

**EXTRACT OF SECTION F CODES OF CONDUCT FOR MEMBERS AND
FIRE AUTHORITY EMPLOYEES**

**Section 2 (as amended by the changes previously reported to the
Standards Panel in September 2007 and as further amended in italics)**
Section 2

East Sussex Fire Authority's Anti-Fraud and Corruption Strategy

Introduction

East Sussex Fire Authority employs over 900 staff, with a turnover of over £36m a year. In administering its responsibilities, the Authority is set against fraud and corruption, whether it is attempted on the Authority from the outside or inside. The Authority is committed to an effective Anti-Fraud and Corruption Strategy designed to:

- i. Encourage prevention
- ii. Promote detection
- iii. Identify a clear pathway for investigation.

The Authority's expectation on propriety and accountability is that Members and employees at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.

A related Whistleblowing policy is appended (Appendix 1) for promulgation separately throughout the organisation, included on the Internet, intranet and also for inclusion within the Employee Guide.

The Authority also expects that individuals and organisations (e.g. suppliers, contractors, service providers) that it comes into contact with, will act towards the Authority with integrity and without thought or actions involving fraud and corruption.

The Authority's Anti-Fraud and Corruption Strategy is based on a series of comprehensive and inter-related procedures designed to frustrate any attempted fraudulent or corrupt act. These cover:

- Culture (Section 1)
- Prevention (Section 2)
- Detection and Investigation (Section 3)
- Training (Section 4).

The Authority is also aware of the high degree of external scrutiny of its affairs by a variety of bodies and people including:

- Audit Commission (External Auditor)
- The Public/Council Tax Payers - Annual Inspection of the Accounts
- The Public/Service Users - through the Authority's Complaints Procedure and Local Ombudsman
- Communities and Local Government Fire Service Advisers Unit
- Parliamentary Committees
- HM Revenue and Customs
- Department of Work and Pensions.

As part of the External Auditor's statutory duties he/she is required to ensure that the Authority has in place adequate arrangements for the prevention and detection of fraud and corruption.

1. Culture

- 1.1 The Authority is determined that the culture and tone of the organisation is one of honesty and opposition to fraud and corruption.
- 1.2 *The Authority is also determined that the culture and tone of the organisation promotes high standards of conduct and values, and to this effect, the next section of the Code deals with such matters. Supporting arrangements are in place in relation to the organisation's 'Our Value's' statements, Colleagues Support Network and relevant training and equalities and fairness policies and manuals.*
- 1.3 There is a *further* expectation and requirement that all individuals and organisations associated in whatever way with the Authority will act with integrity and that Members and employees, at all levels, will lead by example in these matters.
- 1.4 The Authority's employees are an important element in its stance on fraud and corruption and they are positively encouraged and expected to raise any concerns that they may have on these issues where they are associated with the Authority's activity. This they can do in the knowledge that such concerns will be treated in confidence and properly investigated and fairly dealt with. If necessary, a route other than a line manager or Fire & Rescue Service *Director* of Financial Services may be used to raise such concerns. Examples of such routes are:
- i. Chief Fire Officer & Chief Executive.
 - ii. *The Fire Authority's Internal Audit Service 01273 482701 (day time) or 01273 481995 (24 hour answerphone) or via e-mail to fraudhotline@eastsussex.gov.uk*
 - iii. The Fire Authority's Treasurer (01273 481412) or Monitoring Officer (01273 291500).
 - iv. External Auditor (01273 291604).
- 1.5 Members of the Public are also encouraged to report concerns through any of the above routes or, if appropriate, through the Fire & Rescue Service's Complaints Procedure.
- 1.6 If employees still feel unable to raise their concerns through any of the above internal routes then they may wish to raise them through Public Concern at Work (tel. 0207-404-6609), a registered charity whose services are free and strictly confidential.
- 1.7 Senior Management are responsible for following up any allegation of fraud or corruption received and will do so through clearly defined procedures. Arrangements will be made to:

- i. Deal promptly with the matter.
- ii. Record all evidence received.
- iii. Ensure that evidence is sound and adequately supported.
- iv. Ensure security of all evidence collected.
- v. Contact the Fire & Rescue Service's Internal Auditor/Internal Audit Service. The Internal Auditor will arrange for the allegation to be investigated and, where appropriate, notify the Authority's Insurers; and
- vi. Implement Authority's disciplinary procedures where appropriate.

1.8 Senior management are expected to deal swiftly and firmly with those who defraud the Authority or who are corrupt. The Authority, including the Authority's Members, will be robust in dealing with financial malpractice.

1.9 There is, of course, a need to ensure that any investigation process is not misused and, therefore, any abuse such as raising unfounded malicious allegations may be dealt with as a disciplinary matter.

2. Prevention

2.1 Whistleblowing Policy

2.1.1 *A related Whistleblowing policy is appended (Appendix 1) for promulgation separately throughout the organisation, included on the Internet, intranet and also for inclusion within the Employee Guide.*

2.2 Employees

2.2.1 The Authority recognises that a key preventative measure in the fight against fraud and corruption is to take effective steps at the recruitment stage to establish, as far as possible, the previous record of potential employees in terms of their propriety and integrity. In this regard, temporary and contract employees should be treated in the same manner as permanent employees.

2.2.2 Employee recruitment is required, therefore, to be in accordance with procedures laid down by the Authority's Workforce Development Strategy (see section H of the Handbook) and its Personnel Manual Notes and Guidance documents. In particular, it is acknowledged in the latter that it is important to obtain written references regarding known honesty and integrity of potential employees before employment offers are made. Criminal Record Bureau (CRB) checks will also be undertaken in accordance with the policy.

2.2.3 Employees of the Authority are expected to follow any Code of Conduct related to their personal Professional Institute and also abide by the Authority's Code of Conduct for Employees which sets out the Authority's requirement on personal conduct. This Code forms part of the Authority's Personnel Manual Notes and Guidance documents and is referred to and attached to all Contracts of Employment.

- 2.2.4 The Authority has in place Disciplinary Procedures for all categories of employee and is subject to the Disputes and Disciplinary Procedure and Grievance Procedure which became law in the United Kingdom on 1 October 2004.
- 2.2.5 The role that appropriate employees are expected to play in the Authority's framework of internal control will feature in employee induction and continuation procedures.
- 2.2.6 Employees are reminded that they must comply with Section 117 of the Local Government Act 1972, regarding the disclosure of pecuniary interests in contracts relating to the Authority or the non-acceptance of any fees or rewards whatsoever other than their proper remuneration. These requirements are set out in *the Authority's Contract Standing Orders and associated Financial Regulations*, Code of Conduct for Employees, and in more specific operational Codes governing Contracting Procedures, Hospitality, Gifts, Private Work, Conflicts of Interest etc.

2.3 Members

- 2.3.1 On matters of conduct, Members are required to operate within:
- (1) Part III of the Local Government Act 2000, which deals with the ethical conduct of local government Members and includes disciplinary provisions.
 - (2) The general principles for the conduct of public life approved in accordance with section 49(1) of the Local Government Act 2000 and set out in the Relevant Authorities (General Principles) Order 2001.
 - (3) The Authority's Code of Conduct for Members, made in accordance with the Local Government Act 2000.
 - (4) The Authority's Standing Orders
- 2.3.2 These matters and other guidance are specifically brought to the attention of Members in each Member's Handbook; the Handbook includes rules on the declaration and registration of Members' personal interests and guidance on other aspects of their duties as Members.

2.4 Internal Control Systems

- 2.4.1 *The Authority has Standing Orders and Financial Regulations to which all employees must adhere. They provide the rules by which business is conducted and place requirements on employees, when dealing with the Authority's affairs, to act in accordance with best practice.*
- 2.4.2 The Authority's Treasurer has a statutory responsibility under the East Sussex Fire Services Combination Order 1996 and Section 112 of the Local Government Finance Act 1988 to ensure the proper administration of the Authority's financial affairs, and has developed Financial Codes of Practice and Accounting Instructions which underpin Financial Regulations and outline the system, procedures and responsibilities of employees in relation to the Authority's

financial activity. The Treasurer maintains a quality control on financial administration.

2.4.3 *The Fire Authority is required to comply with its Statements on Internal Control (SICs) (which from 2007/08 will be an Annual Governance Statement (AGS) as detailed in the Annual Statements of Accounts as supported by the Fire Authority's Internal Control Framework. This Anti Fraud and Corruption Strategy is an integral part of these arrangements.*

2.4.4 *To this effect, the Authority has developed and is committed to continuing with systems and procedures that incorporate efficient and effective internal controls; this includes adequate separation of duties to seek to reduce the risk of error and prevention of impropriety. Under Financial Regulations there is a need to ensure that such controls, including those for computer systems, are properly maintained and effective, and this would include that they are documented. The existence, appropriateness, and effectiveness of these internal controls is independently monitored by the Authority's Internal Audit Service.*

2.5 Combining with Others

2.5.1 Arrangements are in place and continue to encourage the exchange of information between the Authority and other agencies on national and local fraud and corruption activity in relation to Local Authorities.

2.5.2 With the rapid increase in recent years of frauds perpetrated against a variety of local authorities and benefits agencies, which usually include fraudsters having multi-identities and addresses, the necessity to liaise between organisations has become paramount, and some of these include:

- i. Police/various Fraud Squads
- ii. Society of County Treasurers
- iii. Local Authority Chief Internal Auditors' groups and networks
- iv. Banks' and Building Societies' investigations units
- v. Audit Commission
- vi. National I&DeA Users' Group (Private and Public Sector)
- vii. Department of Communities and Local Government (CLG)
- viii. H.M. Immigration Office
- ix. *H.M. Revenue and Customs*
- x. Department for Works and Pensions
- xi. The Benefits Agency
- xii. Other Outside Agencies.

2.6 Whistleblowing Policy

2.6.1 *A related Whistleblowing policy is appended (Appendix 1) which can be promulgated separately throughout the organisation, included on the Internet, intranet and also included within future editions of the Employee Guide.*

3. Detection and Investigation

- 3.1 The array of preventative systems, particularly internal control systems within the Authority, has been designed to provide indicators of any fraudulent activity, although generally they should be sufficient in themselves to deter fraud.
- 3.2 It is the responsibility of the Chief Fire Officer & Chief Executive and managers to prevent and detect fraud and corruption. However, it is often the alertness of employees and the public to such indicators that enables detection to occur and the appropriate action to take place when there is evidence that fraud or corruption may have been committed, or is in progress.
- 3.3 Despite the best efforts of managers and auditors, many frauds are discovered by chance or 'tip-off' and the Authority has in place arrangements to enable such information to be properly dealt with.
- 3.4 Employees of the Authority are required by its Financial Regulations to report all suspected irregularities to the Chief Fire Officer & Chief Executive, who in conjunction with the Treasurer, will take such steps as necessary by way of investigation and report. Reporting is essential to the Anti-Fraud and Corruption Strategy and ensures:
- i. Consistent treatment of information regarding fraud and corruption.
 - ii. Proper investigation by an independent and experienced audit team.
 - iii. The proper implementation of a fraud response investigation plan; and
 - iv. The optimum protection of the Authority's interests.
- 3.5 Depending on the *legislative issue involved*, nature and the anticipated extent of the allegations, the Internal Audit Service will normally work closely with management and other agencies, such as the Police, to ensure that all allegations and evidence are properly investigated and reported upon, and where appropriate, maximum recoveries are made for the Authority.
- 3.6 The Authority's Disciplinary Procedures will be used where the outcome of the Audit Investigation indicates improper behaviour by any employee.
- 3.7 Where financial impropriety is discovered, the Authority's presumption is that the Police will be called in. The Crown Prosecution Service determine whether a Police prosecution will be pursued. Referral to the Police is a matter for the Chief Fire Officer & Chief Executive in consultation with the Treasurer and Monitoring Officer. Referral to the Police will not prohibit action under the Disciplinary Procedure.
- 3.8 The External Auditor also has powers to independently investigate fraud and corruption, and the Authority can use their services for this purpose too.

4. Training

- 4.1 The Authority recognises that the continuing success of its Anti-Fraud and Corruption Strategy and its general credibility will depend largely on the effectiveness of programmed training and responsiveness of employees throughout the organisation.
- 4.2 To facilitate this, the Authority supports the concept of Induction and Continuation training, particularly for employees involved in internal control systems, to ensure that their responsibilities and duties in this respect are regularly highlighted and reinforced.

- 4.3 The possibility of disciplinary action against employees who ignore such training and guidance is clear.
- 4.4 The investigation of fraud and corruption centres on the Authority's Internal Audit Service. It is apparent, therefore, that employees involved in this work should also be properly and regularly trained; the training plans of audit employees will reflect this requirement.

5. Conclusion

- 5.1 The Authority has in place a clear network of systems and procedures to assist it in the fight against fraud and corruption. It is determined that these arrangements will keep pace with any future developments, in both preventative and detection techniques regarding fraudulent or corrupt activity that may affect its operation or related responsibilities.
- 5.2 To this end, the Authority maintains a continuous overview of such arrangements and, in particular, through its Treasurer, the Standing Orders and Financial Regulations, various Codes of Conduct and Financial Practice, Accounting Instructions and audit arrangements.
- 5.3 This Policy Statement will be subject to review to ensure currency.

WHISTLEBLOWING POLICY

A Confidential Reporting Policy for employees and as a guide for others

Independent Advice

- 1.1 *If you are unsure whether to use this policy you should seek advice either from the Director of Financial Services or Internal Audit.*
- 1.2 *If you would like independent advice at any stage, you may contact:*
 - *your representative body;*
 - *professional associations;*
 - *the independent charity Public Concern at Work (www.whistleblowing.org.uk) on 020 7404 6609. Their lawyers can give you free confidential advice at any stage about how to raise a concern about serious malpractice at work.*

2 Introduction

- 2.1 *East Sussex Fire Authority operates within legal requirements and regulations and is committed to the highest standards of openness, honesty and accountability. The Fire Authority therefore expects its employees to behave appropriately by adhering to all relevant laws, regulations, policies and procedures. In line with that commitment, the Fire Authority expects and encourages any employee becoming aware of another employee acting inappropriately, corruptly or illegally to come forward and voice those concerns.*
- 2.2 *The policy incorporates the provisions that are required from the Public Interest Disclosure Act 1998, which protects members of staff against detrimental treatment or dismissal as a result of the disclosure of normally confidential information in the interests of the public.*

3 Benefits of this policy

- 3.1 *The Whistleblowing Policy aims to:*
 - *encourage and enable individuals to feel confident in raising concerns and to question and act upon any concerns;*
 - *provide avenues for individuals to raise concerns and receive feedback on any action taken;*
 - *ensure that individuals receive a response to their concerns and that they are aware of how to pursue them if they are not satisfied and*
 - *reassure individuals that they will be protected from reprisals or victimisation for raising concerns in good faith.*

4 Scope

- 4.1 *This policy applies to all employees and contractors, consultants and agency workers working on for or on behalf of the Fire Authority.*
- 4.2 *Local Benevolent Fund and Social Club bodies indirectly associated with the Fire Authority are recommended to adopt this policy as a framework for introducing the requirements of this policy in their activities, in the absence of any other provisions.*
- 4.3 *This procedure outlines a separate route through which employees can raise concerns that fall outside the scope of the Fire Authority's other complaints procedures. It is distinct from the Fire Authority's Grievance Procedure which enables employees to lodge a grievance relating to their employment, and the Harassment at Work Policy which includes a procedure for dealing with claims of harassment and bullying. The types of concern covered by the Whistleblowing Policy include:*
- *conduct which is an offence or a breach of law*
 - *disclosures related to miscarriages of justice*
 - *health and safety risks, including risks to the public as well as other employees*
 - *damage to the environment*
 - *the unauthorised use of Fire Authority funds*
 - *action that is contrary to the Fire Authority's financial procedures or contract regulations*
 - *possible fraud, corruption or financial irregularity*
 - *practice which falls below established standards or practice*
 - *other unethical conduct.*
- 4.4 *If you work for a company that has a contract with the Fire Authority then you can also raise concerns under this policy.*

5 Supporting you to raise a concern

- 5.1 **Harassment or Victimisation:** *The Fire Authority will not tolerate harassment or victimisation and will take action to protect individuals who raise concerns in good faith. This protection is in addition to the legal protection provided by the Public Interest Disclosure Act 1998. The effect of raising a concern under this policy on any disciplinary or redundancy procedures will be considered on a case by case basis.*
- 5.2 **Confidentiality:** *Individuals are encouraged to put their name to any allegation. However, if you ask us not to reveal your identity by keeping your confidence, we will not disclose it without your consent. If the situation arises where we are not able to resolve the concern without revealing your identity (for instance because your evidence is needed in court), we will discuss with you whether and how we can proceed.*

5.3 **Untrue Allegations:** *The Fire Authority is committed to this policy. If you raise a genuine concern under this policy, you will not be at risk of losing your job or suffering any form of retribution as a result provided that:*

- *the disclosure is made in good faith, it does not matter if you are mistaken;*
- *you reasonably believe that information, and any allegations contained in it, are substantially true and*
- *you raised your concerns through one of the channels named in this policy.*

5.4 *However, we cannot give such assurance if you raise a concern maliciously or the information you have used to trigger a concern has been obtained unlawfully, for example:*

- *legal requirements have not been followed, e.g. the Data Protection Act has been breached or*
- *through unauthorised access to records, e.g. computer hacking.*

6 How to raise a concern

6.1 *As soon as you become reasonably concerned, we hope you will feel able to raise it first with your Line Manager. Similarly, non-employees (e.g. agency workers or contractors) should raise a concern in the first instance with their contact within the Fire Authority, usually the person to whom they directly report.*

6.2 *If you want to raise the matter with someone other than your immediate manager, for whatever reason, please raise the matter with:*

- Director of Financial Services (01323 462200)*
- The Fire Authority's Internal Audit Service 01273 482701 (day time) or 01273 481995 (24 hour answerphone) or via e-mail to fraudhotline@eastsussex.gov.uk*
- The Fire Authority's Treasurer (01273 481412) or Monitoring Officer (01273 291500).*
- External Auditor (01273 291604).*

These people will also be able to advise on confidentiality and further action required.

6.3 *If these channels have been followed but you still have concerns or if you feel that the matter is so serious that you cannot discuss it with any of the above, you may, as a last resort, contact:*

- Chief Fire Officer & Chief Executive.*

6.4 *Concerns may be raised orally or in writing. Members of staff who wish to raise the concern in writing should use the following format:*

- *the background and history of the concern (giving relevant dates)*
- *the reason why they are particularly concerned about the situation.*

6.5 *When raising the concern you may wish to be assisted, or accompanied by either your trade union representative or a colleague who works for the Fire Authority.*

6.6 *Although the individual raising the concern is not expected to prove the truth of an allegation, you will need to demonstrate to the person contacted that there are sufficient grounds for the concern.*

7 How the Fire Authority will respond

7.1 *Once a concern is raised, the appropriate ESFRS manager will make initial enquiries, taking advice from the Director of Financial Services, if necessary, to help decide if an investigation is appropriate and if so, what form it should take. The person receiving the concern will ensure the Monitoring Officer, is provided with sufficient details to be aware of the concern raised. As soon as possible, and in any case within 10 working days of a concern being raised, the person handling the matter will write to the individual raising the concern acknowledging that it has been raised and indicating how, as far as possible, it will be dealt with. The individual will be kept informed of progress and will receive a full and final response, subject to any legal constraints.*

7.2 *When you raise the concern(s) you may be asked how you think the matter might best be resolved. If you have any personal interest in the matter, we ask that you tell us this at the outset. If your concerns would be more appropriately dealt with under another policy of the Fire Authority (for example, the Complaints Procedure, Equalities and Fairness Policy, Anti Fraud & Corruption Policy, Grievance or Harassment policies), we will tell you.*

7.3 *It is the purpose of this policy to provide a clear framework within which concerns can be raised and taken forward by way of investigation of possible malpractice and to take appropriate steps to deal with it.*

7.4 *Concerns or allegations that fall within the scope of specific procedures (for example contract management) will normally be referred for consideration under the relevant procedure. Some concerns may be resolved by agreeing action with you without the need for investigation. If urgent action is required, this will be taken before any investigation is conducted.*

7.5 *Where appropriate, the matters raised may:*

- *be investigated by management, internal audit, the Monitoring Officer or through the disciplinary process;*
- *be referred to the Police;*
- *be referred to the external auditor or*
- *form the subject of an independent inquiry.*

Subject to any legal constraints, and whilst the Fire Authority must act in confidence in relation to any disclosure made under this Policy, it will try to inform you of the outcome of any investigation ,wherever possible.

7.6 *The Fire Authority will take all reasonable steps to minimise any difficulties to employees or others raising concerns and provide advice and support should they be required to give evidence, e.g. at a disciplinary hearing by:*

- *providing extra support for witnesses or*
- *offering counselling services where they may be beneficial etc.*

8 How the matter can be taken further

8.1 *This policy is intended to provide individuals with an avenue to raise concerns within the Fire Authority. The Fire Authority hopes that those using this process will be satisfied with the way their concerns are treated and any investigations that may be carried out. However, if you are not satisfied and feel it is right to take the matter outside the Fire Authority. The Director of Financial Services can provide advice as to other options. Alternatively, you may contact an outside body to take the matter further. The following are examples of some of the possible contact points:*

- *the Audit Commission (as the Fire Authority's external Auditor)*
- *relevant professional bodies or regulatory organisations*
- *a solicitor*
- *the independent charity Public Concern at Work (www.whistleblowing.org.uk) on 020 7404 6609*
- *the Police.*

8.2 *If you do take the matter outside the Fire Authority, you need to ensure that confidential information is not disclosed.*

9 Corporate recording, monitoring and reviewing

9.1 *The Assistant Chief Officer (CS) has overall responsibility for the maintenance and operation of this policy and for ensuring it is reviewed every two years by involving key stakeholders in the process.*

9.2 *A record of all concerns raised and the outcomes (in a form which respects the individual's confidentiality) will be kept by the Assistant Chief Fire Officer.*

10 If you are dissatisfied

10.1 *If you are unhappy with our response, remember you can go to the other levels and bodies detailed in this policy.*

10.2 *While we cannot guarantee that we will respond to all matters in the way that you might wish, we will try to handle the matter fairly and properly.*