



# ANTI FRAUD AND CORRUPTION POLICY *AND* FRAUD RESPONSE PLAN



**METROPOLITAN  
POLICE**

*Working for a safer London*

## Contents

<i>Paragraph</i>	<i>Subject</i>	<i>Page No.</i>
	Definitions	3
Introduction		
1.1	Introduction	4
1.2	Application of this Policy	4
1.3	Relationship to other Policies	4
Part A - Policy Statement		
2.1	Policy	4 and 5
Part B - Responsibilities under the Policy		
3.1	General Duty	5
3.2	Managers	5
Part C - Code of Practice		
4.1	Corporate Governance	6
4.2	MPA Staff reporting to the Clerk or Treasurer	6
4.3	Codes of Practice for specific groups	6
4.4	Reporting Fraud and wrongdoing	6
4.5	Public Interest Disclosure Act	6
Part D - Fraud Response Plan		
5.1	Reporting Fraud and wrongdoing	7
5.2	Detection and Investigation	7
5.3	Liaison between Directorate of Professional Standards and Internal Audit	7
5.4	Liaison between the Authority and others	7

## Definitions

CORRUPTION	The offering, giving, soliciting or acceptance of an inducement or reward that may influence the action of any person to the detriment of the MPA.
FINANCIAL REGULATIONS	A document approved by the members of the Metropolitan Police Authority in accordance with legislation setting out the roles and responsibilities of officers and their levels of delegation to enter into financial commitment on behalf of the Authority.
FRAUD	A theft perpetrated or concealed by the distortion or manipulation of financial statements or records. It can range from the simple alteration of documents to complicated, sophisticated and technical manipulation. The aim is always to illegally and improperly extract value such as cash, assets or information.
HRA	Human Rights Act 1998.
MPA or MPS	Metropolitan Police Authority or Service.
RIGHT LINE	A telephone line operated by the MPS for police officers and civil staff to report wrongdoing and fraud by police officers, civil staff and contractors that comes to their attention.

## 1.1 Introduction

The Metropolitan Police Authority is committed to a culture that is one of honesty and opposition to fraud and corruption. The Authority will not tolerate fraud and corruption in the administration of its responsibilities from inside or outside the Authority.

## 1.2 Application of this Policy

This policy is applicable to Members of the MPA, police officers of all ranks, civil staff and all external persons with whom the MPA conduct business. It also applies to those MPA employees reporting to the Clerk or Treasurer.

## 1.3 Relationship with other Policies

A number of policies within the MPA and MPS interface with this policy. This is the highest level policy covering the MPA and MPS in relation to fraud and corruption. Other policies that should be read in conjunction with this document include:-

- Code of Conduct for Members' of the MPA<sup>1</sup>
- MPA Financial Regulations
- MPS Corruption and Dishonesty Strategy<sup>2</sup>
- MPS Prevention and Detection of Fraud and Theft<sup>3</sup>
- MPS Code of Practice for acceptance of gifts and hospitality.<sup>4</sup>

## Part A - Policy Statement

### 2.1 Policy

The Authority's policy<sup>5</sup> in relation to fraud and corruption has been endorsed by the MPA Audit Panel and is set out below.

- The Authority's expectation on propriety and accountability is that members, police officers and civil staff at all levels will lead by example in ensuring compliance with legal requirements, rules, procedures and practices. Briefly, in the words of the MPS Professional Standards Strategy '*integrity is not negotiable*'.
- Members of the Authority will conduct themselves in accordance the spirit and letter of the Members' Code of Conduct.

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<sup>1</sup> MPA Authority Minutes of 25 April 2002 and associated report

<sup>2</sup> MPS Special Notice 36/98 dated 16 December 1998

<sup>3</sup> MPS Special Notice 5/00 dated 10 March 2000

<sup>4</sup> MPS Special Notice 28/97 dated 29 August 1997.

<sup>5</sup> MPA Audit Panel Minutes of 20 June 2002 and associated report

- Senior Police Officers and other senior managers are required to deal swiftly and firmly with those who defraud the Authority or are corrupt.
- The Authority expects that individuals and organisations such as suppliers, contractors, service providers that it conducts business with, will act towards the Authority with integrity and a total absence of fraudulent or corrupt practices.
- Members, police officers and civil staff will report any fraudulent or corrupt practice coming to their notice; if confidentiality is required a report may be made using the *Right Line*.
- In those cases where sufficient evidence is available, criminal investigation or disciplinary action will be taken.
- Recovery (including civil court action) of funds lost by fraud and corruption will be considered in all cases.
- Managers at all levels will ensure that effective procedures, practices and controls are in operation in their areas of responsibility to minimise the opportunities for fraud and corruption.
- All fraud and corruption, including suspected cases, will be reported to the Treasurer (delegated to Internal Audit) and the Treasurer will bring to the Authority's attention those cases he regards as sufficiently serious to do so.
- The Authority will maintain effective Internal Audit activity; the work of which will be overseen by the Audit Panel.

## **Part B - Responsibilities under the Policy**

### **3.1 General Duty**

It is expected that every Member, police officer, member of the MPS civil staff and those MPA staff reporting to the Clerk or Treasurer will conduct themselves ethically at all times in respect of their duties and will act in accordance with the Authorities policy as set out in Part A of this document.

### **3.2 Managers**

Managers at all levels, both police and civil, have duties laid to them in the policy, particularly:-

- To ensure that the areas for which they are responsible have effective controls in place to minimise the risk of fraud, deter fraudsters and detect fraud when it occurs. Advice on control is available from Internal Audit Directorate<sup>6</sup>.
- Taking action when fraud is detected in accordance with this fraud response plan.
- Taking decisions on the basis of the Authority's fraud policy.

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<sup>6</sup> See Internal Audit Advice Note Number 1 - "Prevention and Detection of Fraud - Minimising the Risk

## **Part C - Code of Practice**

### **4.1 Corporate Governance**

Good practice in corporate governance in public sector authorities requires that codes of practice be in place, this is particularly so in the area of law enforcement. The MPS has comprehensive codes of practice in place to cover other risk as well as fraud and corruption.

The published codes of practice are intended to provide practical advice on the standard of conduct that is expected. Failure to follow the guidance may result in disciplinary action being taken or in the case of Members, the matter being referred to the Standards Board for England for investigation.

### **4.2 MPA Staff Reporting to the Clerk or Treasurer**

MPA staff reporting to the Clerk or Treasurer are required to conduct themselves in accordance with the same standards as MPA staff under the control and direction of the Commissioner, as set out in the following codes of practice.

### **4.3 Codes of Practice**

Codes of practice for specific groups or issues can be found in the following documents:-

- Members' Code of Conduct for the Metropolitan Police Authority
- Code of Conduct for Police Officers
- MPS Civil Staff Personnel Manual
- MPS Special Notice - Prevention and detection of fraud and theft.
- MPS Code of Practice for the Acceptance of Gifts and Hospitality.

### **4.4 Reporting Fraud and Wrongdoing**

The above codes of practice and the MPS Professional Standards Strategy establish a confidential telephone facility, the *Right Line*, for the confidential reporting of fraud and wrongdoing. Callers to the Right Line have an option of reporting fraud and wrongdoing to Directorate of Professional Standards for matters concerning police officers and Internal Audit Directorate in respect of civil staff or contractors.

### **4.5 Public Interest Disclosure Act**

In respect of fraud and wrongdoing that staff feel unable to report within the MPA and MPS, an external reporting arrangement will be established and published.

## **Part D - Fraud Response Plan**

### **5.1 Reporting Fraud and wrongdoing**

All fraud or wrongdoing will be reported and investigated in accordance with this plan. Fraud and wrongdoing may be reported either to a direct line-manager, an other manager, via the *Right Line* or to the external reporting point of contact. Arrangements for reporting fraud or wrongdoing will be published within the MPS. All cases or suspected cases of fraud must be reported at the first opportunity to Internal Audit Directorate, whether or not there is a police investigation.

### **5.2 Detection and Investigation**

- 5.2.1 Managers becoming aware of fraud will ensure that the matter is reported and investigated. Matters concerning police officers will be reported to Directorate of Professional Standards and matters involving civil staff to Internal Audit Directorate.
- 5.2.2 A memorandum of understanding will be maintained between the Directorate of Professional Standards and Internal Audit Directorate to ensure that all reported allegations of fraud are appropriately investigated.
- 5.2.3 When an allegation of fraud is made a senior manager will be appointed to oversee the proper conduct of the investigation and subsequent action.
- 5.2.4 The investigation and any managers involved will take account of the Authority's policy on fraud set out in this document when determining the action to take.
- 5.2.5 The investigation conducted into allegations of fraud or wrongdoing shall take account of the requirements of the criminal law, discipline arrangements set out in Police Regulations and the Civil Staff disciplinary procedures.

### **5.3 Liaison between Directorate of Professional Standards and Internal Audit Directorate**

- 5.3.1 The MPS will consult with Internal Audit Directorate when revising their policies procedures for dealing with fraud and wrongdoing who will ensure that they comply with the Authority's Financial Regulations and the policy set out in this paper.

### **5.4 Liaison between the Authority and others**

- 5.4.1 Serious cases of fraud or wrongdoing will be reported to the Treasurer, who will determine if the matter has to be drawn to the attention of the Authority. In the event that a Member is involved, the matter will be reported to the Clerk.
- 5.4.2 Internal Audit Directorate will maintain a link with District Audit in order to keep them apprised of developments in serious cases.