



Newcastle Municipality

Anti-Fraud and Corruption Policy

Version 3: 2014

GLOSSARY OF TERMS

Throughout this document, unless otherwise stated, the words in the first column below have the meanings stated opposite them in the second column (and cognate expressions shall bear corresponding meanings):

"Code"	Code of Conduct for the Municipality
"Municipality"	Newcastle Local Municipality
"Top Management"	Top management in terms of section 77 of the MFMA
"Fraud"	Includes, but is not limited to, the following: <ul style="list-style-type: none"> (a) The following legal definitions: <ul style="list-style-type: none"> (i) <i>Fraud</i>, i.e. "the unlawful and intentional making of a misrepresentation resulting in actual or potential prejudice to another"; (ii) <i>Corruption</i> which could be summarised as: "giving or offering; receiving or agreeing to receive; obtaining or attempting to obtain any benefit which is not legally due to or by a person who has been charged with a duty or power by virtue of any employment, to do any act or omit to do any act in relation to that power or duty"; and (iii) <i>Theft</i>, i.e. "the unlawful and intentional misappropriation of another's property or property which is in his/her lawful possession, with the intention to deprive the owner of its rights permanently"; (b) Fraudulent or corrupt acts may include: <p><i>Systems issues</i>: i.e. where a process/system exists which is prone to abuse by employees, the public or other stakeholders, e.g.:</p> <ul style="list-style-type: none"> - Procurement fraud, e.g. irregular collusion in the awarding of tenders or orders for goods and/or services; - Irregularities in the effecting of transfer payments; - Deliberate non-compliance with delegation of authority limits; - Collusion in contracts management; - Revenue fraud; - Travel and subsistence fraud; and - Disclosing confidential or proprietary information to outside parties; <p><i>Financial issues</i>: i.e. where individuals or companies have fraudulently obtained money from the Municipality, e.g.:</p> <ul style="list-style-type: none"> - Syndicate fraud, e.g. interception of warrant vouchers; - Creditors fraud, e.g. diverting payments to incorrect creditors; - Suppliers submitting invalid invoices or invoicing for work not done;

- Payroll fraud, e.g. creation of "ghost employees";
- Theft of funds; and
- Making a profit from insider knowledge;

Equipment and resource issues: i.e. where the Municipality's equipment is utilised for personal benefit or stolen, e.g.:

- Theft of assets, e.g. computers, face value forms, etc.;
- Personal use of resources, e.g. telephones, internet, e-mail; and
- Irregular destruction, removal, or abuse of records (including intellectual property);

Other issues: i.e. activities undertaken by employees of the Municipality, which may be against policies or fall below established ethical standards, e.g.:

- Soliciting gifts or favours from consultants or other suppliers, e.g. acceptance of "kick-backs";
- Conflicts of interest;
- Nepotism;
- Favouritism; and
- Deliberately omitting or refusing to report or act upon reports of any fraud.

"FPC"	Fraud Prevention Committee
"MFMA"	Municipal Finance Management Act, Act No. 56 of 2003
"Protected Disclosures Act"	Protected Disclosures Act, Act 26 of 2000
"MSA"	Municipal Systems Act, 32 of 2000
"SED"	Strategic Executive Director

1. BACKGROUND

1.1 The objective of this policy is to develop and foster a climate within Newcastle municipality ("the municipality") where all employees strive for the ultimate eradication of fraud, corruption, theft and maladministration by means of the application of the full spectrum of both pro-active and re-active measures at their disposal.

1.2 This policy also sets down the stance of the municipality to fraud as well as reinforcing existing regulations aimed at preventing, reacting to, and reducing the impact of fraud, corruption, theft and maladministration where these dishonest acts subsist.

2. LEGISLATIVE MANDATE

a) The development of an Anti-Fraud and Corruption Policy (AFCP) is in line with the requirements of the MFMA to ensure financial accountability and to implement control mechanisms for the prevention of unauthorised, irregular or fruitless and wasteful expenditure and other losses.

Section 62 of the MFMA,

"The accounting officer is, inter alia, responsible for establishing and maintaining effective, efficient and transparent systems of financial and risk management and internal control and for the prevention of unauthorised, irregular or fruitless and wasteful expenditure and other losses".

Section 78 of the MFMA,

"each senior manager and each official exercising financial management responsibilities must take all reasonable steps within their respective areas of responsibility to ensure that:

- (i) the system of financial management and internal control established for the municipality is carried out diligently;*
- (ii) that any unauthorised, irregular or fruitless and wasteful expenditure and any other losses are prevented".*

3. SCOPE OF THE ANTI-FRAUD AND CORRUPTION POLICY

3.1 This policy applies to all fraud, corruption, theft, maladministration or suspected irregularities of this nature involving the following persons or entities:

- a) All employees of the municipality;
- b) Consultants, suppliers, contractors and other providers of goods or service to the municipality; and
- c) Non-Governmental Organisations and other parties receiving benefits from Newcastle municipality.

3.2 Any investigative activity required will be conducted without regard to the suspected wrongdoer's position or title. All allegations or suspected wrong doings will be investigated in accordance with this policy as set out below and in accordance with the laws of the Republic of South Africa.

4. PRINCIPLES OF THE ANTI-FRAUD AND CORRUPTION POLICY

4.1 The following **principles** underpin the anti-fraud and corruption policy of Newcastle municipality:

- Creating a culture which is intolerant to fraud (zero tolerance);
- Deterrence of fraud;
- Preventing fraud which cannot be deterred;
- Detection of fraud;
- Investigating detected fraud;
- Taking appropriate action against fraudsters e.g. disciplinary action, recovery of losses, prosecution, etcetera; and
- Applying suitable sanctions which include blacklisting and prohibition from further employment or engaging in business with the Newcastle municipality or any government organ/institution or public entity.

5. ANTI-FRAUD AND CORRUPTION POLICY STATEMENT

5.1 It is the policy of Newcastle municipality that fraud, corruption, theft, maladministration or any other dishonest activities of a similar nature will not be tolerated. In addition, these will be investigated and followed up by the application of all remedies available within the full extent of the law.

- 5.2 **Tone at the top:** The councillors of Newcastle municipality will, at all times and for the duration of their term of office, uphold high-levels of integrity and ethics in the execution of their political, fiduciary and oversight responsibilities and will always maintain a zero tolerance level for fraud and corruption.
- 5.3 Fraud Risk Management will be practised by Newcastle municipality through a robust fraud risk assessment and application of appropriate prevention and detective controls as a response to a fraud risk assessment. The prevention and detective controls include the existing controls and checking mechanisms as prescribed in existing policies, procedures and other relevant prescripts to the activities of the municipality, and systems of internal control.
- 5.4 It is the responsibility of all employees including management of Newcastle municipality to report all incidents of fraud, corruption, theft, maladministration or any other dishonest activities of a similar nature to immediate supervisors or designated ethics and fraud officers. If the employee/s is not comfortable reporting such matters to his/her Manager, he/she should report the matter to his/her Manager's superior, with final recourse to the Municipal Manager. Employees may also report incidents by using the municipal hot-line reporting facility, if they wish to remain anonymous or for any other reason.
- 5.5 All Managers are responsible for the detection, prevention and investigation of fraud, corruption, theft, maladministration or any dishonest activities of a similar nature, within their areas of responsibility.
- 5.6 Newcastle municipality will take appropriate legal recourse to recover losses or damages arising from fraud, corruption, theft or maladministration.
- 5.7 The efficient application of Municipal Finance Management Act, instructions contained in the codes, circulars, policies and manuals of the municipality, is one of the most important duties of every employer/employee in the execution of their daily tasks and under no circumstances may there be a relaxation of the prescribed controls.

Every employee has a part to play in this important endeavour and we look forward to working as a collective in achieving these aims.

Signed: _____

Municipal Manager: _____

Date: _____

Signed by Mayor/Speaker _____

Date: _____

Adopted by Council on _____

6. ACTIONS CONSTITUTING FRAUD, CORRUPTION, THEFT AND MALADMINISTRATION

6.1 Fraud and corruption involves deliberate and deceptive acts with the intention of obtaining an unlawful benefit, such as money, property or services, by deception or other unethical means. Fraudulent and other irregular acts included under this policy may involve, but are not limited to any of the following:

- (a) Any dishonest, fraudulent or corrupt act;
- (a) forgery or alteration of any document or account (cheques, bank draft, payment instructions, time sheets, contractor agreements, purchase orders, electronic files) or any other financial document,
- (b) Theft of funds, supplies, or other assets;
- (c) Maladministration or financial misconduct in handling or reporting of money or financial transactions;
 - (a) Use of the municipality's assets (including office supplies, letterhead etc.) for personal gain;
 - (b) inappropriate use of delegated authority that results in fraud, misappropriation or obtaining benefit by deception or other unethical measure;
- (a) Making a profit from insider knowledge;
- (b) Disclosing confidential or proprietary information to outside parties;
- (c) Irregularly accepting or requesting anything of a material value from contractors, suppliers, or other persons providing services/goods to the municipality;

- (d) Irregularly offering or giving anything of a material value to contractors, suppliers, or other persons providing services/goods to the municipality;
- (e) Destruction, removal, or abuse of records, furniture, and equipment;
- (f) Deliberately omitting to report or act upon reports of any such irregular or dishonest conduct;
- (g) Acts of financial misconduct contemplated in terms of sections 171 of the Municipal Finance Management Act;
- (h) non-payment by staff of any monies due to the municipality (indebtedness) such as reimbursement of personal telephone calls, overpayment of salary etc.
- (i) Incidents of unauthorized, irregular or fruitless and wasteful expenditure as defined in the Municipal Finance Management Act; and
- (j) Any similar or related irregularity.
- (k) Encouraging, concealing, conspiring or colluding in any of the above actions;

6.2 Suspected improprieties concerning a staff member's moral, ethical, or behavioural conduct are not covered by this policy but they should nevertheless be referred to Director, Corporate Services for guidance on how to proceed.

7. FRAUD RISK MANAGEMENT MODEL

7.1 Newcastle municipality will continually embark on the management of fraud risks in a robust and decisive manner. The process will entail the *identification of fraud risks, the rating of each fraud risk identified, the development of a fraud response plan* where areas prone to fraud risk are not adequately safeguarded and *contingency planning*. In this regard Newcastle municipality has adopted the following Fraud Risk Management Model:

Fraud Risk Management Model

The illustration of the model is that, Newcastle municipality will perform the following activities annually in managing their exposure to fraud risks.

7.1.1 Fraud Risk Assessment

- a) On an annual basis a fraud risk assessment will be conducted by senior management (as defined in sec 77 of the MFMA) of the municipality with a view to identifying (i) areas that are prone to fraud (ii) inherent fraud risks (iii) any fraud that has occurred but not reported. Such an assessment will be conducted either by way of a Strategic Fraud Risk Assessment Questionnaires (SFRAQ) or through a risk assessment workshop (Enterprise Risk Management). A fraud risk register will be maintained for this purpose and integrated into the global risk register of the municipality for adoption review by the Anti-Fraud and Corruption Committee and approval by Council.
- b) The risk assessment is a pre-requisite to the prevention of fraud in order to ensure appropriate policies and procedures are implemented. Risks are considered in three main categories:

- personnel risk
 - structural/physical risks
 - operational/financial risks
- c) Differing risk environments in which Newcastle municipality operates will be taken into consideration because in some environments the level of risk may be higher and thus require more rigorous mitigation measures than in other environments.
- d) In identifying and assessing risk areas, particular attention will be placed on personnel risk. Research indicates that most frauds are committed by people within an organization and that the biggest frauds are committed by the most trusted employees. Fraud can also be committed by an individual or a group outside an organization, with the assistance of employees. In other words collusion is often present. Compliance with recruitment procedures and codes of ethics and conduct are therefore important aspects of this fraud prevention policy.

7.1.2 Fraud Response Plan/Preventive Measures

- a) Following risk assessment, measures are put in place to mitigate the risks identified, with particular emphasis on the areas of greatest vulnerability. The mitigating action plans will be signed-off by the Accounting Officer (Municipal Manager) of Newcastle municipality.
- b) Preventive measures address particular risks as well as the internal control measures that concern segregation of incompatible duties and other related matters that form a key element of fraud risk mitigation. Examples include policies and procedures in the areas of human resource management, financial management, contracting and procurement are specifically designed to reduce the risk of fraud. Therefore, whilst these may be perceived as duplication, unnecessary bureaucracy or even an indication that staff are not trusted, these policies and procedures are necessary to mitigate the risk of fraud and protect staff from the risk of suspicion that they may have colluded in the perpetration of a fraud or suspected fraud.

7.1.3 Implementation and Monitoring

- a) It will be the responsibility of all senior managers and councillors including employees to ensure that the response plan is implemented. The actions captured in the fraud response plan will be included as part of the signed performance agreements of senior manager under Local Key Performance Areas (LKPA's).
- b) The monitoring of implementation of the fraud response plan will be achieved through enforcement of accountability in Management Committee Meetings, performance evaluation sessions, internal audit, external audit etc.

7.1.4 Contingency Measures

- a) Contingency measures are necessary to ensure that corrective actions are taken should the municipality experience a fraud. Contingency measures include, inter-alia, procedures regarding the reporting of suspected fraud, procedures regarding evidence, dealing with the suspected fraudster, reporting the incident to the relevant authorities, dealing with the media and recovering of funds and property as will be set out in the anti-fraud and corruption strategy/plan of Newcastle municipality.
- b) Reported fraud will be investigated in accordance with the applicable laws, regulations and policies of the Republic of South Africa. All responsible elements will be brought to book in strictest of terms.
- c) A register of all reported cases of fraud and investigations will be maintained by management and will form part of reporting to the Anti-Fraud and Corruption Committee, Audit Committee and Council and any other relevant stakeholders.

8. RESPONSIBILITY TO CONDUCT INVESTIGATIONS

8.1 The responsibility to conduct investigations relating to the actions of fraud and corruption defined in this policy (including those not specifically mentioned in this policy) resides with the Municipal Manager and SED's of Newcastle municipality as well advisory and supporting institutions which may include the following:

- a) Internal Auditors

- b) External investigating agencies, for example the South African Police Services, where matters fall within their mandate;
- c) External consultants, for example Forensic Accounting consultants;
- d) Office of the National Director of Public Prosecutions;
- e) Special Investigating Units established under any law;
- f) The Public Protector.

9. CONFIDENTIALITY

9.1 All information relating to irregularities that is received and investigated by Managers will be treated with confidentiality. The progression of investigations will be handled in a confidential manner and will not be disclosed or discussed with any other person(s) other than those who have a legitimate right to such information. This is important in order to avoid harming the reputations of suspected persons who are subsequently found innocent of wrongful conduct.

9.2 No person is authorized to supply any information with regard to the issues covered within this policy to the media without the express permission of the Municipal Manager or council delegate for this purpose.

10. INVESTIGATION

10.1 A preliminary investigation will be conducted for all reported or suspected fraud and appropriate action will be taken.

10.2 The designated investigation officer/s shall have full, free and prompt access to all records, property, personnel, operations and functions within the municipality which are relevant to the subject matter under review.

10.3 Staff members have the duty to cooperate with any investigation and assist investigators. No reprisal shall be taken against staff members providing information on irregular activity unless it was wilfully provided with the knowledge that it was false or with intent to misinform.

10.3 The investigation officers or the designated nominee has a responsibility to take great care in the investigation of suspected fraudulent activities and will fully respect staff rights.

10.4 An investigation report will be prepared for the attention of the Municipal Manager and Council of Newcastle municipality for decision-making and application of the relevant sanction/s as per this policy.

11. REPORTING PROCEDURES AND RESOLUTION OF REPORTED INCIDENTS

11.1 It is the responsibility of all employee/s of Newcastle municipality to report all incidents of fraud, corruption, theft, maladministration and other suspected irregularities of this nature to their immediate supervisors. If the employee/s is not comfortable reporting such matters to their immediate supervisor/s, he/she should report the matter to his/her Manager's superior, with final recourse to the Chief Financial Officer or Municipal Manager.

11.2 It is the responsibility of the Managers and councillors to report all incidents of fraud, corruption, theft, maladministration and other suspected irregularities of this nature to the Municipal Manager and Chief Financial Officer. This reporting must take place as follows:

- a) Telephonically immediately after discovery of such an incident;
- b) This telephonic report must be followed by a detailed written report to be submitted within 24 hours of the discovery of such an incident.

11.3 It is the responsibility of the Municipal Manager to immediately report all incidents of fraud, corruption, theft, maladministration and other suspected irregularities of this nature to the Anti-Fraud and Corruption Committee, Audit Committee and Councillors. This reporting must take place as follows:

- a) Telephonically within twenty four hours of receiving the report from the Manager in regards to an incident;
- b) This telephonic report must be followed by a detailed written report to be submitted within seven days after discovery of such an incident.

11.4 If the matter could lead to the laying of criminal charges, the Municipal Manager will report within 24 hours to the South African Police Services.

11.5 Where an employee is alleged to have committed an act of fraud, corruption, theft, or maladministration the immediate supervisors and heads of departments must institute

disciplinary proceedings, within a reasonable period, in terms of the disciplinary code and procedures of the municipality.

11.6 As soon as disciplinary hearings concerning charges of financial misconduct are completed, the outcome must be reported within 48 hours to the Municipal Manager:

- a) The name and position of the employee against whom proceedings are instituted;
- b) The disciplinary charges, indicating the nature of the misconduct the employee is alleged to have committed;
- c) The findings of the disciplinary hearing;
- d) Any sanction imposed on the employee; and
- e) Any further action to be taken against the employee, including criminal charges or civil proceedings.

11.7 The Municipal Manager is also required to ensure that losses or damages suffered by the municipality as a result of an act committed or omitted by an employee must be recovered from such an employee if he/she is liable in law. The Municipal Manager must determine the amount of the loss or damage and, in writing request that employee to pay the amount within 30 days or in reasonable instalments. If the employee fails to comply with the request, the legal process will then be initiated by the Municipal Manager.

12. PROTECTION OF WHISTLE BLOWERS

12.1 The Protected Disclosures Act, 26 of 2000 makes provision for the protection of employees who makes a disclosure that is protected in terms of this Act.

12.2 Any disclosure made in good faith and substantially in accordance with any procedure prescribed by the employee's employer for reporting is considered a protected disclosure under this act. An employee making such a protected disclosure is protected from being subjected to an occupational detriment on account of having made a protected disclosure.

12.3 An employee who suspects or reports suspected dishonest activity or such activity which he/she has witnessed should be afforded the opportunity to remain anonymous should he/she so require.

12.4 Allegations made by employees who are false and made with malicious intentions, should be discouraged by Managers. Where such malicious or false allegations are discovered, the person who made the allegations must be subjected to firm disciplinary action. Such disclosures are not protected by the Protected Disclosures Act.

13. REVIEW OF PREVENTION CONTROLS AND DETECTION MECHANISMS

13.1 In all instances where incidents of fraud, corruption, theft, maladministration and other similar irregularities of this nature take place, all managers are required to immediately review the controls which have been breached in order to prevent similar irregularities from taking place in future, within a period of 48 hours after the occurrence of the initial incident. The Risk Management and Internal Audit Unit should be contacted for assistance in this regard.

14. TRAINING, EDUCATION AND AWARENESS

14.1 It is the responsibility of Municipal Manger and SED's to ensure that all employees receive appropriate training and education with regard to this policy.

15. ADMINISTRATION

15.1 The custodian of this policy is the Municipal Manager and Council who is supported in its implementation by the Anti-Fraud and Corruption Committee as well as the Fraud Operational/Steering committee (if available) of Newcastle municipality.

15.2 Both the municipality's Anti-Fraud and Corruption Committee (oversight) and the Municipal Manager (administratively) are responsible for the administration, revision, interpretation, and application of this policy. It will be reviewed annually, and revised as required.

16. ROLES AND RESPONSIBILITIES IN FRAUD RISK MANAGEMENT

16.1 To help ensure that the municipality's fraud risk management program is effective, it is important to understand the roles and responsibilities that personnel at all levels of the organization have with respect to fraud risk management. The following role players are imperative to effective fraud risk management:

- Councillors
- Audit committee
- Management
- Staff

- Internal audit

16.1.1 Councillors

a) The Councillors also has the responsibility to ensure that management designs effective fraud risk management documentation to encourage ethical behaviour and to empower employees, customers, and vendors to insist those standards are met every day. The Councillors should:

- Understand fraud risks.
- Maintain oversight of the fraud risk assessment by ensuring that fraud risk has been considered as part of the municipality's risk assessment and strategic plans. This responsibility should be addressed under a periodic agenda item at council meetings when general risks to the municipality are considered.
- Monitor management's reports on fraud risks, policies, and control activities, which include obtaining assurance that the controls are effective. Council also should establish mechanisms to ensure it is receiving accurate and timely information from management, employees, internal and external auditors, and other stakeholders regarding potential fraud occurrences.
- Oversee the internal controls established by management.
- Set the appropriate tone at the top through the Municipal Manager's job description, recruitment, performance evaluation, and succession planning processes.
- Have the ability to retain and pay outside experts where needed.
- Provide external auditors with evidence regarding the board's active involvement and concern about fraud risk management.

16.1.2 Audit Committee

a) The committee (as a committee of council) should meet frequently enough, for long enough periods, and with sufficient preparation to adequately assess and respond to the risk of fraud, especially management fraud, because such fraud typically involves override of the organization's internal controls. It is critical that the audit committee receive regular reports on the status of reported or alleged fraud. The AC must perform the following responsibilities in respect of fraud risk management within Newcastle municipality:

- Oversight role through continuous monitoring and assessment of fraud risk within the municipality.

- Must ensure that the internal and external audit strategies are geared towards addressing fraud risks, i.e. testing of internal controls relating to fraud risks is part of the audit approach.
- Must provide the Auditor-General with evidence of their commitment to fraud risk management
- Must discuss the AG's approach to detect fraud as part of the financial statements audit. The AC must also provide the AG with any suspected fraud for integration in the audit approach during the audit of financial statements.
- Must ensure that AG's approach to the audit of financial statements is such that it provides, to council, reasonable assurance that the financial statements are free of material misstatements caused by either fraud or error.
- Must seek legal counsel when dealing with issues of alleged fraud.

16.1.3 Management

a) Management has the overall responsibility for the design and implementation of a fraud risk management program, including:

- Setting the tone at the top for the rest of the municipality. As mentioned, an organization's culture plays an important role in preventing, detecting, and deterring fraud. Management needs to create a culture through words and actions where it is clear that fraud is not tolerated, that any such behaviour is dealt with swiftly and decisively, and that whistle-blowers will not suffer retribution.
- Implementing adequate internal controls — including documenting fraud risk management policies and procedures and evaluating their effectiveness — aligned with the municipality's fraud risk assessment. To conduct a reasonable evaluation, it is necessary to compile information from various areas of the organization as part of the fraud risk management program.
- Reporting to the board on what actions have been taken to manage fraud risks and regularly reporting on the effectiveness of the fraud risk management program. This includes reporting any remedial steps that are needed, as well as reporting actual frauds.

Whenever the AG has determined that there is evidence that fraud may exist, the AG's professional standards require that the matter should be brought to the attention of an

appropriate level of management. The external auditor should report fraud involving senior management directly to those charged with governance (e.g. the Audit Committee).

16.1.4 Staff

a) Strong controls against fraud are the responsibility of everyone in the organization. All levels of staff, including management, should:

- Have a basic understanding of fraud and be aware of the red flags.
- Understand their roles within the internal control framework. Staff members should understand how their job procedures are designed to manage fraud risks and when non-compliance may create an opportunity for fraud to occur or go undetected.
- Read and understand policies and procedures (e.g. the fraud policy, code of conduct, and whistle-blower policy), as well as other operational policies and procedures, such as procurement manuals.

16.1.5 Internal Audit

a) "Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes." In relation to fraud, this means that internal auditing provides assurance to the council and to management that the controls they have in place are appropriate given the organization's risk appetite. In relation to this definition, internal auditors are responsible for the following in relation to fraud:

- Provide an objective review of fraud risks identified by management as well as assurance, to management and council that internal controls relating to fraud risks are adequate and are functioning effectively.
- Include the municipality's assessment of fraud risks as part of the risk-based internal audit plan including management's capabilities for fraud risk management.
- Maintain on-going communication with those responsible for risk assessments to ensure that fraud risks are considered appropriately.
- Must exercise scepticism when carrying out their internal audit work and be on guard for any fraud.
- The internal audit charter must include internal audit responsibilities in relation to fraud, and these may include, *inter-alia*, the following:
 - Initial or full investigation of alleged fraud.

- Analysis of root causes
- Control improvement recommendations
- Monitoring of reporting/whistle-blowing hotline
- Provision of ethics training
- Maintain sufficient skills and competencies in relation to fraud i.e. investigation techniques, laws, knowledge of fraud schemes etc.