

REPORTING CONCERNS – FRAUD AND CORRUPTION

Introduction

The public has a right to expect that Perth & Kinross Council uses its resources properly and honestly. While the Council prides itself on the integrity of those who serve it, it is important that adequate measures should be in place to prevent, detect and investigate fraud or corruption.

This policy applies to all elected members, employees and contractors to the Council; it describes what can, should (and should not) be done if an instance of suspected fraud or corruption comes to light.

It is not intended that this procedure should be used to object to policy decisions of the Council or in connection with grievances unconnected with fraud, corruption or financial irregularity. In these cases, you should follow the Council's complaints process or internal grievance procedures for employees as appropriate.

Fraud and Corruption

Broadly speaking, fraud and corruption both involve a dishonest (usually financial) gain. In the case of fraud, this is achieved by deceit, for example by falsifying financial records. In the case of corruption, the gain is achieved by improperly offering an inducement of some sort (i.e. a bribe). Fraud and corruption are both serious criminal offences. The council does not tolerate fraud, corruption or malpractice of any sort on the part of its members, employees or contractors.

Preventing Fraud and Corruption

The most effective way to fight fraud and corruption is to prevent it happening in the first place. The Council seeks to achieve this by promoting awareness among Council employees and the public and by creating a culture of openness in which concerns can be discussed and dealt with. The Council trains its members and employees and makes its procedures and standards available in written form to all; these include codes of conduct governing the behaviour of elected members and employees. In addition, each area of the Council's operations is regulated by written instructions that set out the procedures to be followed. These incorporate management controls that act to deter and detect inaccurate work or dishonesty. These controls are regularly reviewed and continually improved. Everyone who works for the council, in whatever capacity, is expected to abide by the rules.

The Council has a Policy on Fraud and Corruption which describes these arrangements in more detail.

Suspected Fraud or Corruption

If you have reason to believe that fraud, corruption or similar malpractice involving the Council has taken place, is taking place or is likely to take place, then you should report it immediately. Prompt reporting will enable the Council to act more quickly and may help to minimise any losses.

The Council's Internal Audit team has responsibility for investigating suspected or alleged fraud, corruption and financial irregularities within the Council. Internal Audit is independent of all day-to-day Council operations. You can write to: The Chief Internal Auditor, Corporate Services, Perth & Kinross Council, High Street, Perth, PH1 5PH, marking your letter as 'Confidential'. Alternatively, you can telephone (01738) 475524. Depending on the nature of the concern, you may also wish to notify the relevant Executive Director.

Complaints regarding suspected benefit fraud should be referred to the Council's Housing Benefit Enquiries Officers.

Reporting in the appropriate way will help to ensure that your concerns are addressed rapidly where necessary. It is important that you should not challenge or do anything to alert the alleged perpetrator, in order to ensure that the necessary evidence is available to any subsequent investigation.

It is better that you should raise your concerns at an early stage, even if you are not sure that they are justified. By doing this, you may draw attention to an area of weakness in the Council's operations that can be strengthened before a potential or minor problem becomes more serious.

Providing Information

If you contact the Council in this way, you will be asked to provide details of all the evidence available to you. You may be asked to make the originals of any relevant documentation available to the appointed investigator and you may be asked to provide a signed statement.

You should not attempt to carry out an investigation yourself, as this can result in the inadvertent destruction of evidence and can jeopardise any future enquiries.

If you are a Council employee, you should read the Council's 'Procedure for Employees to Report Concerns' before you make allegations against a specific individual. The Council will not penalise its employees for allegations made in good faith; disciplinary action may however be considered where a Council employee knowingly makes a false allegation.

Confidentiality

If you report a concern, the Council will do everything possible to ensure that your identity is protected during the course of an internal investigation. The Council cannot, however, guarantee your anonymity during a police investigation or legal proceedings. In some circumstances, you may be asked to provide evidence as a witness. You will be consulted if this seems likely to be necessary.

The Council encourages you to identify yourself when you are raising a concern. This helps the appointed investigators, as they can contact you again if they need further information. They can also more easily assure themselves that your complaint is being made in good faith and that it justifies investigation. If you wish to remain anonymous, this will be respected. However, you should be aware that the Council can give no guarantee that anonymous allegations will be investigated and it will not normally be possible to provide you with any information on the action the Council has taken.

Responding to Concerns

All reports of suspected fraud, corruption or other financial irregularity will be passed to the Internal Audit team and assessed as they are received. The purpose of this process is to ensure that your concerns fall within the scope of the Policy on Fraud and Corruption and that there are proper grounds to justify an investigation. The auditors will take into account the seriousness of the allegation (including the nature and scale of the suspected offence) and the nature of any evidence that you are able to present.

Within ten working days of receiving your complaint and where this is possible, Internal Audit will write to you or telephone you. You will be informed as to whether your complaint is being investigated. The auditors may ask to speak to you again, in order to further clarify your concerns. In this case, you will be informed within ten working days of this process being completed.

If you are dissatisfied about a decision not to investigate your concerns, you can complain to:

Roddy McArthur, Executive Director (Corporate Services).

In general, it will not be possible for the appointed investigator to inform you in detail of the action being taken. Where possible, you will be informed of the final outcome, where this is compatible with any duty of confidentiality.

Raising Concerns outside the Council

If you are unsure whether or how to use this procedure or want independent advice, you can contact the independent charity 'Public Concern at Work'. Their lawyers may be able to give you free confidential advice on how to raise a concern about serious malpractice at work." You can write to:

Public Concern at Work
Suite 301
16 Baldwins Gardens
London
EC1N 7RJ.

Telephone 020 7404 6609 or e-mail to whistle@pcaw.co.uk

If you are dissatisfied with the action taken by the Council in response to a complaint, or who wish to express your concerns about possible fraud or corruption to an independent body in the first place, should contact Audit Scotland. This is a government organisation that provides audit services on behalf of the Accounts Commission for Scotland. It scrutinises the finances and performance of local authorities and is completely independent of the Council. You can write to:

Audit Scotland
110 George Street
Edinburgh EH2 4LH.

Telephone 0131 477 1234 or e-mail to info@audit-scot.gov.uk.

If you suspect that a crime has taken place, you can contact your local police station.

If you are a Council employee, you should consult the Council's 'Whistleblowing' Guidance before reporting your concerns externally.