
Anti-fraud policy



Contents

Glossary and abbreviations	i
Introduction	2
Policy	2
Responsibilities	4
Document control sheet	6

Glossary and abbreviations

Term used	Explanation
HOCS	Head of Corporate Services
Commissioner	The Scottish Information Commissioner
SMT	Senior Management Team
SPFM	Scottish Public Finance Manual

Introduction

1. There is currently no precise legal definition of fraud. For the purposes of this policy, fraud is defined as **the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party.**
2. This policy is concerned with occupational fraud i.e. fraud committed by the Commissioner's employees or contractors in the course of their work.
3. Occupational fraud and abuses fall into four main categories:
 - Theft, the misappropriation or misuse of assets for personal benefit (or the benefit of a relative, friend or associate).
 - Bribery and corruption.
 - False accounting and/or making fraudulent statements with a view to personal gain or gain for another: for example, falsely claiming hours worked, travel and subsistence expenses, sick leave or special leave (with or without pay).
 - Externally perpetrated fraud against an organisation.
4. All policies and practices adopted by the Commissioner to safeguard the organisation against fraud are in line with the fraud section of the Scottish Public Finance Manual (SPFM)

Policy

5. The Commissioner is committed to preventing fraud and corruption from occurring, to having appropriate systems of detection and correction in place and to maintaining an anti-fraud culture. To achieve this the Commissioner will comply with the requirements of Government Accounting to:
 - Assess the organisation's overall vulnerability to fraud and the specific areas which are most vulnerable.
 - Develop and maintain effective controls to prevent fraud.
 - Ensure that if fraud occurs a vigorous and prompt investigation will take place.
 - Take appropriate disciplinary and legal action in all cases, where justified.
 - Review systems and procedures to prevent similar frauds.
 - Investigate whether there has been a failure in supervision and take appropriate disciplinary action where supervisory failures occurred.
 - Record and report all discovered cases of fraud.
6. The Commissioner will:
 - Not tolerate fraud, impropriety or dishonesty.
 - Investigate all instances of suspected fraud, impropriety, or dishonest conduct by the Commissioner's staff or external organisations.
 - Take action, including dismissal and/or criminal prosecution, against any member of staff defrauding (or attempting to defraud) the Commissioner, other Commissioner

staff, other organisations with which they have contact or the Commissioner's contractors.

- Take action, including criminal prosecution, against external organisations defrauding (or attempting to defraud) the Commissioner, the Commissioner's staff in the course of their work, the Commissioner's contractors or other organisations with whom the Commissioner's staff have contact.
- Co-operate fully with any external investigating body.
- Always seek to recover funds lost through fraud.
- Maintain a Fraud Register, as appropriate and in line with current guidance, in which details of all allegations of fraud, related investigations and conclusions will be logged.
- Monitor and report on fraud in line with its governance arrangements.

7. The Commissioner's staff:

- Must not defraud the Commissioner, other members of the Commissioner's staff, other organisations with which they have contact or the Commissioner's contractors.
- Must demonstrate the highest standards of honesty, propriety and integrity in the exercise of their duties.

8. Concerns which should be reported include, but are not limited to, any member of staff committing or attempting to commit:

- Any dishonest or fraudulent act.
- Forgery or alteration of documents or accounts.
- Misappropriation of funds, supplies or other assets.
- Impropriety in the handling or reporting of money or financial transactions.
- Profiting from an official position.
- Disclosure of official activities or information for advantage.
- Accepting or seeking value from third parties by virtue of official position or duties.
- Theft or misuse of property, facilities or services.

9. External organisations' actions which should be reported include, but are not limited to:

- Being offered a bribe or inducement by a supplier.
- Receiving fraudulent (rather than incorrect) invoices from a supplier.
- Reported allegations of corruption or deception by a supplier.

Responsibilities

10. The maintenance of an anti-fraud culture underpins all work to counter fraud. All of the Commissioner's staff should understand the risk of fraud faced by the office i.e. that fraud is serious and would divert resources away from the Commissioner's primary objectives and would have a negative impact on the reputation of the Commissioner.

11. Responsibilities are as follows:

Job title	Responsibilities
Commissioner	<ol style="list-style-type: none"> 1. Maintain adequate systems of control to mitigate risk relating to fraud occurring, going undetected and not being appropriately challenged 2. Appoint an appropriate person to investigate allegations of fraud if those allegations involve the HOCS, or if the HOCS recommends another party should investigate 1. Approve investigation plans (unless concerning an allegation about the Commissioner)
HOCS	<ol style="list-style-type: none"> 1. Provide assurance to the Commissioner and the SMT of the adequacy of systems to manage the risk relating to fraud 2. Report on fraud to the SMT in line with governance arrangements 3. Investigate allegations of fraud in line with the Commissioner's policy and guidance, unless the subject of an allegation, or with agreement from the Commissioner to an alternative investigator being appointed 4. Draw up an investigation plan for the Commissioner's/SMT approval prior to carrying out an investigation into an allegation of fraud this should be: <ol style="list-style-type: none"> a. proportionate to the allegation b. carried out according to the principles of fairness, natural justice, respect for human rights and equality, impartiality and in the interests of the organisation c. evidence based d. supported by clear and appropriate records of all actions, supporting information and findings e. conclude with a report of findings and recommendations 5. Provide support and guidance to staff in the application of this policy 6. Maintain and review this policy regularly, ensuring that changes in external policy and guidance, or relevant legislation are incorporated promptly 7. Maintain and review this policy, and supporting systems, as appropriate following investigation of an allegation of fraud 8. Ensure that records relating to allegations of fraud are reflected in records management policies and procedures, and managed in accordance with them.¹

All staff	<ol style="list-style-type: none">1. Staff have a personal responsibility to comply with the Commissioner's policy on fraud2. Individuals must report, in confidence, all suspected incidents of fraud to either the HOCS immediately they become aware of them. Guidance on how to do this is detailed in the Employee Handbook and applies to concerns relating to fraud and to any other concerns within the context of the Public Interest Disclosure Act 1998 paragraphs 486 and 487).3. Suspected incidents of fraud must be kept confidential and not discussed except in the context of an investigation.4. Individuals must co-operate fully with any investigation into and allegation of fraud.
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Scottish Information Commissioner

Kinburn Castle
Doubledykes Road
St Andrews, Fife
KY16 9DS

t 01334 464610

f 01334 464611

enquiries@itspublicknowledge.info

www.itspublicknowledge.info