whilst the Fraud Act (2006) (the 'Act') does not provide a single definition of fraud, it may be described as *'theft with deception'.* The key characteristics of fraud include an individual acting dishonestly and with the expectation of either making a gain for themselves or another person, or causing a loss to a third party.

The Act identifies fraud as a single offence which can be committed in three separate ways:

Fraud by false representation
A person dishonestly makes a false representation, intending to make a gain for himself or another, or to cause loss to another or to expose another to a risk of loss.

The legal definition of 'representation' is broad and includes written, verbal and non-verbal communication.

Fraud by failing to disclose information
A person dishonestly fails to disclose to another person information which he is under a legal duty to disclose, and intends, by failing to disclose the information to make a gain for himself or another, to cause loss to another or to expose another to a risk of loss.

Fraud by abuse of position
A person occupies a position in which he is expected to safeguard, or not to act against, the financial interests of another person dishonestly abuses that position, and intends, by means of abuse of that position to make a gain for himself or another, or to cause loss to another or to expose another to a risk of loss.

Bribery
Under the Bribery Act 2010, bribery can be committed by individuals under two main offence categories:

Offering, or paying a bribe to induce or reward improper duty, or knowing that acceptance of the bribe would in itself be improper performance.

Requesting, agreeing to receive, or receiving a bribe intending that as a consequence improper duty would be performed, or knowing that acceptance of the bribe is in itself improper.

In both instances, the bribe is intended to influence performance of a function, which may be carried out before, at the same time, or after the bribe is paid.

Bribes can take many forms including cash, holidays, event tickets, meals etc. Decisions could relate to, among others, recruitment, the award of contracts, planning consents and other awards. The bribe may be paid directly, or via third parties.

A Local Authority is deemed a 'commercial organisation' which can commit an offence of failing to prevent bribery. It is only possible to defend such an allegation if the Council has put in place adequate procedures designed to prevent persons associated with it from undertaking such conduct.

The Council, or third parties representing the Council will neither accept nor offer bribes to contractors, suppliers or customers and should act with integrity at all times.

Theft

Theft is defined in the 1968 Theft Act '*a person shall be guilty of theft if they dishonestly appropriate property belonging to another with the intention of permanently depriving the other of it'.*

Also relevant to this Policy:

Money Laundering

The process by which criminals attempt to 'recycle' the proceeds of their criminal activities in order to conceal its origins and ownership and which leaves them with money that cannot be traced back to a crime. The Council's anti money laundering strategy is included in appendix 3 of the Financial Regulations contained within the Constitution.

Concerns relating to Money Laundering should be reported immediately to the Money Laundering Reporting Officer (MLRO), detailed in Appendix A to this policy.

Corruption

Corruption does not in itself define a specific crime in the UK, however it is a term used to describe a wide range of unethical behaviour, including fraud and bribery.

The Council's approach to managing fraud bribery and theft risks

In order to minimise the risk of fraud, bribery and theft, the Council adopts an approach that is designed to improve both prevention and deterrence.

Risk Assessment

Internal Audit maintain a fraud, bribery and theft risk assessment and risk register to identify where the Council's most significant risks lie. The register will be regularly updated to take into account emerging risks identified by fraud investigations, intelligence identified internally and by external organisations, and changes to Council processes. Proactive anti-fraud, bribery and theft work will be targeted at the most significant risks facing the Council.

Developing and maintaining an anti-fraud, bribery and theft culture

The Council seeks to maintain an culture which acknowledges its fraud, bribery and theft risks, the processes to be adopted in the event of fraud and publicising the results of fraud investigations. Resources have been identified within the Internal Audit Function to undertake and support this work.

Internal Audit is responsible for develop and implementing a fraud, bribery and theft awareness plan, giving consideration to the varying needs of elected councillors, staff (including new joiners), contractors and the public served by the Council to be aware the risks faced.

Officers responsible for procuring services from suppliers must consider what measures should be put in place to ensure an appropriate level of awareness of this Policy within Suppliers' employees. Advice should be sought from Internal Audit if in doubt.

Prevention

The Council is committed to preventing fraud, bribery and theft through sound governance, internal control and robust employee vetting. The responsibility for implementing adequate internal controls rests with management.

The Council has developed and is committed to systems and procedures which incorporate efficient and effective internal controls and which include adequate separation of duties. Service Managers are required to ensure that such controls, including those in a computerised environment, are properly maintained and documented. When existing policies and procedures are being updated, or new processes introduced, advice from Internal Audit should be sought to ensure that the risk of fraud, bribery and theft is minimised.

Managers are expected to consider their risks on a regular basis and adapt the control systems as appropriate. Internal Audit can assist management in this process and advise on preventative controls during both routine work and following investigations where control weaknesses have been identified. Managers are expected to strengthen existing controls where weaknesses have been identified.

Effective steps must be taken at the recruitment stage to establish as far as possible, the propriety and integrity of potential employees. In this regard, temporary employees and contracted staff will be treated in the same manner as permanent employees. Employee recruitment is required therefore to be in accordance with the Council's recruitment policies. Written references are required and relevant pre-recruitment checks performed as stated within the policy document (including amongst others, validation of stated qualifications, Disclosure Barring Service (DBS) checks etc).

Those organisations undertaking work on behalf of the Council, both Contractors and Partners, are expected to maintain strong anti-fraud, bribery and theft principles. The specific requirements as a minimum include: adequate internal controls in place to minimise fraud, bribery and theft of Council resources, adequate recruitment procedures and controls when they are handling financial information or assets on behalf of the Council and adequate whistleblowing procedures. It is intended that these expectations will be appropriately considered in all contract terms and conditions.

The Council's Internal Audit department will identify areas of fraud, bribery and theft risk and conduct reviews of controls in place focussed on the prevention these crimes.

Detection

The Council will participate in the exchange of information between itself and outside bodies to assist with the identification of fraud, bribery and theft. Any such exchange of information will be undertaken in accordance with the principles contained in the Data Protection Act 1998. These may include:

- Police
- External Audit
- Local, Regional and National Auditor networks
- CIPFA – Fraud Centre
- CIFAS
- Department of Work and Pensions
- Other Local Authorities
- National Fraud Initiative (now administered by the Cabinet Office)
- Staffordshire Fraud Hub

The Council's Internal Audit Department will undertake a series of proactive fraud detection exercises designed to detect and deter fraud, bribery and theft in high risk areas through identification and verification of high risk transactions.

Investigation & Redress

Fraud, bribery and theft concerns can be reported to the Council by employees, suppliers, and the public using the contact details identified in appendix A.

Service Directors are required by Financial Regulation D4 to report all instances of potential or actual financial irregularity via the Chief Internal Auditor to the Director of Finance and Resources for investigation. This will include all allegations of fraud, bribery and theft. An investigating officer will be appointed to assess all allegations and where appropriate lead an investigation.

Where evidence of fraud or bribery is identified, consideration will be given to all available sanctions. These may include:

- Criminal prosecution, with Police support
- Civil recovery of losses
- Invoking the Council's Disciplinary Procedure, supported by Human Resources
- Referral of individuals to professional bodies

The Council's Disciplinary Procedure will be used to facilitate an appropriate investigation of any allegation of improper behaviour by employees of the Council.

The Director of Strategy, Governance and Change will decide, based on advice from the Chief Internal Auditor, Appropriate Service Manager and Head of Human Resources, whether there are sufficient grounds for the matter to be reported to the Police. For all allegations of fraud, bribery and theft consideration will be given to internal disciplinary sanctions, reporting to professional bodies, recovery of losses through civil action and criminal sanctions (with the support of the Police).

Where a fraud has occurred, management must consider changes to systems and procedures to minimise the risk of similar frauds occurring in the future. Any investigation may highlight where there has been a failure of supervision or a breakdown or absence of control. Internal Audit will raise recommendations detailing areas for control improvement all relevant sections.

All significant investigations will be reported to the Audit & Standards Committee and may be taken into account when assessing the overall governance arrangements as part of the completion of the Annual Governance Statement.

The Council's External Auditor will examine the Council's arrangements for the prevention, detection and investigation of fraud, bribery and theft as part of their planned work and report the results to the Audit & Standards Committee.

Individual Responsibilities

Chief Executive
The Chief Executive is ultimately accountable for the effectiveness of the Council's arrangements for countering fraud, bribery and theft.

Director of Finance & Resources (Section 151 Officer)
The Director of Finance and Resources must ensure the Council has adopted an appropriate anti-fraud strategy, there is an effective internal control environment in place and there is an adequately resourced and effective Internal Audit service to deliver 'counter-fraud' work.

Monitoring Officer and Director of Strategy, Governance and Change
The Monitoring Officer roles includes responsibility for advising Members and Officers on ethical issues, standards and powers to ensure that the Council operates within the law and statutory Codes of Practice.

Corporate Governance Working Group (CGWG) and Audit & Standards Committee
CGWG's role is to monitor the Council's strategies and policies and consider the effectiveness of the arrangements for raising concerns at work, whistle-blowing procedures and anti-fraud and bribery arrangements. The Audit & Standards Committee are responsible for approving the annual governance statement.

Members
Elected Members are required to operate the Council's Constitution including the Code of Conduct in Section 3 (developed in accordance with the requirements of sections 26 -37 of the Localism Act 2011 and attendant Regulations).

These matters are specifically brought to their attention as part of their Declaration of Acceptance of Office, induction and subsequent training. A declaration and registration must be made with the Chief Executive and updated regularly, listing disclosable pecuniary interests of the Member and any partner.

External Audit
External Audit have a statutory duty to ensure that the Council has adequate arrangements in place for the prevention and detection of fraud, bribery and theft.

Internal Audit
Internal Audit are responsible for developing and implementing the Anti-Fraud and Bribery response strategy and monitoring the investigation of any reported issues. To ensure that all suspected or reported irregularities are dealt with promptly and in accordance with this strategy and that action is identified to improve controls and reduce the risk of recurrence.

Senior Leadership Team, Wider Leadership Team and Service Managers
Senior Management at the Council are required to promote staff awareness and ensure that all suspected or reported irregularities are immediately referred to Internal Audit. They are responsible for ensuring mechanisms are in place within their service areas to assess the risk of fraud, bribery and theft and to reduce these risks by implementing strong internal controls.

When new contracts with suppliers are being set up, to ensure appropriate arrangements are in place to make suppliers and their staff aware of fraud reporting processes, for example reference to this Policy or reporting mechanisms detailed in Appendix A.

When new or revised Council Policies and Procedures are being implemented, advice should be sought from Internal Audit to ensure that the Council continues to prevent, detect and deter fraud, bribery and theft as thoroughly as possible.

All employees (including all temporary staff)
To comply with all Council policies, procedures and codes of practice, to be aware of the possibility of fraud, corruption, theft and bribery and to report any concerns (see Appendix A for details).

Employees are also expected to comply with Section 117 of the Local Government Act 1972 (regarding declaring any interests in contracts that have been entered into/ or proposed) and any professional obligations issued by Professional Institutes of which they are members.

Employees should act with integrity at all times.

Suppliers, Partners, Consultants working for/on behalf of the Council
To be aware of the possibility of fraud, corruption, theft or bribery against the Council and to report any concerns/suspicions via the reporting facilities detailed in Appendix A.

Related Policies and Documents

The key documents which encompass Members and Employees personal responsibilities are referred to below and can be found on the Council's Intranet. Those found within the Constitution are indicated with an asterisk.

- Financial Regulations*
- Procurement Regulations*
- Delegations to Directors*
- Delegations from Directors
- Members Code of Conduct*
- Employee Code of Conduct*
- Password Policy
- Corporate Information Security Policy
- Acceptable Use Policy
- Whistleblowing Policy*

Individuals raising a concern may also wish to consider the rights under the Public Interest Disclosure Act (1998)

Appendix A - How to report a concern

Elected members, suppliers, contractors, partners, joint ventures and the general public are encouraged to report concerns through any of the routes identified below.

An individual wishing to report a concern relating to fraud or bribery may wish to stay anonymous. Whilst concerns raised anonymously will be considered and assessed, it is often vital to speak to the source of a concern to obtain additional information once an investigation has started. Therefore we request that contact details are provided wherever possible.

Please do not carry out any additional investigation once a concern of fraud is identified. Failure to follow appropriate investigative procedures may result in valuable evidence becoming unusable in pursuit of criminal sanctions.

Employees of the Council wishing to raise a concern should also consider reading the Council's whistleblowing policy.

Director of Finance and Resources: via Chief Internal Auditor (and Money Laundering Reporting Officer)	Lisa Andrews Email Lisa.Andrews@staffordshire.gov.uk Tel 01785 276402
Audit Manager – Fraud (Deputy Money Laundering Reporting Officer)	Dave Fletcher Email: David.Fletcher@staffordshire.gov.uk Tel: 01785 895408
External Audit (Ernst & Young)	Ernst and Young LLP No 1 Colmore Square Birmingham B4 6HQ.
Online	*http://www.staffordshire.gov.uk/fraud*
Integrity Hotline Voicemail (please see guidance below)	0800 7311890
Email	fraud@staffordshire.gov.uk

What to consider when reporting a fraud or bribery:
If you choose to remain anonymous, please take time to include as much detail as possible when reporting a concern. Where appropriate, and if known, the following details could help instigate an investigation:

- Where the fraud took place
- How the fraud took place
- When the fraud took place (or timeframe from when fraud may have started)

- Who is committing the fraud/bribery
- Who else may be implicated
- The approximate value of the concern