



Welsh Government Counter Fraud and Corruption Policy

Introduction

The Welsh Government has a zero tolerance to Fraud and Corruption. This policy sets out our commitment to prevent and detect fraud and corruption impacting upon the Welsh Government both internally and externally. Any level of fraud or corruption will be thoroughly investigated.

Who does this Policy apply to?

This Policy applies to all Welsh Government employees and any contractors or agents working on its behalf. Managers and supervisors have added responsibility to ensure their staff comply with this policy and to ensure that effective internal controls are in place to prevent fraud and corruption.

Counter Fraud staff are available for advice and training to assist and their details are below:

Contacts

Stephen Tooby – Head of Counter Fraud – Tel: 03000256408
(Stephen.tooby@gov.wales)

XXXXXXXXXXXXXXXX – Senior IT Auditor & Counter Fraud – XXXXXXXXXXXX

Mandatory requirements

- ❖ Completion and review of a [Fraud and Corruption Risk Assessment](#) for each area. The Fraud & Corruption Risk Registers are a tool to protect the organisation from significant financial and reputational risk. To understand those risks and weaknesses in controls. Once identified and understood they require individual ownership and responsibility from someone suitably empowered to regularly monitor and review the risks and engaging all those who have a role to play in implementing the mitigating actions. The monitoring and review must be recorded at least every 6 months and submitted to the Counter Fraud Team in order that the higher risks are identified in a corporate

Fraud & Corruption Risk Register. Even recording no change indicates some review of the risks.

- ❖ **Fraud proof** (controls to prevent fraud specifically) **all policy documents** obtaining advice from Counter Fraud;
- ❖ Comply with the **Fraud Response Plan** immediately when fraud is suspected;

The Welsh Government commits to:

- A zero tolerance of all fraud and corruption and the investigation of every allegation or suspicion of fraud or corruption and to take positive action against anyone committing such offences;
- Upholding all UK legislation relevant to countering fraud, or its associated offences including the Bribery Act 2010.
- and the principles it requires to be in place namely:
 - **Proportionate procedures.** Bribery prevention procedures should be proportionate to the risks faced by the organization and to the nature, scale and complexity of its activities;
 - **Top-level commitment** of the organisation and its board and persons with significant control to ensure commitment to prevent bribery and foster a culture within the organisation that bribery is never acceptable;
 - **Fraud & Corruption Risk** - regularly reviewed and recoded even where no change;
 - **Due diligence** including conflicts of interest, gifts & hospitality, governance and controls;
 - **Communication** and awareness, including the training of employees;
 - **Monitoring and review** to ensure controls are being used and that all the principles of this act are enforced and regularly reviewed and a record of this is kept.
- Requiring all staff to act with integrity, being open and honest to safeguard public resources including identification of fraud and corruption in line with the Civil Service Code, (Duty to report any wrongdoing);
- A Fraud and Corruption Response Plan (FRCP) to assist all staff in knowing what to do should they encounter fraud or suspicion of fraud or have such an allegation made to them. (This is an important document to ensure evidence is not lost and that suspicions are reported expeditiously and not delayed);
- Regularly assessing the nature and extent of risks relating to fraud and corruption through:
 - ❖ Fraud and Corruption Risk Assessments (**Mandatory**);
 - ❖ Internal Audit;
 - ❖ minimum standards of due diligence and monitoring;
 - ❖ Fraud data systems;
 - ❖ De-briefing cases where lessons can be learnt;

- ❖ Considering all data analytical opportunities to identify fraud;
 - ❖ Considering opportunities to pilot data sharing to prevent or detect fraud under the Digital Economy Act 2017.
- Providing sufficient resources to the Counter Fraud Team to enable them to operate efficiently and effectively;
 - To provide capacity for anti-fraud, bribery and corruption training to all areas of the Welsh Government that require it;
 - To provide capacity for fraud proofing policies, terms & conditions and any other area requiring counter fraud advice;
 - Line Managers to request fraud and corruption training from the Counter Fraud Team for themselves and their staff to be aware of what fraud is, how to prevent and/or mitigate it, and to be current and aware of lessons learnt and current fraud trends.
 - Have practical, cost effective controls and procedures in place to prevent and proactively identify fraud, bribery and corruption or the threat of fraud, bribery and corruption;
 - Have a process to enable all personnel to raise or report any matter of genuine concern, with discretion and confidentiality, and to be able to use the Whistle-blowing Policy and the protection it affords under PIDA;
 - Staff to notify the Counter Fraud Team of any allegation or evidence of fraud or suspicion of fraud or corruption provided by any external whistle-blower or witness. Whether the person is identified or wishes to remain anonymous in order that the Counter Fraud Team can advise on the process to follow in compliance with criminal law.
 - Maintain and clearly communicate its expectations to staff through a Code of Conduct and Terms and Conditions of Employment;
 - Ensuring that those it does business with are committed to:
 - ❖ our standards of appropriate and reasonable due diligence to protect and provide value for Welsh public money;
 - ❖ intolerance to fraud, bribery and corruption;
 - ❖ being alert to the risk of fraud, bribery and other irregularities both within the organisation and with organisations with which the company contracts and reports any matters of potential concern to Welsh Government;
 - Acting positively to any breach of this Policy, which may ultimately lead to disciplinary action, or dismissal;
 - Have an External Assurance Panel (EAP) Chaired by the Director of Governance and Ethics, with a membership that includes the
 - Director of HR;

- Deputy Director Audit, Assurance and Counter Fraud;
 - Head of Counter Fraud;
 - Legal Services representative;
 - Head of Compliance/Governance from ESNR, EPS, HSS;
 - Representative from the Corporate Governance Unit;
 - Head of the Public Bodies Unit;
 - Head of the Grants Centre of Excellence;
 - Trade Union Representative
- to monitor and action allegations and suspicions of fraud;
- Formally refer any fraud or criminal matter to the police with the agreement of the EAP should criminal activity be suspected or evidenced;
 - Work with the police and other law enforcement organisations when necessary, in securing and providing any available evidence relating to an allegation or suspicion of fraud upon the Welsh Government;
 - Collaboration with other agencies to share data when it is mutually beneficial to prevent or investigate suspicion of criminality and to protect public money. Sharing of data is a permissible under these circumstances. If that data includes personal information then we must comply with GDPR and DPA.
 - Any decision not to proceed with disciplinary action in cases of serious fraud, (other than where the employee is being prosecuted) must be taken by at least a Director General.