

Strategaeth Atal Twyll ac Arferion Llwgr 2025 - 2030

Anti-Fraud and Anti-Corruption Strategy 2025 - 2030



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Foreword

As a Council, we are entrusted with public funds and resources to deliver vital services for the people and communities of Carmarthenshire. That trust is the foundation of everything we do. It is therefore essential that we protect those resources from the risk of fraud, corruption, and other forms of financial crime.

Fraud against the public sector is not a victimless crime. Every pound lost to dishonest activity is a pound taken away from essential services – from caring for our most vulnerable residents to maintaining safe and sustainable communities. We take that responsibility seriously, and this Strategy sets out our clear commitment to prevent, detect, and respond to fraud in all its forms.

We will continue to build strong systems and controls that make it difficult for fraud to occur; promote a culture of integrity and accountability among our staff, partners, and suppliers; and ensure that all suspicions of fraud are investigated promptly and fairly, with robust action taken where wrongdoing is found.

This Strategy also reaffirms our commitment to working collaboratively – with other councils, agencies, Dyfed Powys Police, and the National Fraud Initiative – to share intelligence, strengthen our defences, and stay ahead of emerging threats.

We want to be clear: fraud has no place in Carmarthenshire County Council. Through vigilance, good governance, and the continued dedication of our employees and partners, we will safeguard public money and maintain the confidence of the communities we serve.

Wendy Walters
Chief Executive

Chris Moore
Director of Corporate Services and Section 151 Officer

Councillor Alun Lenny
Cabinet Member for Resources

01

Introduction

Carmarthenshire County Council (CCC) is one of the largest unitary Authorities in Wales, and the largest local employer with over 8,000 staff. The Council owns significant assets, operates a range of systems and deals on a day-to-day basis with a wide range of contractors and customers. The diverse range and nature of services and activities coupled with the size of its operations and budgets inevitably put Carmarthenshire County Council at risk of fraud and corruption, from both internal and external sources.

Fraud continues to be the most common crime in the UK. Fraud is not a victimless crime and can affect us all.

The monetary cost - In monetary terms, fraud costs the country millions of pounds a year. It also affects the amount of money we have available to spend on providing public services. People in the UK lost £1.1 bn to fraud in 2024, according to bank industry group UK Finance.

The human cost - There are other not-so-obvious costs as a consequence of some frauds. For example, a consequence of Council Housing Tenancy Fraud is that available housing spaces are reduced thereby depriving families and vulnerable people on the waiting list.

Good Corporate Governance requires that the Authority clearly demonstrates its commitment to dealing with fraud and corruption and will deal equally with perpetrators from inside and outside the Council.

The culture of the Council is one of openness and the core values of Integrity, Taking Responsibility and Excellence support this. Carmarthenshire County Council is committed to the highest ethical and moral standards and is determined that the culture of the organisation is that of honesty, integrity and transparency, and fundamental to these core values is its commitment to combat fraud and corruption.

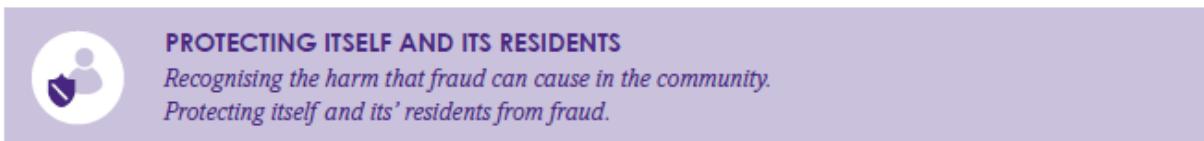
The [Well-being of Future Generations \(Wales\) Act 2015](#) requires each public body to carry out sustainable development, which means the process of improving the economic, social, environmental and cultural well-being of Wales. The role of this strategy will play an important part to ensure we follow the 7 principles of Good Governance set out by the Chartered Institute of Public Finance and Accountancy (CIPFA) by behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law. Managing risks and performance through robust internal control and strong public finance management. Implementing good practices in transparency, reporting and audit to deliver effective accountability.

The Council has a high degree of external scrutiny of its affairs by a variety of bodies including:

- Public Services Ombudsman for Wales
- Audit Wales
- Central Government Departments and Parliamentary Commissions
- Her Majesty's Revenue and Customs
- The Department of Works and Pensions
- Welsh Government

This strategy is closely linked to current policies within the Authority which provide staff and Members with guidance on the prevention and reporting of fraud and corruption. These include the Financial Procedure Rules, Financial Procedure Rules for Schools, Whistleblowing Policy, Behaviour and standards of the Authority, and Officers' and Members' Codes of Conduct.

The council aligns its fraud response with the best practice of the Fighting Fraud and Corruption Locally (FFCL) Strategy, which outlines five key pillars to strengthen local government counter fraud capability. These pillars support a coordinated, strategic, and proactive approach to managing fraud risks.



Fighting Fraud and Corruption Locally

* For the purposes of this Strategy, the term 'executive' shall mean the Chief Executive, the Corporate Management Team, and the Cabinet of Carmarthenshire County Council.

These pillars directly support the Well-being of Future Generations (Wales) Act 2015 objectives by promoting integrity, transparency, accountability, and sustainability within public services and communities. Accompanying the five key pillars are six overarching themes to assist the organisation and ensure that our counter fraud response is comprehensive and effective. These are often referred to as the six Cs:

Culture

Create and maintain a culture in which fraud and corruption are unacceptable. This involves fostering an environment where ethical behaviour is encouraged and wrongdoing is actively discouraged.

Capability

Enhancing our capability to detect, investigate, and prevent fraud. This includes training staff, improving data analytics, and using technology to stay ahead of fraudulent activities.

Capacity

Having capacity within the organisation to effectively combat fraud. This involves allocating resources, staffing appropriately, and ensuring that fraud prevention efforts are adequately resourced.

Competence

Developing and maintaining expertise in fraud detection, investigation, and prevention; having the right skills and standards in place.

Communication

Raising awareness, deterring fraud from happening, sharing information and celebrating success.

Collaboration

Working together across internal and external boundaries with colleagues and other agencies, sharing resources, information skills and learning.

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Aims and Objectives

The aims and objectives of the Anti-Fraud and Anti-Corruption Strategy are to:

- Protect the Council's valuable resources by ensuring they are not lost through fraud and corruption but are used for improving the delivery of services to Carmarthenshire residents through the successful implementation of the ongoing measures to reduce fraud.
- Create an 'anti-fraud' culture that aligns to the Council's zero tolerance of fraud, corruption and bribery, which actively seeks to increase the Council's resilience to fraud and corruption through the raising of fraud awareness.
- Create an environment that enables the reporting of any genuine suspicions of fraudulent activity. However, we will not tolerate malicious or vexatious allegations or those motivated by personal gain and, if proven, we may take disciplinary or legal action; and
- Work with our partners and other investigative bodies in collaboration to strengthen and continuously improve our arrangements to prevent fraud and corruption

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Scope

This strategy applies to:

- All Carmarthenshire County Council employees, regardless of role or designation (including volunteers and agency workers);
- All Carmarthenshire County Council Departments and Schools;
- All Councillors and co-opted Members;
- Staff and Committee Members of council-funded voluntary organisations;
- Carmarthenshire County Council's partners;
- External partners;
- Council suppliers, contractors and consultants;
- Customers.

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Definitions

Carmarthenshire County Council has a **zero-tolerance** stance to all forms of fraud, corruption and theft, both from within the council and from external sources. We recognise that fraud can:

- Undermine the standards of public service that the Council is attempting to achieve;
- Reduce the level of resources and services available for the residents of Carmarthenshire; and
- Result in major consequences which reduce public confidence in the Council.

What is Fraud?

Fraud is a criminal act or omission of deception intended for personal gain or to cause a loss to another person or organisation ([Fraud Act 2006](#)) this includes:

- **Knowingly making a false representation** – where an individual dishonestly and knowingly makes a representation that is untrue or misleading.
- **Failing to disclose information** – where an individual wrongfully and dishonestly fails to disclose information to another person when they have a legal duty to disclose it, or where the information is of a kind that they are trusted to disclose it, or they would be reasonably expected to disclose it.
- **Abuse of position** – Where an individual who has been given a position in which they are expected to safeguard another person's financial interests dishonestly and secretly abuses that position of trust without the other person's knowledge.

Fraud may be committed against individuals, businesses, or other organisations including Councils.

Fraud may be committed by persons internal or external to the Council, either acting alone or as part of a group.

What is Corruption?

Corruption is regarded as:

The offering, giving, soliciting or accepting of any inducement or reward, which would influence the actions taken by the body, its members or officers.

[The Bribery Act 2010](#) identifies the criminal offence of bribery and identifies 4 key offences:

- **Bribing another person** – A person commits an offense by offering, promising or giving a financial or other advantage to another person, directly or through an intermediary: intending that advantage to induce a person to perform improperly a function or to reward a person for so doing (whether or not it is the same person to whom the advantage is offered) or knowing or believing that accepting the advantage would itself be improper performance of a function.
- **Being bribed** – A person commits this offence by requesting, agreeing to receive or accepting a financial or other advantage, directly or through a third party, for his or her own or someone else's benefit: that person intends that, as a consequence, there is improper performance of a function or there is improper performance of a Function (whether as a reward, in anticipation of or as a consequence of the request, agreement or acceptance). The request, agreement or acceptance itself may be the improper performance of a function.

- **Bribery of a Foreign Public Figure** – This offence will be committed if a person offers or gives a financial or other advantage to a foreign public official with the intention of influencing the foreign public official and obtaining or retaining business, where the foreign public official was neither permitted nor required by written law to be so influenced; and
- **Failing to prevent Bribery** – A company is ‘strictly liable’ for any bribe paid by a person performing services on its behalf, unless the organisation proves that adequate anti-bribery procedures were in place.

The maximum penalty for the offenses is 10 years imprisonment and/or an unlimited fine. For the failure to prevent an offense, the fine alone applies.

What is Theft?

A person is guilty of theft if he dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it.

It is immaterial whether the appropriation is made with a view to gain or is made for the thief's own benefit.

Theft Act 1968

What is Money Laundering?

Money Laundering is the process by which criminals attempt to ‘recycle’ the proceeds of their criminal activities in order to conceal its origin and ownership whilst retaining use of the funds.

The burden of identifying and reporting acts of money laundering rests within the Council. Any service that receives money from an external person or body is potentially vulnerable to a money laundering operation. The need for vigilance is vital and any suspicion concerning the appropriateness of a transaction should be reported and advice sought from the Head of Revenues and Financial Compliance.

The Council recognises its responsibilities under the Money Laundering Regulations 2017 and the Proceeds of Crime Act 2002.

05 Governance and Roles



GOVERN

The culture of the Council has always been one of openness and the core values of **Integrity**, **Taking Responsibility** and **Excellence** support this. Carmarthenshire County Council is committed to the highest ethical and moral standards and is determined that the culture of the organisation is that of honesty, integrity and transparency and fundamental to these core values is its commitment to combat fraud and corruption.

Carmarthenshire County Council is committed to a policy of **zero tolerance** in relation to Fraud and Corruption. The Authority aims to provide excellent public services and needs to ensure propriety and accountability in all matters. The public has a right to expect that public funds are spent appropriately, transparently and on essential services in an efficient, effective and economic manner.

The Council's Chief Executive and Corporate Management Team (CMT) are committed champions of counter-fraud work. They provide strong and visible support for the Council's zero-tolerance approach to fraud and corruption, ensuring that fraud prevention and detection are embedded across all levels of the organisation.

Whilst all stakeholders have a part to play in reducing the risk of fraud, Senior Management and Elected Members are ideally positioned to influence the ethical tone of the organisation and play a crucial role in fostering a culture of high ethical standards and integrity.

Good corporate governance procedures are a strong safeguard against fraud, corruption and bribery.

The Council's Governance and Audit Committee plays a key role in overseeing the Council's approach to fraud, its system of controls and risk management, and its wider resiliency to financial irregularity in general.

Internal Audit undertakes a risk-based assurance programme of work each year, developed with input from management and agreed by the Governance and Audit Committee. This assurance work involves an independent review of systems and procedures, including a review of the management of risk (of both fraud and other types of risk) whereby system weaknesses are brought to the attention of management along with recommendations to strengthen controls within procedures.

Key roles and responsibilities for dealing with fraud and corruption within the Council are as follows:

Chief Executive

- Ensure Council-wide commitment to zero tolerance of fraud.
- Authorise high-profile or high-value investigations and media responses.

Section 151 Officer (Chief Finance Officer)

- Ensure proper stewardship of public funds.
- Oversee and approve fraud investigation processes and resourcing.

Monitoring Officer

- Ensure legal compliance throughout investigations.
- Provide advice on disciplinary and regulatory implications.

Head of Revenues & Financial Compliance

- Oversee investigations into suspected fraud.
- Undertake a preliminary assessment of all reports of suspected fraud.
- Liaise with the Police, where appropriate.

Principal Auditor / Fraud Investigation Officer [Revenues & Benefits]

- In conjunction with the Head of Revenues & Financial Compliance, undertake a preliminary assessment of all reports of suspected fraud.
- Lead and coordinate investigations into suspected fraud.
- Maintain records of all fraud allegations and investigation outcomes.

Service Directors and Line Managers

- Report any suspicions immediately.
- Support investigators by providing access to staff, records, and systems.

Investigating Officer

- Conduct investigations impartially, ensuring confidentiality and procedural fairness.
- Secure, preserve, and analyse evidence in line with Section 5.

All Employees

- Remain vigilant for signs of fraud.
- Report suspicions promptly through the appropriate channels.

Governance and Audit Committee

- Oversee the Council's approach to fraud, its system of controls and risk management, and its wider resiliency to financial irregularity in general.
- To receive the Annual Anti-Fraud and Anti-Corruption Report.

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Acknowledgement



Responsibility for addressing fraud and corruption within the Authority lies with the Revenues & Financial Compliance service, part of the Corporate Services Department. Oversight is shared between Internal Audit and a specialist unit within the Revenues team, which manages all forms of benefit fraud. We will continue to ensure that both teams are staffed by professionally trained and accredited counter-fraud specialists, and that we continue to ensure we have appropriate capacity and competence to detect, prevent, and respond effectively to fraud and corruption across all areas of the organisation.

Good Corporate Governance requires that the Authority must demonstrate clearly that it is committed to dealing with fraud and corruption and will deal equally with perpetrators from inside (Members and Employees) and outside the Council. We will demonstrate this through a report on the Authority's anti-fraud functions and activities, presented to the Corporate Management Team and the Governance & Audit Committee, annually.

We are enhancing our capability to detect and prevent fraud by utilising advanced data analytics, improving staff training and awareness, and strengthening our internal controls and governance frameworks. Through the use of technology, proactive risk assessments, and collaboration across departments and partner organisations, we are developing a more informed, agile, and resilient approach to identifying emerging fraud risks early. This ensures that our resources are protected, our processes remain transparent, and public trust in our organisation is maintained for the benefit of current and future generations.



Proactive work is designed to raise awareness of the risks of fraud and corruption within the Council, and their consequences. Developing a strong anti-fraud and anti-corruption culture within the organisation underpins all other work undertaken and is closely linked to the creation of a strong deterrent effect.

Through regular communication, training, and visible enforcement, we reinforce the message that fraud will be addressed decisively and that every employee has a role to play in protecting public resources.

The Authority is committed to ensuring that all staff and elected members are equipped with the knowledge and skills to recognise, prevent, and report fraud. Targeted training will be delivered through a combination of a mandatory e-learning module, periodic refresher sessions, and specialist workshops tailored to varying roles. Training materials will be regularly updated to reflect emerging fraud risks, legislative changes, and best practice guidance, ensuring that awareness and vigilance are maintained across the organisation.

Fraud prevention is closely aligned with the Authority's IT security policies, particularly in relation to cyber security, with many fraudulent activities now exploiting digital systems and online vulnerabilities. By integrating fraud awareness with robust cyber security practices, the organisation strengthens its ability to detect, deter, and respond to threats. This includes safeguarding personal and financial data, enforcing secure access controls, promoting staff awareness of phishing and social engineering risks, and maintaining resilience against cyber-enabled fraud.

A dedicated Fraud and Corruption intranet page will continue to be maintained, designed to provide staff with information on the affects of fraud and, importantly, how to report any suspicions of fraud or corruption.

We will continue to publish staff messages periodically through the Authority's Marketing & Media weekly email and laptop screensaver displays. These messages will provide valuable information to staff on topics such as protecting themselves against fraud and recognising potential fraud risks in the workplace. We will also actively promote this Strategy to staff and members.

A key principle in preventing and deterring fraud and/or corruption is by ensuring that relevant policies and procedures are 'fraud-proof'. This process is intended to minimise the opportunity for economic crime to occur, by identifying and addressing potential risks or loopholes, and implementing control measures to increase their resilience to such activities. There is no such thing as a completely fraud-proof policy or process, however a commitment to fraud-proofing reduces the risk and minimises the potential for a policy or procedure to be misinterpreted or for lack of clarity to be used as a defence. The Authority has in place clear rules for staff to follow, in particular the Financial Procedure Rules, and Contract Procedure Rules, which are subject to regular review to ensure they are accurate and continue to provide robust, unambiguous rules for staff to follow.

The Internal Audit team is regularly consulted to assess the design and effectiveness of controls embedded within key systems and processes. This engagement supports the organisation's commitment to maintaining robust governance arrangements and minimising the risk of fraud and error.

Internal Audit plays an important role in the detection of fraud, bribery and corruption. Included in the Internal Audit plan are reviews of system controls including financial controls, and specific fraud and

corruption tests. Internal Audit undertakes extensive data matching exercises to detect potential fraud, comparing data sets between and within systems to identify discrepancies, which may indicate fraudulent activity.

In addition to Internal Audit, there are numerous systems and management controls in place to deter fraud and corruption, but it is often the vigilance of employees and members of the public that aids detection. The Council's Whistleblowing Policy is intended to encourage and enable staff to raise their concerns.

The Fraud Investigation Officer plays a pivotal role in safeguarding the integrity of the Revenues and Benefits service by leading the prevention, detection, and investigation of fraud. Working closely with internal departments, external agencies, and law enforcement partners, the Fraud Investigation Officer ensures that all allegations of benefit fraud are robustly assessed and appropriately actioned.

The Authority will continue to partake in the National Fraud Initiative, co-ordinated by the Cabinet Office (undertaken every 2 years) where sets of data on a range of service provision are compared with other Local Authorities and Public Body Data to identify exceptions, which could include fraudulent activity.

Where possible, successful cases and prosecutions achieved by the Council will be promoted in order to achieve a deterrent effect, deterring anyone to try to commit fraud against the Authority.

08 Pursuing Fraud



The Council is committed to creating a culture where fraud is not tolerated and employees have confidence that concerns will be taken seriously. We actively encourage staff to report suspected fraud and provide clear, confidential channels to do so. All reports are thoroughly investigated, and appropriate action is taken in every case.

In line with the Well-being of Future Generations (Wales) Act 2015, we work with others in a collaborative way to find shared sustainable solutions. The Authority increasingly collaborates with agencies and other bodies to provide effective services; this includes collaboration with the Department for Work and Pensions (DWP) and the Police. A current Memorandum of Understanding (MOU) in place with Dyfed Powys Police emphasises our intention and commitment to combatting fraud and corruption against the Authority. A current MOU is also in place between the Council and the DWP.

All allegations will be investigated confidentially and professionally. The Council is committed to pursuing all available sanctions in proven cases of fraud:

- **Disciplinary** – up to and including dismissal.
- **Regulatory** – reporting to professional bodies where applicable.
- **Civil** – seeking damages or compensation through the courts.
- **Criminal** – referral to the police and prosecution.

The Council is committed to the recovery of losses, and recovery action will be pursued in all cases, regardless of value.

Following each investigation, the Head of Revenues & Financial Compliance will commission a lessons learned review. Recommendations for control improvements will be made to the relevant service area.

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Reporting Fraud and Corruption

The Authority is committed to ensuring that all suspicions of fraud and corruption can be reported easily, confidentially, and without fear of reprisal. Staff, elected members, residents, and partners are encouraged to raise concerns through established reporting channels. All reports will be handled promptly, treated with sensitivity, and investigated in accordance with the Authority's policies and procedures. Where appropriate, information will be shared with relevant external bodies to support enforcement and protect public funds.

HOW TO REPORT FRAUD

FRAUD OFFENCES THAT RELATE TO HOUSING BENEFITS, COUNCIL TAX OR BLUE BADGES:

Contact the
FRAUD INVESTIGATION OFFICER
fraud@carmarthenshire.gov.uk

ALL OTHER FRAUD OFFENCES:

Contact the
HEAD OF REVENUES & FINANCIAL COMPLIANCE
CorporateFraud@carmarthenshire.gov.uk

All cases of suspected fraud or corruption will be reported to the Authority's Chief Executive.

Housing Benefit Fraud

Allegations of fraud can be reported online to fraud@carmarthenshire.gov.uk.

You can also report benefit fraud by telephoning the National Benefit Fraud Hotline. The Hotline is available Monday to Friday 8am to 6pm on 0800 854440, they also have a dedicated Welsh Hotline on 0800 6783722.

Council Tax Reduction Fraud/Council Tax Discount & Exemption Fraud

Allegations of fraud can be reported online to fraud@carmarthenshire.gov.uk.

Blue Badge Fraud or Misuse

It is an offence to misuse a blue badge and can result in a prosecution, a fine of up to £1000, confiscation of the badge plus any additional penalty for the related parking offence. If you think someone is misusing a blue badge parking permit you can report this online to fraud@carmarthenshire.gov.uk.

Other Frauds perpetrated against Carmarthenshire County Council

Allegations of fraud perpetrated against Carmarthenshire County Council should be reported to CorporateFraud@carmarthenshire.gov.uk.

Carmarthenshire County Council has a [Whistleblowing Policy](#) managed by the Monitoring Officer. This policy enables employees to raise concerns and also safeguard their interests in line with the Public Interest Disclosure Act 1998.

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Protecting the Council and its Residents



PROTECTING ITSELF AND ITS RESIDENTS

*Recognising the harm that fraud can cause in the community.
Protecting itself and its' residents from fraud.*

Recognising the harm that fraud can cause to the community, the Authority is committed to protecting both itself and its residents from fraudulent activity. We will achieve this by maintaining robust systems of prevention, detection, and investigation, underpinned by clear policies and procedures. By working proactively with partners, sharing intelligence, and adopting best practice, we will strengthen our resilience against fraud and ensure that public funds are safeguarded. Our approach places equal emphasis on protecting the organisation's resources and the wellbeing of residents, reinforcing trust and confidence in the services we provide.

Carmarthenshire County Council prides itself on setting and maintaining high standards, and a culture of openness, with core values of **Integrity, Taking Responsibility and Excellence**.

The Council's Code of Conduct, based on the CIPFA/SOLACE principles, commits the Authority and its staff to act with integrity, honesty, and accountability, ensuring that fraud is prevented, detected, and addressed in the right way. The Members' Code of Conduct similarly commits all Councillors and co-opted Members to act appropriately, demonstrating the highest standards of conduct and reinforcing public trust in the Council's governance.