



**Service Policy: LEGPOL05
Fraud and Corruption Policy**

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1.0	23/4/10		Review of Existing draft Policy
1.1	15/4/11		Review of Policy
1.2	13/08/12		Reviewing and amending Policy
1.3	17/10/12		Reviewing and amending policy
1.4	03/04/2013		Reviewed in line with retention Policy
1.5	31/07/2013		Reviewed due to change in legislation
1.6	12/10/15		Changes in legislation and staff
1.7	01/06/17		Reviewed
1.8	01/04/18		Reviewed
1.9	01/04/19		Reviewed
2.0	20/08/2020		Reviewed references updated
2.1	01/04/2022		ANNUAL REVIEW
2.2	01/11/2024		Annual Review and rename Anti-Fraud

Equalities Impact Assessment:

Initial	Full	Date	Reviewed by	Comments
x			ED&I TEAM	LOCATED ON PORTAL

Civil Contingencies Impact Assessment:

Date	Reviewed by	Comments

Related Documents:

Doc. Type	Ref No.	Title	Location
POLICY		Whistleblowing Policy	Portal

Distribution List:

Name	Position	Department

Sign-Off List:

Name	Position

Target Audience:

All MFRS	Principal Officers	Senior Officers	Operational Crews	Fire Safety	Community Fire Safety	Support Staff
X						

Ownership:

FOI exemption required?	Yes	URL
	No	X Reason

Legislation:

Title

Contact:

Department	Email	Telephone ext.

LEGPOL05 Anti Fraud, Bribery and Corruption Policy

1. Policy Introduction and Background:

It is important that the Merseyside Fire & Rescue Authority (the Authority) maintains high standards of probity and has a good reputation for protecting the public purse. The minimisation of losses to fraud, bribery and corruption is essential for ensuring that resources are used for their intended purpose.

The Authority shares these high standards and is committed to protecting the public funds entrusted to it, so as to maximise the resources available for providing community leadership and quality services to its citizens.

The public are entitled to expect the Authority to conduct its affairs with integrity, honesty and openness and demand the highest standards of conduct from those working for it. This Anti-Fraud, Bribery and Corruption Policy outlines the Authority's commitment to creating an anti-fraud culture and maintaining high ethical standards in its administration of public funds.

The Policy is based on a series of comprehensive and inter-related procedures, designed to encourage prevention, promote detection and take effective action in respect of any attempted or actual fraudulent act affecting the Authority.

The Authority is determined to maintain its reputation as an Authority which will not tolerate any fraud, bribery, corruption or abuse of position for personal gain, wherever it may be found in any area of Authority activity.

The District Auditor has statutory duties to ensure that the Authority has in place adequate arrangements for the prevention and detection of fraud, bribery and corruption.

The purpose of this Policy Statement is to set out for Members and Officers of the Authority the main principles for countering fraud, bribery and corruption.

Elected Members, and officers should play a key role in counter-fraud initiatives. This includes providing a corporate framework within which counter-fraud arrangements will flourish, and the promotion of an anti-fraud culture across the whole of the Authority. This should provide a sound defence against internal and external abuse of public funds.

The Authority's Anti-Fraud, Bribery and Corruption Strategy is based on a series of comprehensive and inter-related procedures designed to deter, frustrate, or take effective action against any attempted fraudulent, corrupt or bribery acts affecting the Authority.

2. Policy Explanation:

WHAT IS THE MEANING OF FRAUD, CORRUPTION, THEFT AND BRIBERY?

The following definitions are for the purposes of this policy:

Fraud is the “intentional distortion of financial statements or other records by persons internal or external to the Authority, which is carried out to conceal the misappropriation of assets or otherwise for gain.”

Fraud is therefore a deliberate, dishonest act by an individual or group of people, which can be committed, as per The Fraud Act 2006, by:

- False representation
- Failing to disclose information
- Abuse of position

Corruption is the “offering, giving, soliciting or acceptance of an inducement or reward which may improperly influence the action of any person.

Theft is the dishonest appropriation of property belonging to another with the intention of permanently depriving the other of it.

Bribery, is offering, promising or giving someone a financial or other advantage to induce or reward that person to perform their functions or activities improperly, as per The Bribery Act 2010, which came into force 1st July 2011. It is also an offence to request, receive or accept a bribe.

The Bribery Act 2010 also introduced a corporate offence of failing to prevent bribery, which requires adequate procedures to be in place and appropriately supported from the very top of the Authority.

WHERE MIGHT FRAUD, BRIBERY OR CORRUPTION OCCUR?

Fraud can occur wherever staff or others who deal with the Authority complete official documentation and can take financial advantage of the Authority. The risk of fraud is enhanced where individuals are in positions of trust or responsibility and are not checked or subjected to effective monitoring or validation. The following areas are particularly susceptible to fraud:-

- Claiming for services not performed e.g. overtime payments.
- Misuse of time for example claims for time not used on Authority business or using time for other purposes than undertaking the role that an Officer is employed to undertake
- Travel claims e.g. false journeys claim, expenditure inflated.
- Expense claims e.g. excessive/inappropriate expenses claimed.
- Petty cash e.g. vouchers/receipts submitted but no expenditure incurred.
- Ordering e.g. goods ordered from a friend’s business or goods ordered for personal use, or accepting a lower number of items than ordered.
- Stocks and assets e.g. theft of materials.
- Failing to account for all income received
- Claims by Contractors for goods/services not provided.
- Sickness claims by employees e.g. certifying as sick when not suffering any illness.
- Pension payments e.g. false claims by former employees.
- Cheque interception and manipulation.
- Income misappropriation.
- False Overtime Claims
- Supporting false claims, e.g. feigned injury.
- Managers or Supervisors turning a “blind eye” to subordinates’ actions or showing any

advantage in such issues towards family or friends.

This is not an exhaustive list and both Members and Officers should be alert to other examples of fraud.

Bribery and Corruption can occur wherever staff or others who deal with the Authority can obtain some benefit for the exchange of personal reward. Again the risk of bribery and corruption is enhanced where individuals are in positions of trust or responsibility and are not checked or subjected to effective monitoring or validation. The following areas are particularly susceptible to bribery and corruption however this again is not an exhaustive list and other situations may also be susceptible to bribery and corruption:-

- Awarding of contracts to outside contractors, e.g. where potential contractors offer inducements to officers to award a contract to a particular contractor which does not constitute the most economically advantageous tender or quote.
- Fire safety enforcement action, e.g. where rewards are offered to 'turn a blind eye' to contraventions.
- Giving advantage in recruitment or contracts to a family member or friend or alternatively not declaring an interest in such contract or recruitment where a family member or friend is involved

WHAT IS THE SCOPE OF THIS POLICY

The Policy Statement applies to elected Members, co-opted Members of committees, and all officers (full time, part time, temporary and casual) who work for the Authority. The term "officer" includes all types of employees of the Authority.

The Authority also expects that individuals and organisations (e.g. suppliers, contractors, and service providers) that it deals with will act with integrity and without thought or actions involving fraud, bribery and corruption. Where relevant, the Authority will include appropriate clauses in its contracts about the consequences of fraud, bribery and corruption; evidence of such acts are most likely to lead to a termination of the particular contract and may lead to prosecution.

WHAT IS THE CULTURE AND STANCE AGAINST FRAUD, BRIBERY AND CORRUPTION

Responsibility for an anti-fraud culture is the joint duty of all those involved in giving political direction, determining policy and Management.

The Authority expects that Members and officers at all levels will lead by example in ensuring adherence to legal requirements, standing orders, financial regulations, codes of conduct, procedures and practices.

As part of this culture, the Authority will provide clear routes by which concerns can be raised by both Members and officers, and those outside who are providing, using or paying for public services.

Senior Management is expected to deal swiftly and firmly with those who defraud the Authority or who are corrupt. The Authority, including Members and senior management should be robust in dealing with financial malpractice.

Employees also are alleged to have defrauded the Authority or who have been found to be corrupt, will have the issues dealt with through the Authority's Disciplinary Procedures.

The Authority has appointed an Audit Committee, which recommends and monitors standards of

conduct.

HOW TO RAISE A CONCERN

Although this document specifically refers to fraud, bribery and corruption, it equally applies to all financial malpractice. This includes a wide range of irregularities and criminal acts that are financial or finance-related. It includes, for example, the criminal acts of theft of "property", which includes all assets and cash; false accounting; obtaining by deception; pecuniary advantage by deception; computer abuse and computer crime. Also, it includes bribery and corruption although this is not an exhaustive list and other acts or omissions may also be deemed to be financial malpractice. Officers and Members can be exposed to a number of "pressures", from contractors, landlords, the public etc. to act in a particular way in a particular case; this may involve "favouritism" regarding the access to all kinds of services and benefits (e.g. gaining contracts, or deciding not to take enforcement action).

Members and officers are an important element in the Authority's stance on fraud, bribery and corruption, and they are positively encouraged and expected to raise any concerns that they may have on these issues where they are associated with the Authority's activity.

Officers should normally raise concerns through their immediate manager, however it is recognised that they may feel inhibited in certain circumstances. In this case, officers or Members should contact either the Chief Fire Officer, the Deputy Chief Fire Officer, the Monitoring Officer or the Head of Internal Audit. The Authority's "Whistle Blowing" Policy gives further guidance on how to raise concerns and it gives details about the support and safeguards that are available to those that do raise concerns.

Concerns will be treated in confidence, properly investigated and dealt with fairly.

There is, of course, a need to ensure that any investigation process is not misused, therefore, any internal abuse may be dealt with as a disciplinary matter. However it should be noted that The Enterprise and Regulatory Act 2013 although requiring all disclosures to be made in the public interest, does not forbid disclosures which are not made in good faith. In such circumstances, should a worker be dismissed for making such a disclosure, a Tribunal could reduce any award it makes to the complainant by no more than 25%

3. Policy Implementation:

WHAT IS ANTI-FRAUD, BRIBERY AND CORRUPTION STRATEGY?

This Policy Statement also forms an important part of the Anti-Fraud, Bribery & Corruption Strategy by setting out the tone, culture and expectations of the Authority, as part of the corporate framework.

The Strategy involves the corporate control framework, prevention, detection and investigation, training and deterrence; details of these key features are shown in the Strategy itself.

WHO IS THE RESPONSIBLE OFFICER?

Under Section 73 of the Local Government Act 1985 and The Accounts and Audit Regulations 2015

(‘the Regulations’), the "Responsible Financial Officer" (i.e. the Treasurer) is responsible for ensuring that the Authority has control systems and measures in place "to enable the prevention and detection of inaccuracies and fraud, and the ability to reconstitute any lost records". An Anti-Fraud, Bribery & Corruption Policy Statement and Strategy helps towards discharging part of this responsibility.

The Authority has responsibility for ensuring that the Responsible Financial Officer complies with the duties under these Regulations. By virtue of the Authority’s delegated powers and Section 5 of The Regulations the Authority has delegated to the Treasurer, the responsibility for maintaining "an adequate and effective system of internal audit of the Authority’s accounting records and control systems", together with the statutory right of access to documents, records, information and explanations considered necessary for that purpose.

Accordingly, the Treasurer will, in conjunction with the Monitoring Officer:-

- take overall responsibility for the maintenance operation and review of this Policy;
- maintain records of financial malpractice, including concerns and allegations received; matters arising from audits; investigations and evidence; and the outcomes;
- Report as necessary to the Authority.

Related documents:

Anti-Fraud, Bribery & Corruption Strategy – April 2012

All Policies can be found on the [Website](#)