

# Fraud Response Plan

Counter-Fraud, Bribery and Corruption



**STRONGER  
FAIRER  
GREENER**



## Document Control

<b>Organisation</b>	Cardiff Council
<b>Title</b>	Fraud Response Plan
<b>Author</b>	Audit Manager
<b>Owner</b>	Corporate Director Resources, Section 151 Officer
<b>Review date</b>	Biennially

## Revision History

<b>Revision Date</b>	<b>Revision</b>	<b>Previous Version</b>	<b>Description of Revision</b>
2018	1.0		Initial document
July 2023	1.1	1.0	Reflecting Counter-Fraud, Bribery and Corruption Strategy updates

<b>Contents</b>		<b>Page</b>
1.	Introduction	1
2.	Scope	1
3.	Action to be taken	2
4.	Fraud response	3
5.	Training and Guidance	4
6.	Review	4

## 1. Introduction

### 1.1 This Fraud Response Plan:

- Defines how the council will respond to allegations, and provides guidance on the steps that should be followed, in the event of a suspicion of fraud, bribery, corruption or financial impropriety, either actual or attempted, within or against the Council. This plan should be read alongside the Counter-Fraud, Bribery and Corruption Strategy and Counter-Fraud, Bribery and Corruption Policy, the Whistleblowing Policy, and Disciplinary Policy.
- Is aligned to delivering the objectives of the Counter-Fraud, Bribery and Corruption Strategy, through which a Zero Tolerance approach to fraud, bribery and corruption is communicated, and Officers and Members are required to act honestly and with integrity at all times, and to promptly report concerns.
- Has been written to include, so far as is reasonable, preventative procedures in relation to Corporate Criminal Offence, pursuant to section 45(2) of the Criminal Finances Act 2017.

### 1.2 The Council will 'Govern' with robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the Council.

### 1.3 It is important that we all recognise our personal accountability for managing the risk of fraud, bribery, and corruption. To be able to 'acknowledge', 'prevent' and 'pursue' potential instances of fraud we need to work together, and each understand the active role we must play.

### 1.4 The Council will take action to recover any losses through fraud, bribery, and corruption for example, through agreement, court action, penalties, insurance etc.

## 2. Scope

### 2.1 This Fraud Response Plan sets out the approach dealing with suspicions or allegations of fraud, financial impropriety, bribery, and corruption. It is concerned with any act or activity that puts the Council's resources at risk.

This plan applies to all Council officers and is commended to all Schools for consideration and adoption by their respective Governing Bodies.

### 2.2 There are a number of ways in which concerns may arise, for example:

- Discoveries by managers or other employees
- Referral from a concerned member of the public
- Proactive exercises (data matching / data analytics)
- Intelligence from external partners
- Routine systems audit checks or specific audit checks on high-risk areas

- 2.3 Example areas of concern include: theft / misappropriation of assets, facilitation of tax evasion (Corporate Criminal Offence), business rates, council tax liability, council tax reduction, economic support, employee misconduct, grants, housing and tenancy, mandate, procurement, housing benefit (housing benefit fraud is investigated by the Department for Work and Pensions).
- 2.4 This plan must be invoked immediately where there are suspicions or allegations of fraud, bribery, corruption, or financial impropriety.
- 2.5 If in doubt, seek advice from the Internal Audit, Corporate Fraud Investigation Team.
- 2.6 It is advised that those tasked with administering the Plan have also received adequate Equality/Unconscious Bias training to ensure fairness throughout the process.

### 3. Action to be taken

- 3.1 The Section 151 Officer has overall responsibility for financial stewardship across the Council and as such seeks assurance, through the Audit Manager, that a proper investigation is undertaken.
- 3.2 There is a requirement that all suspicions or concerns in respect of fraud, financial irregularities, theft / loss of property or assets are reported to the Audit Manager, via the Corporate Fraud Investigation Team, without delay.
- 3.3 The action to be taken is detailed below, in respect of **a.** 'Employees and those working on behalf of the council', and **b.** 'Concerns relating to persons external to the Council as follows:
  - a. Concerns relating to conduct of employees or those working on behalf of the Council**
- 3.4 **Internal Fraud** - for example, theft of property / assets, exaggerated claims. Investigations will be conducted in accordance with the Council's Counter-Fraud Bribery, and Corruption and Disciplinary Policies.
- 3.5 If you have suspicions or concerns, you should:
  - **Note your concerns**  
Record details such as names, descriptions, dates, times, details of conversations and possible witnesses. Time, date and sign your notes.
  - **Preserve evidence**  
It is imperative that all available evidence is preserved / secured lawfully and held securely, without alerting individuals who are thought to be involved. Do not recycle, delete, destroy, edit, annotate, or mark electronic or physical evidence.
  - **Report your concerns promptly**  
Discuss your concerns with your line manager, or report the matter direct to the Audit Manager or the Section 151 Officer / Corporate Director Resources.

- **Maintain confidentiality**  
Do not tell anyone else about your suspicions;  
Do not approach any of the named individuals;  
Do not carry out an investigation yourself, as this may damage any subsequent investigation and potentially put you at risk.

#### **b. Concerns relating to persons external to the Council**

3.6 **External Fraud** - for example, Council Tax Liability, Council Tax Reduction, Housing and Tenancy frauds (not housing benefit fraud\*).

3.7 If you have suspicions or concerns, you should:

- **Report your concerns promptly**  
Referrals should be submitted to the Corporate Fraud Investigation Team either via existing approved routes, the Council's [Website](#), or by emailing: [fraud@cardiff.gov.uk](mailto:fraud@cardiff.gov.uk). Please provide as much information as possible, to include where known, the name and address of the subject(s) of concern, what it is that they are thought to be doing wrong, how long it has been going on, who else is involved, descriptions of individuals and any other relevant information.

3.8 Whenever possible the Investigating Officer will provide relevant feedback to the referrer (subject to DPA / GDPR considerations).

## **4. Fraud response**

4.1 The Council has a dedicated Corporate Fraud Investigation Team, consisting of professionally trained investigators who focus on financial probity and security and carry out investigations for the prevention and detection of crime.

4.2 It is a legal right to receive services from the Council in English or Welsh according to choice. Correspondence will be received, and investigations will be conducted in accordance with the Welsh Language Standards. Arrangements are in place to communicate with individuals and progress fraud issues and concerns in other languages as required.

4.3 Investigations will be undertaken with consideration for the relevant legislation, regulations, policies, and procedures.

4.4 On completion of the investigation the investigating officer will prepare a full written report setting out the background, findings of the investigation, and recommendations to reduce further exposure if fraud is proven.

4.5 Should a criminal investigation identify that the perpetrator is an employee, normally, at the conclusion of the investigation, Human Resources will be contacted and if appropriate, contact will be made with the employing Directorate. Dependant on the employee's role, there may be a requirement (e.g., Safeguarding) to contact the employing Directorate prior to the conclusion of the criminal investigation.

- 4.6 In all cases of fraud, the Council will vigorously pursue the recovery of property and overpaid monies and will use all means available, including civil sanctions. As appropriate fraudsters will be subject to criminal action which could include prosecution.

## Members of the public

- 4.7 The council encourages members of the public to report suspicions of a breach of security, theft, irregularities concerning cash, stores or other property of the Council, or any suspected irregularity in the exercise of the functions of the Council. If possible, refer to information available on the Council's Fraud web page:

[Your Council/Council Finance/Managing the Council's Finances/Fraud](#)

Alternatively contact the Council's Internal Audit, Corporate Fraud Investigation Team:

Email: [fraud@cardiff.gov.uk](mailto:fraud@cardiff.gov.uk)

Post: Audit Manager  
Internal Audit Section  
Cardiff Council  
County Hall  
Cardiff  
CF10 4UW

## 5. Training and Guidance

- 5.1 The Corporate Fraud Investigation Team will provide face to face and eLearning fraud awareness training, and guidance to employees.
- 5.2 Requests for training, and questions in relation to this plan, should be directed to the Corporate Fraud Investigation Team ([fraud@cardiff.gov.uk](mailto:fraud@cardiff.gov.uk)).

## 6. Review

- 6.1 Internal Audit will conduct a review of this Fraud Response Plan biennially or more frequently if required, to ensure that it reflects changes which may be necessary to strengthen future responses by the Council to fraud, bribery, and corruption, and to ensure that the procedures reflect current best practice.
- 6.2 Reviews will be overseen by the Audit Manager who shall have authority, in consultation with the Corporate Director Resources and Portfolio Cabinet Member, to make any minor amendments to ensure the Plan remains effective. Material and strategic updates to be approved by Cabinet after consideration by the Governance and Audit Committee.