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## **Political and City leaders must set standard in fight against fraud, says watchdog**

Political and City leaders must hold themselves to exemplary ethical standards if they want to rebuild public trust in Parliament and the Square Mile, encourage a more ethical society and so start to win the fight on fraud, says the Fraud Advisory Panel in its annual review launched today.

“The Fraud Advisory Panel has always advocated a strong ethical lead from the top coupled with a policy of zero tolerance toward petty dishonesty as a sure way to counter the threat of fraud,” says Ros Wright, Chairman of the Panel and a former Director of the Serious Fraud Office, “but the message that ethical and trust-rich cultures are built from the top is as true for a nation, or a whole industry, as it is for the smallest of businesses. First and foremost that means that business and political leaders need to hold themselves to much higher standards if they are to lead a greatly-needed ethical revival in society at large.”

“In many respects it has been a vintage year for fraud fighting, with the National Fraud Authority now on a delivery footing and the Fraud Reporting Centre (now called Action Fraud) and National Fraud Intelligence Bureau starting to create the first high resolution picture of fraud in the UK. But, sad to say, the year will be remembered for the havoc wreaked by breaches of trust in banking and politics. And when those so close to the top of our society visibly set such bad ethical examples it makes the jobs of all anti-fraud professionals that much harder. That needs to change urgently.”

As far as business and finance is concerned, the message is straightforward, says Mrs Wright: “To restore trust, demonstrate that you are trustworthy; deal fairly and honestly with suppliers, customers and employees and reinforce a reputation for being responsible,

honest and upright. Only then will public confidence be restored and fraud and financial crime will find it that much harder to take hold.”

And with fraud on the rise as the recession continues to bite, the Panel also warns that everyone must do more to protect themselves: “It is essential that individuals take up cudgels on their own behalf by adopting a healthy scepticism in their approach to business transactions, whether looking at investment opportunities, tempting offers from cold callers, or borrowing funds from traditional and non-traditional sources.”

**- ENDS -**

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#### **Notes to editors**

1. The full version of the Fraud Advisory Panel's annual review 2008/09 can be downloaded from [www.fraudadvisorypanel.org](http://www.fraudadvisorypanel.org).
2. The **Fraud Advisory Panel** is a registered charity which works to raise awareness of the immense human, social and economic damage caused by fraud and to help individuals and organisations develop effective strategies to prevent it. It was established in 1998 by the Institute of Chartered Accountants in England and Wales (ICAEW) which continues to provide valuable support.

The Panel works to:

- Advise government, business and the general public on fraud prevention, detection and reporting;
- Assist in improving education and training in business, the professions, and general public; and
- Establish a more accurate picture of the extent, causes and nature of fraud.

The Panel has a truly multi-disciplinary perspective on fraud. Members include representatives from the law and accountancy professions, industry associations, financial institutions, government agencies, law enforcement, regulatory authorities and academia.