



PSPS
Public Sector Partnership Services Ltd

Fraud Prevention Policy

October 2022

Document Title	Fraud Prevention Policy
Version	2
Policy Owner	Chief Finance Officer
Policy Issue Date	October 2022
Review Period	Every 3 Years
Date of Next Review	October 2025
Committees Considered	PSPS Board of Directors PSPS Senior Leadership Team

Introduction

FRAUD is a deception which is deliberate and intended to provide a direct or indirect personal gain. The term “fraud” can include criminal deception, forgery, blackmail, corruption, theft, conspiracy or the covering up of material facts and collusion.

By using deception, a fraudster can obtain an advantage, avoid an obligation or cause loss to another party. The Fraud Act 2006 identifies three criminal offences:

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

CORRUPTION is the deliberate misuse of your position for direct or indirect personal gain. “Corruption” includes offering, giving, requesting, or accepting a bribe or reward, which influences your actions or the actions of someone else.

THEFT is where someone steals cash or other property. A person is guilty of “theft” if he or she dishonestly takes property belonging to someone else and has no intention of returning it.

BRIBERY is, if someone was to try to offer an incentive to ensure that, for example, a planning application was approved, or conversely someone accepted or asked for something of material value from contractors, suppliers, or persons in return for their being approved to provide services / goods to the Company.

MONEY LAUNDERING is a term applied to any method used to convert or exchange money or assets obtained from criminal activity into money or assets that are “clean”, in such a way that the “clean” money can no longer be linked back to the criminal activity. Whilst the risk of money laundering to PSPS is relatively low and the provisions of the Money Laundering Regulations 2007 do not strictly apply to PSPS as an organisation, PSPS has adopted an Anti-Money Laundering Policy. This Policy supports all staff in complying with the money laundering provisions included within the Proceeds of Crime Act 2002 and the Terrorism Act 2000.

We are committed to the highest possible standards of openness, probity, honesty, integrity and accountability. We expect all staff, managers, directors, and partners to apply these standards which are included in our codes of conduct.

We will seek to deter and prevent fraud, corruption, and theft to ensure that all risks in these areas are reduced to the lowest level possible. Where we suspect or detect fraud, corruption or theft we will thoroughly investigate and deal with any proven fraud in a consistent and balanced way. We will apply appropriate sanctions against those committing fraud and will attempt to recover all losses.

The legal framework for fraud and corruption is defined by a number of acts. Primarily, the Fraud Act 2006 establishes a criminal liability for fraud through either false representation, failing to disclose information or abuse of position. Section 17 of the Theft Act 1968 creates

an offence of destroying, defacing concealing or falsifying any account, record or document made, or required, for any accounting purposes.

The Bribery Act 2010 makes it an offence to attempt to bribe someone or receive a bribe where that may result in improper discharge of a public function.

Scope

The key objectives of this policy are to:

- Increase staff, manager, and director awareness of the corporate counter fraud culture which the Company actively supports and to encourage individuals to promptly report suspicions of fraudulent or corrupt behaviour
- Communicate to partners, suppliers, contractors, and other organisations that interact with the Company that it expects them to maintain standards aimed at minimising fraud and corruption in their dealings with the Company.
- Demonstrate the arrangements that the Company has in place to counter fraud and corruption
- Minimise the likelihood and extent of losses through fraud and corruption

This policy applies to:

- All PSPS Company Directors
- All PSPS Senior Managers, People Managers, and staff
- Company partners, contractors, suppliers, and consultant
- Members of the public

Key Points

The main aims of this policy are to:

- Ensure that all employees are supported and enabled, to meet the changing demands of the Company so the business achieves its strategic objectives.
- Facilitate employee development and/or personal development through assisting employees to broaden, deepen and thereby further enhance their existing skill base.
- Provide a working environment where continuous learning and development takes place to help employees in their roles, increase motivation and enhance employee retention

Table of Contents

1. Policy Statement	4
2. What is meant by Fraud, Corruption and Bribery	4
3. Our Approach	6
4. Implementation	8
5. Monitoring	9
6. Related Policies and Strategies	9
7. Useful Resources	9

1. Policy Statement

PSPS is committed to preventing and detecting all forms of fraud, corruption, theft and bribery. We will act against anyone who attempts to defraud the Company, whether they are our own employees or directors, external organisations, or members of the public.

The Company's ambition is to continue to increase the prosperity and commercial wellbeing of our business whilst also providing value for money quality services to our clients and expect all our directors, managers, and staff to lead by example, working to the highest standards and safeguarding the resources they are responsible for.

We will adopt a risk-based approach to eradicating fraud, corruption, theft and bribery and promote zero tolerance, and use tools identified in the Local Government Fraud Strategy, Fighting Fraud Locally.

2. What is meant by Fraud, Corruption and Bribery

This policy outlines our approach to eradicating fraud, corruption, theft, and bribery.

Throughout this policy, these terms are defined as:

- Deliberately falsifying substituting or destroying records for personal gain
- Falsifying time sheets, expenses, or mileage claims
- Failure to declare an interest
- Intentional breaches of financial regulations and procedures
- The offer, giving or acceptance of inducements to influence action or decisions by the Company
- Selling Company equipment inappropriately
- Abuse of position as employee to benefit friends, family, or others
- Use of deception with the intention of obtaining an advantage, avoiding an obligation, or causing loss to another party
- Theft of funds, services or assets from the Company or its partners
- Evading liability for payment
- Working whilst on sick leave

The act of attempted fraud will be treated as seriously as actual fraud. The Bribery Act 2010 makes it possible for senior managers to be convicted where they are deemed to have given

their consent or tacit approval in giving or receiving a bribe. It also created the corporate offence of “Failing to prevent bribery on behalf of a commercial organisation.” To protect itself against the corporate offence the Act also requires organisations to have “adequate procedures in place to prevent bribery.”

This policy statement and associated codes of conduct are designed to meet that requirement.

Stakeholder	Specific Responsibility
Chief Executive	Accountable for the Company's overall governance arrangements including the procedures and effectiveness of the Company's arrangements for countering fraud and corruption
Chief Finance Officer	To ensure that effective procedures are in place to investigate promptly any fraud or irregularity. To evaluate the adequacy and effectiveness of internal controls designed to secure assets and data and to assist management in preventing and deterring fraud and abuse and to examine the whole system of internal controls and not just the financial controls
Head of HR & Organisational Development	Along with the Chief Finance Officer to ensure that effective procedures are in place to investigate promptly any fraud or irregularity related to staff or workers and in line with Disciplinary policy.
Senior Leadership Team	The Senior Leadership Team are responsible for the Company's arrangements to manage risk. To champion and promote the development of a strong counter fraud culture
Board of Directors	To review the Company's arrangements to counter fraud and corruption, with particular regard to the policies on: Whistleblowing, Anti-Bribery & Corruption, and Anti-Money Laundering Policies To support and promote the development of a strong counter fraud culture
External Audit	Statutory duty to ensure that the Company has in place adequate arrangements for the prevention and detection of fraud, corruption, and theft.
Internal Audit	Provide resources to implement the Company's counter fraud policy and for the prompt investigation of suspected fraud and irregularities To ensure that action is taken to improve controls and reduce the risk of fraud
Managers	Identify the risks to which systems, operation and procedures are exposed; developing and maintaining effective controls to prevent and detect fraud; ensuring controls are complied with.

	<p>Notify the Chief Finance Officer immediately of any suspected fraud, irregularity, improper use or misappropriation of the Company's property or resources.</p> <p>Pending investigation and reporting, taking all necessary steps to prevent further loss and to secure records and documentation against removal or alteration</p>
Staff	To comply with Company policies and procedures, to be aware of the possibility of fraud, corruption and theft, and to report any concerns immediately to their manager or the Chief Finance Officer
Public, Partners, Suppliers, Contractors and Consultants	To be aware of the possibility of fraud and corruption against the Company and report any concerns or suspicions

3. Our Approach

We will fulfil our responsibility to reduce fraud and protect our resources by using a strategic approach consistent with that outlined in the Local Government Fraud Strategy - Fighting Fraud Locally.

The three key themes are **Acknowledge – Prevent – Pursue**:

ACKNOWLEDGE	
Committing Support	<p>The Company will have commitment to tackling the fraud threat. We have robust whistle blowing procedures which support those who come forward to report suspected fraud.</p> <p>All reports will be treated seriously and acted upon. We will not, however, tolerate malicious allegations.</p>
Assessing and Understanding Risks	<p>We will continuously assess those areas most vulnerable to the risk of fraud in conjunction with our Risk Management arrangements and risk based Internal Audit reviews.</p> <p>Through these assessments we can understand how fraud affects the Company and what we can do about it.</p>
Robust Response	We will strengthen measures to prevent fraud – the Internal Audit service and the Senior Leadership Team will work with managers and policy makers to ensure new and existing systems and policy initiatives are adequately fraud proofed.

PREVENT	
Better Use of Information & Technology Working with Others	<p>We will make greater use of data and analytical software to prevent and detect fraudulent activity. We will look for opportunities to share data and fraud intelligence to increase our capability to uncover potential and actual fraud.</p> <p>Our systems are designed to meet key control objectives and minimise the opportunity for fraud. We will continue to review systems and make sure appropriate internal controls are in place and adhered to and implement improvements.</p>
Anti-Fraud Culture	<p>We will promote and develop a strong counter fraud culture, raise awareness, and provide information on all aspects of our counter fraud work. This will include publicising the results of all proactive work, fraud investigations, successful sanctions, and any recovery of losses due to fraud.</p> <p>We will work to a corporate framework that identifies responsibilities for decision making and rules of procedure and ensures the highest standards of conduct are practiced by staff, managers, directors, and those we do business with.</p> <p>We will carry out due diligence when appointing staff, carrying out appropriate pre-employment checks and qualifications and providing appropriate training.</p>
Corporate approach	Through the Corporate Risk Management framework and risk based Internal Audit reviews we will identify potentially vulnerable areas.

PURSUE	
Fraud Recovery	A crucial element of our response to tackling fraud is recovering any monies lost through fraud – this is an important part of our strategy and will be rigorously pursued, where possible.
Punishing Fraudsters	We will apply realistic and effective sanctions for individuals or organisations where an investigation reveals fraudulent activity. This may include legal action, criminal and/or disciplinary action, where appropriate.
Enforcement	Investigate any fraud detected through the planned proactive work, cases of suspected fraud referred from internal or external stakeholders or received via the whistle blowing arrangements.

4. Implementation

Managers are responsible for making sure that all staff are familiar with the content of this policy. Under its terms of reference, it is the role of the Board of Directors to review the Company procedures, incidents and actions for handling allegations from whistle blowers, and Counter fraud corruption and bribery policy.

The Chief Finance Officer is responsible for making sure that the Company has control systems and measures in place and is accountable for the implementation of this policy.

There is a source of support for Fraud under the Company's Internal Audit Contract. Communication plans and training are very important in highlighting awareness and the Senior Leadership Team and Managers have a key role to play in making sure this happens.

Reporting concerns of Fraud, Corruption and Bribery

Anyone who has a concern that a potential incident of fraud, corruption or bribery has arisen should always attempt to raise these concerns at the earliest opportunity. The Company acknowledges that this can be difficult and challenging to do in some cases and the Whistleblowing Policy has been established in order to provide those raising concerns with a safe avenue with which to do so.

It also offers sources of advice and guidance that they may turn to. The Whistleblowing Policy can be found on the Company's intranet and internet sites.

5. Monitoring

This policy is to be reviewed at least every three years (or more frequently if required by changes to statutory legislation). Prior to any approval, the following parties shall be consulted:

- PSPS Senior Leadership Team
- PSPS Board of Directors

6 Related Policies and Strategies

PSPS Financial Regulations

PSPS Code of Conduct

PSPS Disciplinary Policy

PSPS Information Security Policy Framework

PSPS Anti-Bribery & Corruption Policy

PSPS Anti-Money Laundering Policy

PSPS Whistleblowing Policy

7 Useful Resources

Financial Services Register and the Financial Conduct Authority (FCA) Warning List

Use the Financial Services Register at www.fca.org.uk/firms/financial-services-register to ensure they are authorised. You can then use the details on the register to contact the firm.

If there are no contact details on the FS Register or if you are told that the current details are out of date you can contact the FCA Consumer Helpline on + 44 (0) 800 111 6768 or carry out a search on the FCA's Warning List at <https://www.fca.org.uk/scamsmart> or <https://www.fca.org.uk/scamsmart/about-fca-warning-list>

The FCA also maintains a list of unauthorised overseas firms which are targeting, or have targeted, UK investors on its website. Any approach from such organisations should be reported to the FCA so that this list can be kept up-to-date, and any other appropriate action can be considered.

You can report an unauthorised firm by contacting the FCA's consumer helpline on +44 (0) 800 111 6768 or through www.fca.org.uk/consumers/report-scam-unauthorised-firm

Please note that if you deal with an unauthorised firm, you would not be eligible to receive payment under the Financial Services Compensation Scheme

Serious Fraud Office

The SFO investigate, and where appropriate, prosecutes cases of serious or complex fraud which, call for the multidisciplinary approach and legislative powers of the SFO.

<https://www.sfo.gov.uk/>

Action Fraud

If you have lost money in a scam, contact Action Fraud on 0300 123 2040 or

www.actionfraud.police.uk