



Agenda Item 07

**JOINT AUDIT COMMITTEE
11 December 2025**

**Anti-Fraud, Bribery and Corruption Policy
Annual Review of Effectiveness**

1. Purpose of the report

- 1.1 The purpose of this report is to update the Joint Audit Committee on the effectiveness of the Anti-Fraud, Bribery and Corruption Policy of the Police and Crime Commissioner and Force.

2. Background

- 2.1 A key role of the Joint Audit Committee is to monitor the policies of both the Police and Crime Commissioner and Chief Constable on 'Raising Concerns at Work', and Anti-Fraud and Corruption. This is to ensure adequate arrangements are in place to safeguard both organisations, as far as possible, against any form of fraud and corruption activity.
- 2.2 The PCC and Force promote a zero-tolerance approach towards fraud, bribery, corruption and other malpractice for personal gain. To that extent, dishonesty, lack of integrity, avoidance of controls and failure to comply with agreed policies will not be tolerated.
- 2.3 The Anti-Fraud, Bribery and Corruption Policy and Fraud Response Plan, is supported by the Governance Framework and a number of interrelated policies which are key to promoting a strong ethical and counter fraud culture. The Anti-Fraud, Bribery and Corruption Policy and Fraud Policy was reviewed in September 2024 and was subsequently considered by Joint Audit Committee at its meeting on 4 September 2024.
- 2.4 This report provides:
- an update on the counter fraud work undertaken by internal audit since the previous report to the Joint Audit Committee on Anti-Fraud, Bribery and Corruption in December 2024.
 - highlights of the outcomes of work performed within the National Fraud Initiative (NFI) data matching exercise administered by internal audit; and
 - an investigation update report from the Professional Standards Department summarising the results arising from significant internal fraud investigations carried out by Professional Standards, along with an update on the work by the Professional Standards Department to reduce issues of fraudulent conduct. This report is attached.

3 Internal Audit contribution to Counter Fraud Work

- 3.1 Internal audit contributes to the anti-fraud and corruption arrangements by providing assurance that internal controls are effective to maximise the deterrence and prevention of fraud. The internal audit plan includes some time to devote to specific counter fraud activities, including time to investigate matches identified by the National Fraud Initiative data matching exercise, although fraud risks are considered when planning all audits, particularly those audits of financial systems and processes.
- 3.2 The outcome of internal audit's work informs the Head of Internal Audit's annual opinion on risk, governance and the internal control environment, and will help determine areas for future internal audit plans.
- 3.3 A number of internal audits completed over the last 12 months have had a specific emphasis on preventing fraud. Examples include financial processes and systems such as VAT, Bank Reconciliation and Accounts Payable, as well as ensuring recommendations relating to key financial processes have been actioned to prevent risk of fraud and error etc. The risk of fraud, corruption or general dishonesty has also been considered in wider audits such as the Uniform and Equipment, Gifts and Hospitality processes etc.
- 3.4 Whilst the audits completed to date this year have not identified any frauds, for some reviews, weaknesses were identified where the control framework was not as robust as it could be; or was not being operated effectively to prevent or detect fraud. Any significant control issues resulting in a 'Limited' or 'Minimal' assurance opinion have been reported to the Joint Audit Committee as part of Internal Audit's regular activity update report. Where control weaknesses have been identified, action plans have been agreed with management to address the weakness, with updates on progress also being reported to the Joint Audit Committee.
- 3.5 For the remainder of 2025/26, Internal Audit will place further emphasis on auditing systems and processes, e.g. Payroll, where fraud risks are greater. The Joint Audit Committee will be updated on significant findings arising in due course.

4 National Fraud Initiative (NFI)

- 4.1 Both the Police and Crime Commissioner and Chief Constable are required to participate in a biennial data matching exercise, facilitated by the Cabinet Office, to assist in the prevention and detection of fraud. Internal audit undertakes the Key Contact role on behalf of both organisations and as such are responsible for co-ordinating and monitoring the overall exercise and providing feedback on the outcomes of the exercise.
- 4.2 Outcomes of the 2024/25 data matches which have been investigated are reported on the NFI website. These matches are primarily investigated by internal audit, with some matches related to deceased pensioners being investigated directly by the pensions team. Access to data matches on the NFI website is restricted to selected staff within internal audit and within the Pensions Section (for pension matches only).
- 4.3 As the overall process is monitored by the Cabinet Office, match investigation results are inputted onto the NFI website and are categorised appropriately, e.g. Closed - error, Closed – fraud, Closed – already known. If an overpayment due to a fraud or error is established, the savings identified are also included on the website. This enables the Cabinet Office to report on the overall results. The Force and Office of the Police and Crime Commissioner (OPCC) total identified overpayments to date amount to £225,251.
- 4.4 A combined total of 3,851 data matches were received across all data sets for the Force and OPCC. Data is matched across a number of criteria, and a risk dial is applied indicating the strength of the match, the higher the figure on the risk dial the greater potential of fraud and error. Of the 3,851 matches, 631 are considered high quality and to date we have investigated a total of 563 which resulted in the reported overpayments being identified.

- 4.5 65 of the recommended matches related to deceased persons for whom a pension was still being paid. In most instances these matches were due to timing differences between the data being submitted to Cabinet Office and matches being released for investigation and were therefore already known cases with recovery already in progress. For those few not already known, the investigations identified £51,058 of overpayments. The Pensions team is attempting to recover these overpayments by contacting next of kin, banks and solicitors, dealing with estates, where known. In addition to the biennial NFI exercise, the Pension team has also recently submitted data for an additional Mortality Screening exercise offered by the Cabinet Office. The matches for the data mortality screening are yet to be released.
- 4.6 The remaining £174,193 of overpayments identified relate to creditors where duplicate payments were made. All overpayments relate to the same supplier who has since refunded the amounts overpaid.
- 4.7 We are continuing to work on the remaining high-quality investigations.

5 **Professional Standards Department**

- 5.1 The Professional Standards Department undertakes investigations into suspected fraud or irregularity. The work of Professional Standards also helps promote an effective anti-fraud culture by raising awareness of misconduct cases, and by publicising sanctions on the Force's intranet. As required within the Anti-Fraud, Bribery and Corruption Policy, the Professional Standards Department has prepared an update report attached at Appendix 1, which explores complaints (externally/public generated) and conduct matters (internally generated) relating to fraud. The report also includes matters relating to business interests and describes the proactive work of the Prevention and Intervention Team within Professional Standards to reduce and prevent corrupt practice.

6 **Conclusion**

- 6.1 The Internal Audit Plan includes elements of counter fraud work and work reviewing controls intended to deter and prevent fraud. This work is supplemented by the biennial NFI exercise, with the latest exercise identifying total overpayments of £225,251 to date.
- 6.2 The Force and OPCC continue to have a range of detailed policies and guidance which provide a framework to ensure that employees are aware of what is expected of them. This reduces the risk of inappropriate behaviour/conduct. However, despite this, isolated incidents of misconduct do occur, and the Professional Standards Department has in place robust arrangements to investigate any suspected fraud and irregularity.
- 6.3 In addition to the misconduct investigations undertaken, Professional Standards have a Prevention and Intervention team which focuses on data driven prevention, intervention and engagement to drive down threat, risk and demand. The proactive activities of this team during the year include force wide standards of behaviour inputs, vulnerability conversations, management of organisational learning, reflective practice and 'On the Panel' newsbeat articles. The team have also recruited over 158 departmental representatives as Standard Ambassadors. These representatives form a link between departments and the Professional Standards Department to further increase staff awareness of Professional Standards policies and processes.
- 6.4 The integrity unit continue to assess, manage and review the organisational risk posed from staff. Also, annual integrity and vetting reviews continue to be completed. Members can therefore be assured that prevention and detection of fraud, along with promoting high standards of conduct, are given high priority within the OPCC's and the Force's operations.

7 **Recommendations**

7.1 The Committee is asked to note the contents of this report.

<p>CONTACT OFFICER Name: Jane Heppel Title: Chief Finance Officer</p> <p>Name: Chief Superintendent Natalee Starbuck Title: Head of Professional Standards</p>

<p>BACKGROUND DOCUMENTS</p> <p>None</p>
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PSD INVESTIGATIONS UPDATE 2025

Introduction

1. This report has been prepared by the Professional Standards Department (PSD) for the consideration of the Joint Audit Committee (JAC) and explores complaints and conduct matters relating to fraud as described within the responsibilities of the Head of Professional Standards within the Anti-Fraud, Bribery and Corruption Policy.
2. The date parameters set are 1st November 2024 to 31st October 2025, unless otherwise stated.
3. To protect the identity of the subject, individual officer and staff details are not disclosed.
4. The report this year includes matters relating to business interests.

Cases

5. There are 28 cases reported in the 12-month period. (Appendix A). Of these 28 cases; 6 relate to claims of overtime, 9 relate to business interests, 11 relate to theft and 2 relate to fraud.
6. Matters relating to business interests primarily relate to an alleged failure to disclose the business interest or undertaking unauthorised activity.
7. The majority of the allegations about overtime claims are reported anonymously.

Cases updates

8. 12 of the cases reported are ongoing, 1 matter relating to a student officer carrying out an unapproved business interest, it was deemed to be suitable for Regulation 13 however the student officer had already resigned. 12 cases have been investigated and filed no further action. 1 case has been subject to practice requiring improvement regarding an undeclared business interest. 2 on duty matters have resulted in the suspension of officers.
9. There is one off duty criminal allegation; a student officer involved in theft, the criminal investigation resulted in a local resolution, the officer is now being progressed through a Regulation 13 Process. There are two allegations relating to fraud involving reported benefit fraud, one has been negated, the other is currently being explored to establish any validity.

Confidential reporting

10. The confidential reporting line has been routinely highlighted via the force intranet, reporting remains consistent, advancements have been made to this reporting mechanism to allow access via police issue mobile phones (previously restricted to police laptops, computers).
11. We continue to receive external anonymous reporting through the national Crimestoppers corruption line (launched in 2024).

PSD Prevention and Intervention Team

12. In line with other areas of policing, the PSD Prevention and Intervention (P&I) team have been established to shift focus to a plan of data driven prevention, intervention and engagement to drive down threat, risk and demand. The team has now delivered a significant amount of work and supportive products since January 2022. This includes force wide standards of behaviour inputs, vulnerability conversations, management of organisational learning, reflective practice, newsletters and “on the panel” newsbeat articles. The P&I team and PSD SLT deliver inputs on the force leadership courses Operation Excellence to Sergeants, Inspectors and senior leaders.

Each LPA/Department maintain an appointed Standards Manager as the conduit for PSD related matters. Standards Managers are provided guidance on their role and attend a bi-monthly meeting where inputs are delivered. In the last 12 months recruitment has continued for PSD Standards Ambassadors. We currently have 158, they are departmental representatives who are volunteers and will form a link between departments and PSD. They are supported with additional training and CPD. This continues to help increase staff awareness of PSD policies and processes.

Integrity Unit

13. Following a proof of concept trial, the integrity unit was established in March 2024. This small team is responsible for assessing, managing and reviewing the organisational risk posed from staff. This team work to understand risk, apply and manage risk management measures to ensure high standards, deter misconduct and maintain public trust and confidence. The team currently manage over 100 Risk Mitigation Measures.

The team contain a PIP 2 accredited investigation capability and are now also responsible for vetting withdrawal assessments in line with the vetting regulations 2025.

Annual Integrity and Vetting Reviews

14. In September 2025 PSD launched the Annual Integrity and Vetting Review previously annual integrity health check. This online hub provides updated links and video boxes which outline standards of professional behaviour force policies such as business interests, gifts and hospitality and change of circumstances. To date over 76% has been completed. As a result of these conversations, we have seen a rise in Business interests/ change of circumstances.

15. 75 external applicants failed vetting for financial reasons in the period. There were also 39 financial reviews of existing employees completed.

Policies

16. Policies are subject to scheduled review to ensure information is current and fit for purpose.

Continuous Improvement

17. PSD record and share Organisational Learning to highlight practices and processes that carry risk. These are shared centrally with Corporate Development who co-ordinate with relevant force governance structures/boards and departments.

18. This resulted in a review of policy and working practices in relation to searching detainees in custody. There is also an ongoing learning matter with regards to the recovery of police uniform from officers and staff who leave West Midlands Police.

19. Themes and data from PSD performance and the Annual Integrity and Vetting Review are shared with local Standards Managers to ensure wider understanding and to prevent future vulnerability for staff and/or West Midlands Police.

Counter Corruption Unit (CCU) Update

20. Although theft and fraud do not currently feature in the CCU control strategy this is a category by which CCU records intelligence allegations. As with the previous year, seven allegations of this type were received within the last 12 months. To date, the following results can be outlined; three allegations were filed at source; one was passed on to PSD overt investigations. Three are part of ongoing investigations.

21. Fraud allegations concerning activity such as false time keeping, abuse of sickness policy, exaggerated overtime or expense claims are generally disseminated to PSD for further investigation.

22. In support of Operation Stemson, the counter corruption unit have undertaken physical testing for police premises, identifying vulnerabilities regarding detained property sites. This led to a number of recommendations that were implemented to enhance security measures across the force, including the revision of the detained property policy and the introduction of digital auditing. The physical testing was then repeated once the measures were in place to provide reassurance.

Conclusion

23. The overall number of fraud or theft allegations remain low. Matters relating to business interests continue to be reported. Organisational learning processes have highlighted matters of concern that have been subject to review and process change.

APPENDIX 1

	Allegations against	Summary	Case Type	Action taken	Investigated by	Conclusion
1	Officer	Officer is claiming overtime through system misuse not allowing other officers to do overtime	Miscellaneous	This was an anonymous referral that was sent to the local Standards Manager for fact finding: subsequently filed with no concerns.	Coventry LPA	No Action
2	Officer	ROCU Team fraudulent overtime claims	Miscellaneous	This was an anonymous referral that was sent to the local Standards Manager for fact finding: subsequently filed with no concerns.	ROCU	No Action
3	Officer	Officer abusing flexi system to claim overtime	Miscellaneous	Anonymous referral that officer working overtime on additional "flexi leave days", no action taken following PSD assessment	PSD	No Action
4	Officer	Officer altering shift pattern to work rest day overtime in football unit	Miscellaneous	This was an anonymous referral that was sent to the local Standards Manager for fact finding: subsequently filed with no concerns.	Wolverhampton LPA	No Action
5	Officer	Officer book AL then works overtime on AL day to claim overtime payment	Miscellaneous	This was an anonymous referral that was sent to the local Standards Manager for fact finding: subsequently filed with no concerns.	PPU	No Action

	Allegations against	Summary	Case Type	Action taken	Investigated by	Conclusion
6	Officer	Officer worked Overtime and remained on duty to claim rest day payment	Miscellaneous	Awaiting assessment	PSD	Ongoing
7	Staff	DWP seeking to establish potential benefit fraud by Staff member.	Miscellaneous	Ongoing/Awaiting PSD assessment	PSD/DWP	Ongoing
8	Officer	Council seeking to establish potential fraud (use of blue badge)	Miscellaneous	Reviewed with Occupational Health to confirm evidence of disability.	PSD	No Action
9	Officer	Student officer conducted business interest despite refusal	Miscellaneous	Undergoing PSD led Regulation 13 Process	PSD	Ongoing
10	Officer	Conducted unapproved business interest	Conduct	Investigation Ongoing	PSD	Ongoing
11	Officer	Conducted business interest whilst on sick leave	Miscellaneous	Training/HR led Regulation 13 process for performance/attendance concerns	HR	No further PSD Action
12	Officer	Conducted undeclared business interest	Miscellaneous	Person was unaware this activity would require declaring, now declared and local learning to improve conversation	Walsall LPA	No further PSD Action
13	Officer	Conducted undeclared business interest	Conduct	Assessed for Practice Requiring Improvement	PSD	RPRP

	Allegations against	Summary	Case Type	Action taken	Investigated by	Conclusion
14	Officer	Conducted undeclared business interest	Miscellaneous	Concluded as officer already resigned for another matter and this would not have amounted to Gross Misconduct	PSD	No Action
15	Officer	Conducted undeclared business interest	Miscellaneous	Policy issue where fostering (despite receiving payment) was not required to be declared	PSD	No further PSD action for this individual, Policy amended and BI now declared.
16	Officer	Conducted undeclared business interest	Conduct	Found officer had submitted the business interest when employed as a staff member, had not re-submitted when they left and re-joined as an officer.	PSD	Resubmit Business interest
17	Officer	Conducted business interest despite being off sick	Conduct	No misconduct as business interest declared and approval had not been withdrawn.	PSD	No Action
18	Officer	Officer has stolen items of food from police station and consumed items.	Miscellaneous	Undergoing PSD Reg 13 Process	PSD	Ongoing
19	Officer	Theft from shop	Conduct	Investigation Ongoing (officer suspended)	PSD	Ongoing

	Allegations against	Summary	Case Type	Action taken	Investigated by	Conclusion
20	Officer	Theft from person	Conduct	Investigation Ongoing (officer suspended)	PSD	Ongoing
21	Officer	Theft of mobile phone	Conduct	Officer's movements captured on CCTV and shows no theft takes place.	PSD	No Action
22	Officer	Theft of necklace during interaction with police officers	Complaint	Necklace found to have been booked into detained property and returned to complainant's partner	PSD	Service provided acceptable
23	Officer	Theft of money from search of home address	Complaint	Body Worn Video revealed that the officer searching did not take any money from address	PSD	Service provided acceptable
24	Officer	Theft of phone whilst in custody	Complaint	Investigation Ongoing	PSD	Ongoing
25	Officer	Theft of money from home address	Complaint	Complaint withdrawn	PSD	No Action
26	Officer	Theft of items from search of home address	Complaint	Investigation Ongoing	PSD	Ongoing
27	Officer	Theft of disability money	Complaint	Investigation Ongoing	PSD	Ongoing
28	Officer	Theft of money from search of home address	Complaint	Investigation Ongoing	PSD	Ongoing