

Anti-Fraud Policy and Fraud Response Plan

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 employees or contractors in the course of their work.
3. Occupational fraud and abuses fall into four main categories:
 - i. Theft, the misappropriation or misuse of assets for personal benefit (or the benefit of a relative, friend or associate)
 - ii. Bribery and corruption
 - iii. 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)
 - iv. Externally perpetrated fraud against an organisation
4. All policies and practices adopted by Scotland's Commissioner for Children and Young People to safeguard the organisation against fraud are in line with the [fraud section of the Scottish Public Finance Manual](#) (SPFM) and HM Treasury's document: [Managing the Risk of Fraud - a Guide for Managers.](#)

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 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 staff, other organisations with which they have contact or contractors.
- take action - including criminal prosecution - against external organisations defrauding (or attempting to defraud) the Commissioner, staff in the course of their work, contractors or other organisations with whom the Commissioner has contact.
- co-operate fully with any external investigating body.
- always seek to recover funds lost through fraud.
- maintain a Fraud Register which will log details of all allegations of fraud, their investigation and conclusions.
- monitor and report on fraud in line with its governance arrangements.

7. Staff

- must not defraud the Commissioner, other staff and other organisations with which they have contact or 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, 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 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
Scotland's Commissioner for Children & Young People	<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 a Line Manager, or if the Line Manager recommends another party should investigate 3. Approve investigation plans (unless concerning an allegation about the Commissioner)
MT	<ol style="list-style-type: none"> 1. Monitor reports relating to fraud and investigations of allegations of fraud in line with governance arrangements. 2. Actively manage risk relating to fraud in line with the Risk Management Policy 3. Enforce the Commissioner's anti-fraud policy 4. Appoint an appropriate investigator and approve investigation plans if an allegation is made about the Commissioner

	5. Communicate this policy and changes to it to all staff
Head of Corporate Services	<ol style="list-style-type: none"> 1. Provide assurance to the Commissioner and Management Team of the adequacy of systems to manage the risk relating to fraud 2. Report on fraud to the Management Team 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 Commissioner/MT 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.
All staff	1. Staff have a personal responsibility to comply with

	<p>the Commissioner's policy on fraud</p> <ol style="list-style-type: none">2. Individuals must report, in confidence, all suspected incidents of fraud to either their line manager or the Commissioner immediately they become aware of them.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.
--	--

Appendix: Document Control

Document Information				
Document name	Anti Fraud Policy and Response Plan			
TRIM No.	DOC/14/159			
Type	Policy and Procedures			
Prepared by	Head of Corporate Services			
Date	18/02/2014			
Approval				
Approved by	Management Team			
Approval Date	18/02/2014			
For publication (Y/N)	Yes			
Review				
Responsible Manager	Head of Corporate Services			
Date of next review	August 2015			
Publication				
Date published	29/05/2015			
Date guide to information updated	29/05/2015			
Associated Documents				
Document name(s)				
TRIM Number(s)				
Summary of changes to document				
Date	Action by (initials)	Version updated (e.g. v1)	New version no. (e.g. v2)	Brief description (e.g. updated section 1, corrected typos, reformatted)