

FINANCE AND PROCUREMENT

COUNTER FRAUD STRATEGY

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1. INTRODUCTION

The [Scottish Public Finance Manual](#) is issued by Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. It requires robust control measures to minimise loss, and a zero-tolerance approach to fraud.

The Scottish Fire and Rescue Service (SFRS) Counter Fraud Strategy, along with the [SFRS Anti-Fraud and Corruption Policy](#) and [Fraud Response Plan](#), outlines the approach for the prevention, detection, reporting and handling of fraud. The documentation is designed to be accessible to all SFRS staff.

SFRS has a separate [Whistleblowing Policy](#) which sets out a procedure on how to raise concerns of a general nature.

2. COUNTER FRAUD CULTURE

SFRS has a zero tolerance approach to fraud: there is no acceptable level of fraud. There is a role for all members of staff in establishing an effective counter fraud culture by engaging and being alert to the risk of external and internal fraud; identifying suspicious activities and control weaknesses; and reporting any suspicions quickly and appropriately.

Our approach to counter fraud aims to ensure that a zero-tolerance culture to fraud is maintained and that fraud is effectively managed at all levels of public service delivery as follows:

- Committing to clear ethical standards through a formal [Anti-Fraud and Corruption Policy](#);
- Communicating our attitude to fraud by raising awareness of our Anti Fraud and Corruption Policy to all staff;

- Supporting all staff in their responsibilities in preventing and detecting fraud through guidance and training;
- Providing managers with specialist support in designing, operating and reviewing internal controls;
- Maintaining comprehensive procedures for preventing and detecting fraud that must be carefully followed and monitored;
- Protecting members of staff through a robust process for reporting suspicions of fraud;
- Responding to fraud effectively through a comprehensive [Fraud Response Plan](#);
- Using data and technology efficiently within SFRS systems to combat fraud;
- Sharing knowledge of vulnerabilities through emerging fraud risks, lessons learned and identified best practice through strong communication channels.

3. SCOPE

We have 5 strategic objectives in our approach to countering fraud:



- **Prevent:** we will prevent fraud by raising awareness of fraud and its safeguards within SFRS, our partner organisations in the private and voluntary sectors and our stakeholders.
- **Detect:** we will detect fraud through improving our systems and controls to support our business and public services.
- **Investigate:** we will handle fraud by being proactive in analysing data to identify areas at risk of fraud, by being effective and professional in our investigations of specific cases and by maintaining a robust whistle blowing procedure.
- **Enforce:** we will handle fraud by continuing to be tough on fraudsters by punishing them more efficiently and effectively.
- **Deter:** we will deter fraud by removing silos and working together across organisations and the public sector to share information and develop combined approaches to countering fraud.

3.1 How Will SFRS Achieve These Objectives

Prevent

- Through the use of Fraud Risk Assessment, and incidents of fraud, we will identify areas of potential fraud and the required actions to minimise the potential of a fraud occurring and prepare resilience plans / action plans to minimise its impact.
- We will identify and engage on new and emerging fraud risks to support the implementation of new preventative controls.
- We will develop and enforce Service-wide policies and procedures to minimise the potential of fraud.
- We will develop preventative controls to ensure that opportunities for fraud are reduced wherever possible.
- We will incorporate suitable controls within the design and implementation of new systems and processes.

- We will provide awareness training to increase levels of awareness and ownership of fraud.
- Through regulated procurement practises and the application of the SFRS procurement governance model we will minimise the potential for fraud to occur through contract placement.

Detect

- We will continue to adhere to and participate with the National Fraud Initiative, aiming to ensure a 100% investigation rate in relation to identified matches, liaising with Directorates to minimise the risk of fraud occurring.
- We will use technology, such as data matching, to assist us in identifying anomalies which may indicate fraud.
- We will analyse and verify financial costs claimed and evaluate the potential for fraud, engaging with Directorates to identify any gaps in controls.
- We continue to explore emerging advances in technology (such as machine learning) to identify high risk patterns of activity that could indicate high risk of fraud.
- We will mature the Service's fraud arrangements ensuring ownership and awareness of fraud is retained within the workforce, ensuring that we proactively seek to quickly detect and disrupt incidents of fraud as early as possible.
- We will provide awareness training to increase levels of awareness and ownership of fraud.
- We will continue to develop close working relationships and expand the range of intelligence sharing networks we can access across law enforcement communities.

Investigate

- We will invest in the specialist skills and capability required to effectively examine cases of alleged fraud.
- We will invest in and establish a skilled and dedicated investigation team, who provide advice and guidance to all SFRS employees.
- We will support disciplinary processes ensuring the risk of fraud is reflected within investigations.
- We will participate in collaborative investigations across other organisations and partners involved in countering fraud and other related criminality.
- We will invest in technology to gather evidence of potential fraud and through data analytic and data visualisation enhance investigations processes where possible.

Enforce

- We will take appropriate action where evidence demonstrates that fraud has occurred, while ensuring that unintentional error is not criminalised.
- We will take the opportunity to disrupt fraud as quickly as possible to minimise ongoing loss to public funds.
- We will work closely with the People Directorate to take appropriate disciplinary action (which may include dismissal) against staff who commit fraud.
- We will apply a fair and consistent approach when considering enforcement action, as required by [SFRS's Anti- Fraud and Corruption Policy](#) and other relevant policies.
- We have commitment at senior level to counter fraudulent activity across SFRS appropriately, underpinned by an organisation-wide counter fraud culture.
- In consultation with the Director of Finance and Contractual Services and the Director of People, we will report instances of fraud to Police Scotland for appropriate action.

- We will work with partners to protect the wider public purse and will seek opportunities to positively contribute to the wider counter fraud community.

Deter

- We will promote the [Anti-Fraud and Corruption Policy](#), reinforcing the message the fraud is not a victimless crime and individuals will be held to account.
- We will provide awareness training to increase levels of awareness and ownership of fraud.
- We will communicate through SFRS iHub, and other means, recent fraud events, highlighting the impact upon organisations and individuals and providing clear internal messaging to ensure all staff are aware of the consequences of perpetrating fraud.
- We will report on fraud related events and incidents through established governance routes to ensure effective scrutiny and assurance arrangements are maintained.
- We will adhere to the requirements of the National Fraud Initiative, highlighting areas of concern.

4. MONITORING PROGRESS

- We will provide the Audit and Risk Assurance Committee with a quarterly Fraud Report highlighting activities undertaken in relation to:
 - Fraud Risk Assessment;
 - Progress against the National Fraud Initiative;
 - Gifts, Hospitality and Interests;
 - Whistleblowing; and
 - Specific fraud incidents;
 - Other fraud related activities undertaken as required.
- Separate monitoring reports will be provided to the Corporate Board on progress against specific fraud actions plans.

- Where audits reviews are undertaken, we will revise the policy, strategy and response plans aligned to the review and associated recommendations.

5. COUNTER FRAUD COMMITMENT

The Counter Fraud Strategy will support SFRS's commitments outlined within the [2025–2028 Strategy](#) and specifically in relation to our **Improving Performance Outcome**, ensuring our organisational performance, productivity and resilience continually improves.

This will be delivered by:

- Maintain awareness of the [Scottish Government Counter Fraud Maturity Model](#) to enhance levels of productivity and performance, whilst providing value for money to the public.
- Organisational risk, security and resilience will be effectively managed to maintain business continuity during impactful events, such as cyber attacks.

6. ASSOCIATED DOCUMENTS / REFERENCES

[Anti-Fraud and Corruption Policy](#)

[Code of Conduct for SFRS Employees](#)

[Financial Regulations](#)

[Fraud Response Plan](#)

[Fraud Risk Assessment Guidance](#)

[Gifts, Hospitality and Interests Policy](#)

[SFRS Strategy 2025-2028](#)

[Standing Orders for the Regulation of Contracts](#)

[Whistleblowing Policy](#)

[Scottish Government Counter Fraud Maturity Model](#)

[Scottish Public Finance Manual](#)