



# Counter Fraud Strategy

DRAFT

November 2018



## Contents

1. Introduction;
2. The Partnership's written rules;
3. How we expect our employees to behave;
4. Preventing fraud and corruption;
5. Detecting and investigating fraud and corruption;
6. Training and awareness;
7. Conclusion.

Appendix 1 – Fraud Response Plan

Appendix 2 – Seven Principles of Public Life

Appendix 3 – Whistleblowing Policy

Appendix 4 – Bribery Act 2010

Appendix 5 – Defalcation procedures

<p style="text-align: center;"><b>Fraud Response</b> telephone number <b>0141 333 3141</b> (in confidence)</p>
--



## 1. Introduction

- 1.1 Strathclyde Partnership for Transport (the Partnership) is an employer, service provider and purchaser of goods, services and works. As with other public sector organisations, the size and nature of our services puts us at risk of loss due to fraud, corruption or bribery, both from within and from outside the Partnership.
- 1.2 We (the Partnership) are committed to the prevention, detection, investigation and reporting of fraud and corruption. We are committed to recovering losses from fraud and to taking action against those who perpetrate fraud or corrupt acts against us.
- 1.3 This document outlines our Counter Fraud Strategy which is designed to ensure that our assets are safeguarded against loss and theft. In summary:
- the Partnership does not tolerate fraud and corruption;
  - the Partnership will investigate all allegations of fraud and corruption;
  - the Partnership will recover funds from parties found to have defrauded it; and;
  - the Partnership will assist in the prosecution of any person(s) who attempt to or commit fraud against it (the Partnership).
- 1.4 SPT management are responsible for the prevention and detection of fraud, as per the Fraud Response Plan (Appendix 1). However, we expect every Partnership employee, and those acting on behalf of the Partnership, to comply with the Seven Principles of Public Life (Appendix 2) and to be familiar with both this policy and the warning signs of fraudulent activity that might be present in their area of responsibility.
- 1.5 The Partnership expects all employees, contractors, service providers and service users to be fair and honest and to give the Partnership any help, information and support needed to deal with fraud and corruption. For the purposes of this strategy employees include full-time, part-time, and agency staff.
- 1.6 We expect employees to report any suspicions in confidence to their manager, or to the individuals named in the attached Fraud Response Plan (Appendix 1) or in accordance with the Whistleblowing Policy (Appendix 3). If you wish to clarify any matters in this strategy or supporting appendices, contact the Audit and Assurance Manager, in confidence, on 0141 333 3195 or in person.
- 1.7 The strategy set out in this document covers the following areas:
- The Partnership's written rules;
  - How we expect our employees to behave;
  - Preventing fraud and corruption;
  - Detecting and investigating fraud and corruption; and
  - Training and awareness.



This plan is intended to be implemented where suspicions of fraud or corruption have been raised.

**Fraud** is defined as:

*‘an illegal act categorised by deceit, concealment or violation of trust’.*

**Note:** *this includes cyber fraud. Cyber-crime is any criminal act dealing with computers and networks (called hacking). Additionally, cyber-crime also includes traditional crimes conducted through the Internet.*

**Corruption** is defined as:

*‘dishonest or fraudulent behaviour by a person(s) in authority’.*

## **2. The Partnership’s written rules**

- 2.1 The Partnership has policies, procedures and rules to make sure that the financial, operational and organisational processes are properly controlled. These arrangements are an important part of the system of internal control.
- 2.2 These documents include the following:
  - Scheme of Delegated functions;
  - Financial Regulations;
  - Standing Orders Relating to Contracts;
  - Code of Conduct for employees;
  - Code of Conduct for members;
  - Code of Corporate Governance;
  - Guidance on the Register of Interests for Employees; and
  - Employees’ conditions of service.
- 2.3 Individual services have measures which are designed to control their activities to complement these corporate policies and procedures. Examples include Standard Procedural Instructions and other operational guidance.
- 2.4 Directors/managers must make sure that all staff have access to these rules and regulations and that staff receive suitable training.
- 2.5 Employees must make sure that they read and understand the rules and regulations that apply to them, and act in accordance with them.
- 2.6 If anyone breaks these rules and regulations, the Partnership may take such formal action as considered appropriate in the circumstances of the case. This may include invoking the disciplinary procedures against individual employee(s) which can lead to terminating their employment with the Partnership.



### **3. How we expect our employees to behave**

- 3.1 We expect all people and organisations that are in any way associated with the Partnership to be fair and honest in their dealings with each other, service providers and service users. The Partnership expects all employees, full-time, part-time and agency staff, to lead by example in these matters.
- 3.2 Our Code of Conduct for employees set out an approach to work that is both fair and honest. Employees are required to act in accordance with this code at all times.
- 3.3 We feel our employees have an important part to play in preventing and detecting fraud and corruption. We actively encourage our staff to inform us if they suspect or have any information relating to fraud and corruption.
- 3.4 We will treat all information received on these matters fairly and confidentially. We will endeavour not to reveal the names of the person(s) who provided us with the information. The attached Fraud Response Plan (Appendix 1) and Whistleblowing Policy (Appendix 3) offer more advice on this issue for all employees including agency staff.
- 3.5 The Nolan Committee set out the seven guiding principles that apply to people who serve the public. We will develop our working behaviour around these principles, as per Appendix 2.
- 3.6 We expect that any and all suspected, attempted or incidents of fraud or corruption will be reported immediately to the employee's manager/Director. (The employee may wish to report this matter in accordance with the Whistleblowing policy (Appendix 3)). The employee's Director will then make a report to the Assistant Chief Executive for further investigation and reporting.

**Important note:** the employee and/or his/her manager **must not investigate** fraud or corruption themselves. All issues relating to these matters should be formally reported in accordance with the Fraud Response Plan and/or Whistleblowing policy.

- 3.7 We will endeavour to ensure that any investigative process is not misused and, therefore, any abuse, such as raising unfounded malicious allegations, may lead to the disciplinary procedures being invoked.

### **4. Preventing fraud and corruption**

- 4.1 We believe that if fraud and corruption are to be beaten, they must be prevented from happening in the first place. It is essential that we have clear rules and procedures, within which employees, contractors and service providers can work.



- 4.2 We will regularly review and update our policies, and procedures and rules to ensure that they address the current risks (including fraud) facing the Partnership. We require all employees to comply with these rules and policies.
- 4.3 We recognise that it is the responsibility of SPT management to manage the risk of fraud and corruption. We will therefore implement internal controls which contribute to the prevention and detection of fraud and corruption. Audit and Assurance will assist management in this process by assessing, reviewing and reporting on the robustness of these internal controls and recommending remedial action, where appropriate. The Assistant Chief Executive will initiate any and all investigation of fraud incidents.
- 4.4 We must follow our procedures when vetting and employing staff. We will check the previous employment records, references and where relevant, request additional checks (i.e. Disclosure checks) of anyone we are considering employing. This applies to both permanent and temporary posts.
- 4.5 We are committed to working and co-operating with other organisations to prevent fraud and corruption. Wherever possible, we will assist and exchange information with other organisations to deal with fraud and corruption.
- 4.6 Any disclosure of information will be tightly controlled particularly in relation to data protection issues. Legal advice maybe sought prior to any exchange of information.
- 4.7 We will endeavour to provide confidential facilities for people to give us information that may prevent fraud and corruption.
- 4.8 We will endeavour to ensure that full details of the Partnership's Whistleblowing policy is available to all employees and that all information we receive in this way is investigated accordingly.

## **5. Detecting and investigating fraud and corruption**

- 5.1 This section should be read with the Partnership's Fraud Response Plan (Appendix 1) and the Bribery Act 2010 (Appendix 4)
- 5.2 In accordance with the Financial Regulations employees must report any evidence or reasonable suspicion of any irregularity relating to funds, stores or other property of the Partnership immediately to the Assistant Chief Executive. Reporting cases in this way is essential to the delivery of the Counter Fraud Strategy and makes sure that:



- suspected cases of fraud and corruption are investigated properly;
  - the fraud response plan is carried out properly;
  - there is a standard process for dealing with all suspected cases of fraud and corruption; and
  - our interests and those of the individuals are protected.
- 5.3 The Partnership's Whistleblowing Policy (Appendix 3) is intended to encourage and enable staff to raise serious concerns. Employees reporting these concerns, in this way, are afforded certain rights through legislation (Public Interest Disclosure Act 2013).
- 5.4 We will investigate all allegations and suspected incidents of fraud or corruption. The Assistant Chief Executive will determine the extent of the investigation and report as considered necessary. The Assistant Chief Executive will inform the Chief Executive in all cases where it is considered that there may be a crime or an offence involved.

#### Audit and Assurance

- 5.5 In accordance with the Internal Audit Charter; Audit and Assurance staff are granted the authority to have unrestricted access to all Partnership assets, correspondence, documents, records and systems (computerised and otherwise); books, records and premises and employees in the course of the investigation of suspected fraud. Where appropriate the Defalcation procedures will be invoked (Appendix 5).
- 5.6 A report will be made by the Assistant Chief Executive to Police Scotland in all circumstances of financial irregularity where it appears that a crime or an offence may have been committed.
- 5.7 It is our intention to recover any funds or property which have been misappropriated from us by either individuals or organisations.

#### National Fraud Initiative

- 5.8 We will participate in the National Fraud Initiative data matching exercise. The Audit and Assurance Manager will investigate all results reported to SPT to identify potential errors or fraud.

#### Bribery and Corruption

- 5.9 Any suspected contravention of the Bribery 2010 Act will be investigated internally by the Assistant Chief Executive and where the Partnership considers that a breach of the Act has occurred; this will be referred to the relevant regulatory authorities for further action, as appropriate.



- 5.10 The Partnership will appoint the Assistant Chief Executive to have responsibility for ensuring that adequate procedures and appropriate documentation are put in place to reflect the requirements placed upon the Partnership and associated persons under the Act such as its officers, suppliers and partners. This will include, but is not limited to: the Codes of Conduct; Procurement guidelines; associated tender documentation; guidance on the acceptance of gifts and hospitality; and the Register of Interests.

## **6. Training and awareness**

- 6.1 We understand that the key to implementing a successful Counter Fraud Strategy and making sure it continues to apply will depend on programmed training and the way all our employees respond.
- 6.2 We support the idea of providing training for our employees who are involved in, or managing, internal control systems, to make sure that their responsibilities and duties are regularly reviewed and reinforced.
- 6.3 We are also committed to training and developing our employees who are involved in investigating fraud and corruption, and will provide suitable training.
- 6.4 We will raise awareness of the risk of fraud and corruption for SPT and encourage participation in counter fraud measures including cyber resilience arrangements outlined by the Scottish Government.

## **7. Conclusion**

- 7.1 The Partnership is committed to the prevention, detection, investigation and reporting of fraud and corruption. Our response will be efficient, effective and fair and will rely on the principles included in this document.
- 7.2 We will continue to monitor our rules and procedures and will make sure that this strategy document is regularly reviewed so that it remains effective.



## Appendix 1

# Fraud Response Plan

## 1. Introduction

The Fraud Response plan must be followed by SPT management in the event of a fraud being suspected, attempted or committed within Strathclyde Partnership for Transport.

The plan offers guidance on the following matters:

- Responsible persons;
- Initial evaluation;
- Informing relevant parties;
- Maintaining a fraud register;
- Swift initial action;
- Investigation;
- Reporting;
- Asset recovery;
- Prosecution and disciplinary action.

## 2. Responsible persons

Whenever it is suspected or known that a fraud has occurred, in any service, the matter should be immediately reported to the relevant manager/Director who will immediately inform the Assistant Chief Executive.

## 3. Initial evaluation

The manager/Director and Assistant Chief Executive, having been so informed, shall immediately contact the Audit and Assurance Manager requesting that an investigation is carried out. The Audit and Assurance Manager will then carry out an initial evaluation.

## 4. Informing relevant parties

On completion of the initial evaluation by the Audit and Assurance Manager, the Assistant Chief Executive will determine which other parties are to be informed. These other parties include, but are not limited to, the Strategy Group, Senior Legal Adviser, Police Scotland, SPT's insurers and bankers. The Assistant Chief Executive will also consult with the Media and Public Affairs Manager, if appropriate.



## **5. Maintaining a fraud register**

The Audit and Assurance Manager will maintain a register of all reported frauds including suspected or attempted frauds. This register will record fraud incidents, results of investigations and any action undertaken.

## **6. Swift initial action**

After the preliminary evaluation by the Audit and Assurance Manager, a decision shall be taken by the departmental manager/Director in consultation with the Director of Finance & HR as to whether or not the employee(s) concerned should be temporarily removed from his/her existing workplace. This may involve finding alternative work or suspension with pay pending the results of the investigation. The Audit and Assurance Manager will also offer guidance on how to stem any loss, ensure the integrity of evidence is maintained, and the need to withdraw any authorities and accesses (including Digital equipment and systems) used by the employee.

## **7. Investigation**

If in the course of the investigation, interviews by Audit and Assurance or other officials are required, with the employee(s) concerned, the employee(s) must be given the opportunity of being accompanied. He/she may select a trade union or professional association representative or a colleague who is not involved in the area of work to which the investigation relates.

## **8. Reporting**

The Assistant Chief Executive will make a report to Police Scotland in all circumstances of irregularity where it appears that a crime has been committed. In addition, following advice, the matter may also be reported to other partner and external organisations, i.e. bank, external audit, insurance provider and media.

## **9. Asset Recovery**

Where appropriate the Assistant Chief Executive will initiate action to trace and recover any misappropriated assets and notify insurers where necessary.

## **10. Disciplinary action**

In the event of fraud or corruption being identified, disciplinary action will be pursued in accordance with the Partnership's disciplinary policy.



## Appendix 2

### The Seven Principles of Public Life

<b>Selflessness</b>	Holders of public office take decisions in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
<b>Integrity</b>	Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their performance of their official duties.
<b>Objectivity</b>	In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
<b>Accountability</b>	Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
<b>Openness</b>	Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
<b>Honesty</b>	Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
<b>Leadership</b>	Holders of public office should promote and support these principles by leadership and example.



## Appendix 3

### Whistleblowing Policy

Employees are often the first to realise that there may be something seriously wrong within the Partnership (i.e. suspected fraud, corruption or other wrongdoing). However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Partnership. They may also fear harassment or victimisation. In these circumstances, it may be easier to ignore the concern rather than report what may just be a suspicion of malpractice.

The Partnership is committed to the highest possible standards of openness, probity and accountability. In line with that commitment we expect employees and others with serious concerns about any aspect of the Partnership's work to come forward and voice those concerns. It is recognised that certain cases will have to proceed on a confidential basis. This policy document makes it clear that staff can do so without fear of reprisal.

This Whistleblowing Policy is intended to encourage and enable staff to raise serious concerns within the Partnership rather than overlooking a problem or approaching the media or other external bodies as a first resort.

#### 1. Aims and scope of the policy

- (a) This policy aims to:
  - provide avenues for staff to raise concerns and receive feedback on any action taken;
  - inform staff on how to take the matter further if they are dissatisfied with the response, and
  - reassure staff that they will be protected from reprisal or victimisation for whistleblowing in good faith.
  
- (b) There are existing procedures in place to enable staff to lodge a grievance relating to their own employment. This Whistleblowing Policy is intended to cover concerns that fall outside the scope of other procedures. That concern may be about something that:
  - is unlawful; or
  - is against the Partnership's Standing Orders or policies; or
  - falls below established standards or practices; or
  - amounts to improper conduct.



## 2. Safeguards

- (a) **Harassment or Victimisation:** The Partnership recognises that the decision to report a concern can be a difficult one to make, not least because of the reaction of those responsible for the malpractice. The Partnership will not tolerate harassment or victimisation and will take action to protect staff when they raise a concern in good faith. This does not mean that if a member of staff is already the subject of disciplinary or redundancy procedures, that those procedures will be halted as a result of their whistleblowing.
- (b) **Confidentiality:** The Partnership will do its best to protect an individual's identity when he/she raises a concern and does not want their name to be disclosed. It must be appreciated, however, that the investigation process may reveal the source of the information and a statement by the individual may be required as part of the evidence.
- (c) **Anonymous Allegations:** This policy encourages staff to put their names to allegations. Concerns expressed anonymously are much less powerful, but they will be considered at the discretion of the Partnership. In exercising this discretion, the factors to be taken into account would include, but not limited to:
- the seriousness of the issued raised;
  - the credibility of the concern; and
  - the likelihood of confirming the allegation from attributable sources
- (d) **Untrue Allegations:** If an employee makes an allegation in good faith, but it is not confirmed by the investigation, no action will be taken against them. If, however, an individual makes malicious or vexatious allegations, disciplinary action may be considered and invoked.

## 3. Raising a concern

- (a) For some relatively minor issues (e.g. personal use of Partnership equipment, abuse of flexi-time), the employee(s) should normally raise concerns with their immediate manager or their superior. In general, however, the whistleblowing procedure is expected to be used for potentially more serious and sensitive issues (e.g. suspected fraud, corruption and safety critical issues);

The first step, for all serious issues, will be to approach the relevant Director (unless he/she or senior management is the subject of the complaint in which case the Assistant Chief Executive should be informed directly). Should the complaint be found by the Director to be substantiated, he/she will consult with the Assistant Chief Executive. All staff can raise concerns directly with the Strategy Group should they be unhappy with the internal investigation.



- (b) Concerns are better raised in writing. The background and history of the concern, giving names, dates and places where possible, should be set out and the reason why the individual is particularly concerned about the situation. Those who do not feel able to put their concern in writing; can telephone; or meet an appropriate officer in person.
- (c) The earlier the concern is expressed, the easier it is to take action.
- (d) Although staff are not expected to prove the truth of an allegation, they will need to demonstrate to the person contacted that there are sufficient grounds for concern.
- (e) Advice and guidance on how matters of concern may be pursued can be obtained from the Audit and Assurance Manager.
- (f) Individuals may invite their Trade Union or professional association to raise a matter on their behalf.

#### **4. How the concern will be dealt with**

- (a) The action taken by the Partnership will depend on the nature of the concern. The matters raised may:
  - be investigated internally; and/or
  - be referred to Police Scotland; and/or
  - be referred to the external statutory agencies.
- (b) In order to protect individuals and the Partnership, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Concerns or allegations which fall within the scope of other existing procedures (e.g. health and safety) will normally be referred for consideration under those procedures.
- (c) Some concerns may be resolved by agreed action without the need for investigation.
- (d) Within ten working days of a concern being received, the Assistant Chief Executive will write to the complainant:
  - acknowledging that the concern has been received;
  - indicating how it is proposed to deal with the matter;
  - giving an estimate of how long it will take to provide a final response;
  - telling them whether any initial enquiries have been made; and
  - telling them whether further investigations will take place, and if not, why not.



- (e) The amount of contact between the organisation considering the issues (as set out at (a) above) and the complainant will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from the whistleblower(s).
- (f) When any meeting is arranged, the employee(s) has the right, if they so wish, to be accompanied by a trade union or professional association representative or a friend who is not involved in the area of work to which the concern relates.
- (g) The Partnership will take steps to minimise any difficulties which staff may experience as a result of raising a concern. For instance, if employee(s) are required to give evidence in criminal or disciplinary proceedings, the Partnership will advise them about the procedure.
- (h) The Partnership accepts that employee(s) need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, staff will receive information about the outcome of any investigations.

## **5. The responsible officer**

The Assistant Chief Executive has overall responsibility for the maintenance and operation of this policy. That officer shall maintain a record of concerns raised and the outcomes (but in a form which does not endanger confidentiality) and will report as necessary to the Partnership.

<p style="text-align: center;"><b>Whistleblowing telephone number 0141 333 3141</b> (in confidence)</p>
---



## Appendix 4

### **Bribery Act 2010**

Strathclyde Partnership for Transport (the Partnership) recognises its responsibilities under the Bribery Act 2010.

The Partnership is an employer, service provider and purchaser of works, goods and services, and as such it will not tolerate any contravention of the Act.

The Bribery Act 2010 makes it a criminal offence to give, promise or offer a bribe and to request, agree to receive or accept a bribe either at home or abroad, as follows:

#### Section 1 – Offences of bribing another person (active)

Where a person offers, promises or gives a financial or other advantage to another person, intending to induce them to perform improperly a relevant function or activity, or to reward a person for such improper performance.

#### Section 2 – Offences related to being bribed (passive)

Where a person requests, agrees to receive or accepts a financial or other advantage intending that, in consequence, a relevant function or activity should be performed improperly by themselves or another.

It does not matter whether the advantage is direct or through a third party, nor whether the benefit is for that person or another.

#### Section 6 – Bribery of foreign public officials

Where a person in the act of intending to obtain or retain business, or an advantage in the conduct of business, bribes a foreign public official with the intent to influence them in their capacity, is guilty of an offence.

This only applies if they directly, or through a third party, offer, promise or give any financial or other advantage to the foreign official or to another at the officials request or with their assent or acquiescence and the official is neither permitted nor required by the applicable local written law to be influenced in their capacity by the offer, promise or gift.

#### Section 7 – Failure of commercial operations to prevent bribery

A relevant commercial organisation is guilty of an offence if a person associated with it bribes another person intending to obtain or retain business for it or obtain or retain an advantage in the conduct of business for it.

It is a defence for the organisation to show it had adequate procedures in place to prevent persons associated with it from undertaking such conduct.



### Section 12 – Offences under the Act: territorial application

An offence is committed under section 1, 2 or 6 in Scotland, England and Wales, or Northern Ireland if any act or omission forming part of the offence takes place in that part of the UK.

### Section 14 – Offences under sections 1, 2 and 6 by bodies corporate etc.

Where offences under these sections are committed by a body corporate or partnership, if the offence is committed with the consent or connivance of:

- a) a senior officer of the body corporate or partnership, or
- b) a person purporting to act in such capacity,

the senior officer or person **as well as** the body corporate or partnership is guilty of the offence.

General points to remember:

- a simple offer can be sufficient to complete an offence;
- a bribe may be financial or in another form of 'advantage'
- having adequate procedures can reduce the risk.

The Partnership will not employ individuals, nor conduct business with any individual or third party which does not abide by the terms of the Act. Any suspected contravention of the Act should be notified to the Assistant Chief Executive and where the Partnership considers that a breach of the Act has occurred, this will be referred to the relevant regulatory authorities for further action as appropriate.

The Partnership will appoint the Assistant Chief Executive to have responsibility for ensuring that adequate procedures and appropriate documents are put in place to reflect the requirements placed upon the Partnership and associated persons under the Act such as its officers, suppliers and contractors. This will include, but is not limited to: the Codes of Conduct; Procurement guidelines; associated tender documentation; guidance on the acceptance of gifts and hospitality; and the Register of Interests contained in the governance manual.

Thereafter, the Assistant Chief Executive will regularly monitor and review the Partnership's procedures and documents and keep members advised of any breaches of the Act. Any reports relating to these matters will be referred to the Partnership.



## Defalcation Procedures

### Definition

*'Defalcation is the misappropriation or embezzlement by an employee of monies or materials, etc. placed in that employees charge'.*

### Departmental Arrangements

All Departments must have suitable arrangements in place to ensure that where defalcation is suspected or has occurred, the matter is reported immediately to the relevant Director or to a nominated Senior Officer. At this stage, it should be made clear to those involved that SPT's defalcation procedure, and not the disciplinary procedure is being followed.

If a Director or a nominated Senior Officer is informed of a suspected or known Defalcation; they must contact the Assistant Chief Executive and the Audit and Assurance Manager immediately. The Audit and Assurance Manager will thereafter carry out a preliminary investigation and report back to the Director or nominated Senior Officer concerned. As part of the preliminary investigation, employees may be asked to provide information to establish the facts.

### Audit and Assurance

Audit and Assurance will investigate allegations of defalcation or irregularity. In terms of the Internal Audit Charter, this includes the right, on production of identification, to:

- unrestricted access to all Partnership premises;
- unrestricted access to all assets, correspondence, documents, records and systems (computerised and otherwise);
- all personnel pertinent to the investigation;
- receive any information and explanation, considered necessary, concerning any matter under investigation;
- require any Partnership employee to account for cash, stores, and any other authority asset under their control; and
- access records belonging to third parties i.e. contractors and partner organisations, when required (this must be written into all agreements and contracts entered into with third parties).

### Investigation

On the basis of a report on the preliminary investigation from the Audit and Assurance Manager, a decision shall be taken by the relevant Director or nominated Senior Officer, in consultation with the Assistant Chief Executive, as to whether or not any employee should be removed from the current workplace and found alternative duties, or suspended with pay pending the results of further investigation.

A precautionary suspension can be applied where it is considered advisable that the employee should not attend the workplace while an investigation is underway. The suspension should be implemented as per SPT's disciplinary procedure.



Prior to this decision being implemented, the employee concerned shall be called to an interview (accompanied if so wished, by a trade union or other appropriate representative) and advised of the reasons for the interview, of the decision to extend the investigation and whether a removal to another work location or suspension with pay is proposed pending the completion of the investigation.

If, in the course of the further investigation, supplementary interviews by Audit and Assurance or other appointed officers are required with the employee concerned, the employee must be given the opportunity of being accompanied by a fellow worker or trade union representative. If the employee wishes to be accompanied by someone other than a fellow worker or trade union representative, advice should be sought from Human Resources staff.

If at any point during the preliminary investigation, the Audit and Assurance Manager, or a member of the investigating team, identify that one particular employee is likely to have been responsible for the defalcation, then in any interviews with that employee; the employee shall be given the opportunity of being accompanied as above.

On completion of the investigation, a written report shall be prepared by the Audit and Assurance Manager and sent to the relevant Director. Where the Director, in consultation with the Assistant Chief Executive, considers disciplinary procedures to be necessary, the Chief Executive shall be advised accordingly.

Thereafter, the relevant Director should advise the Chief Executive; and the Assistant Chief Executive in the role as Monitoring Officer; in writing of what further action they consider should be taken.

At the conclusion of the investigation when the findings are known and any required consultations between the Chief Executive, the Assistant Chief Executive and the Audit and Assurance Manager have taken place, the employee concerned shall be called to a further interview by the relevant Director, 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).

### **Actions following investigation**

In the event of disciplinary procedures being invoked, the employee shall be advised that SPT's disciplinary procedure will now apply and be given written information on the nature of the findings of the investigation. Thereafter, the employee shall be called to a disciplinary interview by the Director of the Department (or the Senior Officer appointed by the Director of the Department). Employees have a right to be accompanied by a fellow worker or trade union representative when they are required to attend disciplinary hearings where action may be taken and if they make a reasonable request to be accompanied as per SPT's disciplinary procedure.

### **Police Scotland**

**No approach is to be made to the Police Scotland** regarding defalcation except by the Chief Executive, the Assistant Chief Executive, or other nominated Senior Officer acting on the Chief Executive's authority.