



Commission for  
**Communications Regulation**

**INTERNAL**

## ComReg Anti-Fraud Policy

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## **1 Introduction**

One of the basic principles of public sector organisations is the proper use of public funds. The majority of people who work at ComReg are honest and professional and recognise that fraud or corruption committed by a minority is wholly unacceptable as it ultimately leads to a reduction in the resources available to deliver on our strategy. Where resources are wrongfully diverted and not used for the intended purpose, ComReg's ability to achieve our objectives is impacted.

Fraud or corruption may occur internally or externally and may be perpetrated by staff, licensees, suppliers, contractors, or development partners, individually or in collusion with others.

## **2 Policy Statement**

As set out in our Code of Conduct, ComReg is committed to maintaining high standards in the delivery of its objectives and the management of the funds entrusted to it. In adhering to the principles of integrity, objectivity, and honesty ComReg does not tolerate fraud and corruption in the way that it conducts its business. All who work at ComReg are expected to share this commitment. ComReg encourages all workers who have reasonable suspicions of fraud or corruption to report them in accordance with the guidance set out in this policy.

All appropriate sanctions will be sought in relation to those found to have committed fraud or corruption, including criminal, civil and disciplinary sanctions. Breaches of this Policy will be treated as serious misconduct and addressed in accordance with ComReg Disciplinary Procedure.

## **3 Purpose**

The objective of this policy is to promote a culture of honesty and integrity which deters fraudulent activity. The purpose is also to facilitate the prevention and detection of fraud and the development of procedures which will aid in the investigation of fraud and related offences, and which will ensure that such cases are dealt with in a timely and appropriate manner. This policy is intended to provide direction and assistance to all workers who may identify suspected fraud or corruption. The overall aims of the policy are to:

- improve the knowledge and understanding of ComReg workers, irrespective of their position, about the risk of fraud and corruption within the organisation and to highlight the fact that corrupt behaviour will not be tolerated;
- assist in promoting a climate of openness and a culture and environment where workers feel able to raise concerns safely and responsibly;
- set out ComReg's responsibilities in terms of deterrence, prevention, detection and investigation of fraud and corruption;

- ensure that appropriate sanctions are considered following an investigation, including any or all of the following:
  - formal complaint to Gardai which may result in a criminal investigation;
  - civil prosecution, including recovery of losses; and
  - disciplinary action;

The policy provides a framework for responding to suspicions of fraud or corruption. All workers must report any suspicion of fraud or corruption as soon as they become aware of them. ComReg will not penalise or threaten penalisation against a worker for reporting suspicions in which they have a reasonable belief. A worker who reports suspicions that they know or reasonably ought to know to be false will be subject to investigation the outcome of which may be disciplinary action and subsequent sanction.

All workers must co-operate with ComReg and other bodies to facilitate the elimination of fraud and corruption by:

- providing information and intelligence;
- co-operating with investigations; and
- complying with this policy.

#### **4 Scope**

This policy applies to all ComReg workers – permanent, temporary, agency workers, part-time or fixed-term contractors.

#### **5 Definitions of Fraud and Corruption**

The term fraud is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. The Criminal Justice (Theft and Fraud Offences) Act 2001 sets out a definition of fraud. It states that ‘A person who dishonestly, with the intention of making a gain for himself or herself or another, or of causing loss to another, by any deception induces another to do or refrain from doing an act is guilty of an offence’.

For practical purposes fraud is defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party. The criminal act is the attempt to deceive and attempted fraud is, consequently, treated as seriously as accomplished fraud.

Corruption is broadly defined as the offering or acceptance of inducements, gifts, favours, payment or benefit in kind which may influence the action of any person. The corrupt person may not benefit directly from their deeds, however they may be unreasonably using their position to give some advantage to another. An example of corruption would be a supplier attempting to influence a purchasing decision by offering gifts or hospitality.

Computer fraud is where information technology equipment has been used to manipulate programs or data dishonestly (for example, by altering, substituting or destroying records, or creating spurious records), or where the use of an IT system was a material factor in the perpetration of fraud. Theft (e.g. hacking systems or utilising computer resources for purposes not authorised by the owner) or fraudulent use of computer time and resources is included in this definition. Cyber Security training is employed by the Commission to educate and inform workers on Cyber Security issues and threats. This training is mandatory for anyone who has to work on ComReg systems. (i.e. is given an email account or access to our systems) and its scope covers the detection of unexpected or unusual activity on IT systems and their potential impact and consequences. These issues are dealt with in the ComReg Cyber and Information Security policy.

## **6 Roles and Responsibilities**

### **6.1 The Commission**

The Commission is the governing body of ComReg. The Commission has responsibility for ensuring appropriate systems, procedures and practices are in place for the internal performance management and accountability of the organisation.

### **6.2 ComReg Audit and Risk Committee**

ComReg has in place an Audit and Risk Committee and as per the Code of Practice for State Bodies, this Committee will consider the effectiveness and adequacy of this policy.

### **6.3 Directors and General Counsel**

The Directors and General Counsel appointed by the Commission to carry on and manage, and control generally, the administration and business of ComReg. They are required to report to the Commission any suspicion that a material misappropriation of ComReg's money, or any fraudulent conversion or misapplication of ComReg's property, may have taken place.

### **6.4 Managers**

All managers are primarily responsible for ensuring that policies, procedures and processes within their work areas are adhered to.

Managers should ensure that all workers within their areas of responsibility are aware of fraud and corruption risks and understand the importance of protecting ComReg against them. They should be alert to the possibility that unusual events or transactions could be symptoms of fraud or corruption.

Managers at all levels have responsibility to ensure that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively. As part of that responsibility line managers need to:

- inform ComReg workers of this policy as part of their induction process;
- ensure that all individuals for whom they are accountable are made aware of the requirements of this policy;
- assess the types of possible fraud and corruption risks to which systems, operations and procedures are exposed;

- develop and maintain effective controls to prevent and detect fraud or corruption. This must include clear roles and responsibilities, supervisory checks, staff rotation, and separation of duties wherever possible so that no one individual is vested with control over a key function;
- ensure that controls are being complied with in their areas of responsibility;
- ensure that induction and regular training for workers involved in internal control systems takes place to ensure that their responsibilities are regularly highlighted and reinforced;
- encourage an open, honest and transparent culture within their teams which fosters an anti fraud and corruption ethos among staff.

Managers may seek advice from the Finance Department for assistance on meeting these responsibilities.

All reports of fraud or corruption or suspected fraud or corruption must be taken seriously. Where a worker alerts a line manager to possible fraud or corruption the following steps should be taken by the appropriate level of management:

- act quickly to minimise any losses;
- notify an appropriate Legal Advisor;
- bear in mind that it is only an allegation until outcome of investigation is known;
- preserve any evidence and move it to a safe location where practicable;
- securely store any relevant electronic devices (computers, mobile/ smart phones, laptops) and do not turn them on or off;
- notify the Director of Corporate Services and General Counsel who will advise on the most appropriate course of action and investigative process;
- ensure that a manager at an appropriate level assigns a suitable investigator to carry out a vigorous and prompt investigation and that the findings are reported immediately to the Director of Corporate Services and the Commission;
- following consultation with the Director of Corporate Services and General Counsel, notify the Gardaí;
- if appropriate, advise the person who raised the concern of progress on the matter.

## **6.5 ComReg Workers**

Every person who works at ComReg has a responsibility to:

- carry out their duties with due regard for relevant legislation, ComReg's policies and procedures;
- be aware of fraud and corruption risks and understand the importance of protecting the ComReg against them;
- ensure that ComReg funds/assets that are entrusted to them are safeguarded;
- be alert to the possibility that unusual events or transactions may be indicators of fraud or corruption;
- inform line manager of any gifts/hospitality offered in excess of a nominal value in accordance with the ComReg policy (See Code of Business Conduct for all Commission for Communications Regulation (ComReg) Workers (incorporating the conflict of interest policy) in the attached link. <https://ccr->

[intranet.comreg.ie/Corporate\\_Services/Human\\_Resources/Shared%20Documents/Code%20of%20Business%20Conduct%20including%20Conflict%20of%20Interest.docx?csf=1](http://intranet.comreg.ie/Corporate_Services/Human_Resources/Shared%20Documents/Code%20of%20Business%20Conduct%20including%20Conflict%20of%20Interest.docx?csf=1) ;

- inform line manager of any outside interests that may conflict or impinge on their duties in accordance with the ComReg policy;
- alert line manager to weaknesses in the control system;
- alert line manager and/or the Finance Department where they have a reasonable suspicion that fraud or corruption has occurred or is about to occur. Where it is not possible or appropriate to alert the line manager of such suspicion's workers may also discuss the issue with the Head of Finance or the Director of Corporate Services;
- co-operate with any investigation that may arise in respect of fraud or corruption or suspected fraud or corruption.

## **6.6 Internal Audit**

Internal Audit (which is outsourced to a third-party firm) carries out a risk-based programme of audits to provide independent assurance on the adequacy of the systems of internal controls established by management, including controls for the prevention and detection of fraud and corruption. Audit programmes take account of the possibility of fraud and corruption but cannot guarantee that they are always detected. The audits carried out by Internal Audit are prioritised to reflect the levels of potential risk to ComReg and the frequency of audits will be dependent on the resources available to the Internal Audit function.

Where fraud or corruption are suspected or detected by management, Internal Audit can:

- advise management on the conduct of investigations;
- provide specialist forensic and IT resources where required in more complex cases;
- evaluate whether fraud or corruption identified in specific cases poses systemic risk to the ComReg.

Internal Audit reports to the Audit and Risk Committee on the occurrence of fraud and corruption, and provides guidance to management on control issues to mitigate the risks.

## **6.7 Human Resources**

A key preventative measure to deter fraud and corruption is to take effective steps at the recruitment stage to establish, as far as possible, the previous record of potential employees in terms of their propriety and integrity, by (where appropriate) making reference checks with previous employers.

Human Resources will:

- ensure that appropriate pre-employment screening of staff is completed;
- request confirmation from line managers of satisfactory completion of probationary periods for their staff;
- issue appropriate rules of conduct on appointment;
- work with line managers in the implementation and operation, of the ComReg Disciplinary Procedure when necessary;

- ensure employment policies, including those regarding fraud/corruption and guidance on appropriate information technology use, are included in induction programmes for workers at all levels;

provide updates on this and other relevant employment policies, including codes of conduct.

## **6.8 Finance Department**

Another key preventative measure to deter fraud and corruption is steps at the by the Finance Department to ensure there is adequate awareness of ComReg's financial procedures etc.

The Finance Department will:

- ensure that there is adequate communication of policies regarding expenditure, procurement etc;
- present a module at induction on our policies regarding expenditure, procurement etc;
- monitor expenditure to ensure compliance with financial procedures.

## **6.8 IT Department**

Another key preventative measure to deter fraud and corruption is steps by the IT Department to ensure there is adequate awareness of the risk to ComReg from phishing attacks and related issues

The IT Department will:

- ensure that there is adequate communication of risks to ComReg from phishing attacks etc;
- use appropriate software to mitigate the potential risk of such attacks on ComReg's systems;
- ensure staff receive appropriate training on Cyber Security and related issues;
- such training will be refreshed at regular intervals.

## **7 Worker Support**

Workers may feel distressed or upset while facilitating or co-operating with difficult matters such as suspicion of fraud or corruption at work. The ComReg Worker Assistance Programme provides a confidential counselling support and referral service for all workers with personal or work-related issues. No information about the workers issue will be given to anyone without their written consent. The service is provided by trained and experienced counsellors who are professionally qualified and bound by the codes of conduct of the professional bodies to which they belong. Contact details for Worker Assistance Programme (also known as the Employee Assistance Programme (EAP)) are available on the intranet or from the Human Resources Department.



However, workers do not need to contact HR or their line manager to use the service. Workers can phone or email the EAP contact for their area to arrange a consultation with a counsellor. This is known as self-referral.

The service is free and available to all ComReg workers.

## **8 Summary Guide for Workers**

A guide for workers on what to do and what not to do when they discover a potential fraud or irregularity is produced at Appendix A to this policy. The guidance also includes a list of red flags or indicators of possible fraud which workers should be on alert for.

## **9 Implementation Plan**

This document will be made available to all workers via email and via the Intranet.

A link to this document will be provided from the Finance and Human Resources intranet sites.

Guidance on this document is available from the Human Resources and Finance Departments.

## **10 Monitoring**

Awareness of and compliance with the procedures laid down in this document will be monitored by the Finance Department on a periodic basis, with support from General Counsel's Office. The Director of Corporate Services is responsible for the revision and updating of this document.

## **11 Review of policy**

The Policy will be reviewed every 3 years or sooner if necessary. The ComReg Audit and Risk Committee will review any amendments as required.

## Appendix A

### Summary Guide for Workers

Allegations or suspicions of fraud should be treated confidentially from the outset and not widely shared. It should always be remembered that the matter remains an allegation until an investigation proves otherwise, and therefore all parties should remain objective and impartial. On the discovery of a potential fraud/irregularity a worker should alert their line manager, and/or the Finance Department. Where it is not possible or appropriate to alert the line manager workers may also alert another manager or a manager in the Corporate Services Division. On the initial discovery of a potential irregularity workers should consider the following:

- note your concerns, record details such as names, dates, times, details of conversations;
- protect any evidence that might be destroyed or make a note and advise your line manager;
- in relation to I.T equipment which may be relevant to the suspected fraud/ irregularity do not turn on/off computers, laptops, smartphones etc;
- report your suspicions to your line manager, the Finance Department or to another manager or a manager in the Corporate Services Team or to a Legal Advisor in your Division or in the General Counsel's Office;
- do not confront the person suspected of wrongdoing or convey your concerns to anyone other than those authorised (e.g. do not circulate your suspicions on social media). Never attempt to question a person suspected of wrongdoing yourself – this could alert a fraudster or accuse an innocent person;
- do not try to investigate or contact the Gardai directly. Never attempt to gather evidence yourself unless it is about to be destroyed. Evidence gathering must take into account legal procedures in order for it to be useful;
- do not be afraid of raising your concerns. Where you have a reasonable suspicion that fraud or corruption may be occurring you have a duty to report it. You will not face any sanctions where you have a reasonable belief of wrongdoing.

The following is a list of indicators or red flags which might suggest potential fraud or irregularity and for which workers should be alert for:-

- supporting documentation that is photocopied or appears incomplete;
- inappropriate charging for VAT on invoices;
- unwillingness on the part of staff to share duties;
- inappropriate alteration of documents and records;
- urgent requests from suppliers to change bank account details;
- transactions initiated without the appropriate authority;
- rubber stamp signatures instead of originals;
- storage of stock in inaccessible locations;
- frequent returns of stock to suppliers;
- passwords to access IT systems are shared amongst users;

- relationships with suppliers / contractors which is inappropriate or where there may be a potential conflict of interest;
- duplicate payments;
- contracts or specifications which are drawn up in such a way as to favour specific suppliers/contractors;
- vague specifications for contracts;
- splitting of contracts and/ or payments to avoid procurement regulations/ authorisation limits.