

## Anti-Fraud and Corruption Policy

### Introduction

Welsh Athletics is committed to operating in an open, transparent and professional manner. As part of this philosophy Welsh Athletics is committed to preventing, discouraging, detecting and investigating fraud and corruption, whether attempted on Welsh Athletics, or by employees of Welsh Athletics. There is an obligation of all employees and volunteers to report any suspicions or allegations of fraud or corruption listed within this policy.

This policy supplements the following Welsh Athletics policies:

**Anti Bribery Policy; Whistleblowing Policy; Conflict of Interest Policy**

### Purpose of this policy is to:

- minimise the risk to the Welsh Athletics assets and good name,
- promote a culture of integrity and accountability within the Organisation and all those who do business with it
- enhance existing procedures aimed at preventing, discouraging, detecting and investigating fraud and corruption

### Definitions

**Fraud** is theft by deception. It is any deliberate intent to permanently deprive a person or organisation of money or goods through the falsification of any records or documents. This is intended to cause personal gain or to cause a loss to another party.

**Corruption** is where someone is influenced by bribery, payment or benefit in kind to unreasonably use their position to give some advantage to another. Examples of behaviour could include;

- Abnormal cash payments
- Pressure exerted for payments to be made urgently or ahead of schedule
- Private meetings with public contractors or companies hoping to tender for contracts
- Lavish gifts being received
- Individual never takes time off even if ill, or holidays, or insists on dealing with specific contractors him/herself
- Making unexpected or illogical decisions accepting projects or contracts
- Unusually smooth process of cases where individual does not have the expected level of knowledge or expertise
- Abusing decision process or delegated powers in specific cases
- Agreeing contracts not favourable to the Council either with terms or time period
- Unexplained preference for certain contractors during tendering period
- Avoidance of independent checks on tendering or contracting processes
  - Raising barriers around specific roles or departments which are key in the tendering/contracting process
  - Bypassing normal tendering / contractors procedure

**Theft** includes any misappropriation, stealing, malicious damage, and actual or attempted break-in.

**Bribery** The Bribery Act 2010 introduces a new criminal offence where an individual or commercial organisation offers or receives a bribe to bring about or reward the improper performance of a function or activity.

- The following behaviour is unacceptable, and must not occur in this organisation:
  - o accepting any financial or other reward from any person in return for providing some favour
  - o requesting a financial or other reward from any person in return for providing some favour
  - o Offering any financial or other reward from any person in return for providing some favour.

Although, Welsh Athletics Chief Executive holds primary responsibility for preventing fraud and/or corruption, it is recognised that all Welsh Athletics employees, members, volunteers and other individuals have a part to play in ensuring their efficacy. It is expected that Welsh Athletics employees at all levels will lead by example in acting with the utmost integrity and ensuring adherence to all relevant regulations, policies and procedures. A culture of openness, honesty and probity is strongly encouraged.

Welsh Athletics will maintain a continuous overview of such arrangements through the finance sub group of the board. Welsh Athletics expect employees at all levels to lead by example in ensuring all rules, procedures and practices are followed and above reproach. All employees are responsible for their own conduct and compliance with this policy.

### **Welsh Athletics strategy**

Welsh Athletics expects anyone having any reasonable suspicions of fraud to report them. It recognises that whilst cases of theft are usually obvious, there may only be a suspicion of fraud and thus employees must report any concerns to their Manager or other suitable persons, who can then ensure that Welsh Athletics procedures are followed.

It is also Welsh Athletics policy, which will be rigorously enforced, that no employee will suffer in any way as a result of reporting reasonably held suspicions. All employees can therefore be confident that they will not suffer in any way as a result of reporting, in good faith, reasonably held suspicions of fraud.

The following procedures will be put in place to ensure that Welsh Athletics anti-fraud and corruption strategy is successful in reducing the risk of exposure to the organisation and its employees;

- Culture; Prevention; Detection; Investigation; Training

## Culture

Welsh Athletics is determined that the culture and tone of the organisation is one of honesty and opposition to fraud and corruption. All employees at all levels are to be aware of the standards of conduct expected of them and to lead by example.

Employees and volunteers are positively encouraged to raise any concerns that they may have through the whistle blowing policy.

All concerns will be treated properly and investigated accordingly.

Any abuse of this process by raising unfounded malicious allegations is a disciplinary matter which could be treated as gross misconduct and may lead to dismissal.

## Prevention

Key preventative measures in the fight against fraud and corruption include:

- Thorough checks at the recruitment stage
- Employees following the Welsh Athletics code of conduct and any codes of conduct related to their personal professional qualifications
- Obtaining consent before undertaking any secondary employment
- Not divulging confidential information to the public
- Declaring all interests, gifts and hospitality offered and accepted
- Ensuring regular audits of financial processes and systems are carried out
- All Financial Procedure Rules, Contract Procedure Rules and Accounting Instructions are followed
- All financial transactions being counter signed by budget holder and member of financial department.

## Detection

It is often the alertness of employees and the public that enables detection to occur and the appropriate action to take place when there is evidence that fraud or corruption may have occurred.

Employees are encouraged to alert Welsh Athletics to any potential areas of fraud or corruption by following the Welsh Athletics Whistle blowing policy – this has been introduced in response to the Public Interest Disclosure Act of 1998.

Welsh Athletics also undertakes a full annual external financial Audit to ensure correct financial policies and procedures are being followed.

## Training

The continuing success of the Anti-Fraud and Corruption Strategy will depend largely on the effectiveness of programmed training and the awareness and responsiveness of employees throughout the organisation.

All employees will be given an overview of this policy in their corporate induction. Relevant employees will also be given annual training on internal control systems to ensure their responsibilities and duties in this respect are fully understood.

All staff training needs will be reviewed on an annual basis.

### **Reporting allegations of fraud or corruption**

Reporting of all frauds and irregularities is essential to ensure:

- consistent treatment of information;
- proper investigation by an independent and experienced team;
- the optimum protection of Welsh Athletics interests.

Employees are encouraged to report any suspicions of fraud or corruption by following the procedures set out in the Welsh Athletics whistle blowing policy.

It is essential that individuals act at the time of their concerns, as time is likely to be of the utmost importance to prevent further loss to Welsh Athletics. However, individuals must not confront any individual that they suspect directly, nor must they contact the police directly.

### **Police Involvement**

Where financial impropriety is discovered, Welsh Athletics expectation is that the police will be involved. Any referral to the police will not prohibit action being taken under Welsh Athletics Disciplinary Policy or Procedure.

### **Unfounded Allegations**

All staff receive statutory protection (Public Interest Disclosure Act 1998) where they have disclosed information 'reasonably and responsibly in the public interest'. Staff raising genuine concerns which, following investigation prove unfounded, will be informed of the outcome. Any employee who knowingly discloses false/misleading information or makes malicious allegations, will not be protected by statutory provisions and will be subject to investigation and disciplinary action as appropriate.

### **Warning Signs**

Whilst by no means being proof on their own, the circumstances below may indicate fraud, and should therefore raise suspicions:

- altered documents (correcting fluid, different pen or handwriting);
- claim form details not readily checkable;
- changes in normal patterns, e.g. of cash takings or travel claim details;
- text erratic or difficult to read or with details missing;
- delay in completion or submission of claim forms;
- lack of vouchers or receipts in support of expense claims, etc;
- employees seemingly living beyond their means;

- employees under constant financial or other stress;
- employees choosing not to take annual leave (and so preventing others becoming involved in their work), especially if solely responsible for a 'risk' area;
- complaints from the public or from employees;
- Insistence on dealing with a particular individual.

It is an offence under the Bribery Act 2010 for you to corruptly accept any gift or consideration as an inducement or reward for doing, or refraining from doing, anything in your official capacity, or showing favour or disfavour to any person in your official capacity.

Furthermore, under the Prevention of Corruption Act, any money, gift or consideration received by you from a person or organisation holding, or seeking to obtain, a contract with Welsh Athletics, will be deemed to have been received corruptly unless you prove to the contrary. It is therefore essential for you to declare any gifts or considerations received to the CEO and to obtain written approval for the retention of the gift. Such approval is to be recorded in the Gifts and Hospitality Register and reviewed annually.

### **Revision of Policy**

Welsh Athletics reserves the right to amend and/or withdraw this policy from time to time for any reason, including without limitation, to take account of changes in the law, best practice and/or operational requirements.