



FRAUD, FINANCIAL REGULATIONS AND STANDING ORDERS PROCEDURES

Title	Fraud, Financial Regulations and Standing Orders Procedures
Who should use this	All Staff
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Approved by Management Team	
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In line with the Board's Anti-Fraud Strategy, this section sets out the procedures to be followed where fraud is uncovered or suspected.

(Please note a separate strategy and response exists for Housing and Council Tax Benefits Fraud as detailed in Appendix E).

1. The Assessor or nominated Senior Officer shall make arrangements to ensure that where it is suspected or known that fraud has occurred (i.e. the misappropriation or embezzlement of monies, materials, etc, placed in an employee's charge) or a significant breach of Financial Regulations, the matter shall be reported immediately to them for the purpose of receiving on their behalf reports concerning suspected or known defalcations or a significant breach of Financial Regulations.
2. Where the Assessor or nominated Senior Officer, is informed of a suspected or known defalcation or a significant breach of Financial Regulations, they shall immediately contact the SAC Section 95 Officer requesting that an investigation be carried out. Performance Appraisal and Audit Services will thereafter carry out a preliminary investigation and report back to the Assessor or nominated Senior Officer concerned.
3. On the basis of a report on the preliminary investigation from Performance Appraisal and Audit Services, a decision shall be taken by the Assessor or nominated Senior Officer, in consultation with the SAC Section 95 Officer as to whether or not the employee concerned should be removed from the workplace and found alternative work, or suspended with pay pending the results of further investigation.
4. Prior to this decision being implemented, the employee concerned shall be called to an interview (accompanied if wished, by a trade union representative or fellow worker) and advised of the reasons for the interview, of the decision to extend the audit investigation and if suspension with pay is proposed pending the completion of the investigation.
5. If, in the course of the investigation, further interviews by Performance Appraisal and Audit Services or other Officials are required with the employee concerned, the employee must be given the opportunity of being accompanied by a trade union representative or fellow worker.
6. On completion of the investigation, the SAC Section 95 Officer shall prepare a written report.
7. Where disciplinary procedures appear necessary, the SAC Section 95 Officer shall advise the Assessor.
8. The SAC Section 95 Officer and nominated Senior Officer shall consult jointly with the Assessor on all cases of defalcation or a significant breach of Financial Regulations and advise the Assessor in writing on what further action they consider should be taken.
9. At the conclusion of the investigation when the findings are known and the required consultations between the Assessor and the SAC Section 95 Officer have taken place, the employee concerned shall be called to a further interview by the Assessor or the nominated Senior Officer, and advised of the broad nature of the findings and

of the proposed course of action (e.g. a return to place of work and normal working, or disciplinary action).

10. In the event of disciplinary action being contemplated, the employee shall be given written information on the broad nature of the findings of the investigation. Thereafter, the employee shall be called to a disciplinary interview by the Assessor (or nominated Senior Officer) and may be accompanied if so wished by a trade union representative or fellow worker.
11. At this disciplinary interview, the employee should be given an opportunity to answer the case before any decision is taken and thereafter the normal disciplinary procedures shall apply.
12. In cases of significant breaches of Standing Orders, the South Ayrshire Council's Monitoring Officer should be kept fully informed. Breaches of Standing Orders that may involve financial irregularities would be investigated by applying the above procedure. Other significant breaches of Standing Orders will be investigated following the procedure for the investigation into professional conduct.

Please note:

No approach is to be made to the Police regarding defalcation except by the Assessor or other person acting on the Assessor's authority.