

# Anti-Fraud & Corruption

Policy Document – Version 1.0



---

# Thurcroft Parish Council

## ANTI FRAUD AND CORRUPTION POLICY

---

### 1. Principles

Thurcroft Parish Council promotes a culture of honesty, transparency and fairness and is committed to sound corporate governance. It is essential that elected members (councillors), and employees in whatever position they are employed, conduct themselves in accordance with the principles laid down by The Relevant Authorities (General Principles) Order 2001, as set out in **Appendix 1**, during their term of office or employment with the Parish Council.

Councillors should also follow the terms of the Code of Conduct.

Thurcroft Parish Council will not tolerate fraud and corruption in the administration of its responsibilities and, as it requires external suppliers, contractors and service providers also to act with integrity, will deal equally with offenders whether from inside or outside the Parish Council. As a consequence, it has accepted the need for having an Anti-Fraud and Corruption Policy designed to protect the Parish Council against fraud and corruption either from within the Parish Council or externally.

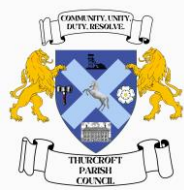
Thurcroft Parish Council has also produced a Whistleblowing Policy, the terms of which are relevant to this Policy.

**Fraud and Corruption** are defined by the Audit Commission as:

**FRAUD:** Fraud is the intentional distortion of financial statements, accounts or other records by persons internal or external to the authority which is carried out to conceal the misappropriation of assets or otherwise for gain or to mislead or misrepresent.

**CORRUPTION:** Corruption is the offering, soliciting or acceptance of an inducement or reward which may influence the action of any person to act against the interests of an organization.

In addition, corruption is hereby defined to also include the deliberate failure to disclose an interest to obtain a financial or other pecuniary gain for oneself or another.



---

# Thurcroft Parish Council

## ANTI FRAUD AND CORRUPTION POLICY

---

## 2. The Policy

The policy identifies a series of measures designed to frustrate any attempted fraudulent or corrupt acts and the steps to be taken if such action occurs:

### 2.1 Culture

Thurcroft Parish Council promotes a culture of integrity, honesty, transparency, and fairness which supports its opposition to fraud and corruption. The prevention and detection of fraud and corruption and the protection of the public purse are the responsibility of everyone. The councillors and employees play an important role in creating and maintaining this culture. All are positively encouraged to raise concerns regarding fraud and corruption in the knowledge that such concerns will wherever possible be treated in confidence. Thurcroft Parish Council's Whistleblowing Policy dealing with allegations of misconduct should be read in conjunction with this policy.

Where fraud and corruption has occurred as a result of existing procedures, arrangements will be made to ensure that the appropriate improvements are introduced in order to prevent a re-occurrence.

### 2.2 Prevention

#### 2.2.1 Role of Councillors

As elected representatives, councillors of the Council have a duty on behalf of their electorate to protect the Council from all forms of fraud and corruption. This is reflected through the adoption of this Policy and compliance with the Code of Conduct for councillors, The Council's Standing Orders, and other relevant legislation.

On taking office Councillors are required to sign to the effect that they have read and understood the Code of Conduct. The Code requires Councillors, inter alia, to declare and register interests and to register receipt of gifts and hospitality.

#### 2.2.2 The Role of the Parish Clerk



---

# Thurcroft Parish Council

## ANTI FRAUD AND CORRUPTION POLICY

---

The Parish Clerk is responsible for the communication and implementation of this Policy and ensuring that employees are aware of the Council's Financial Regulations and Standing Orders, and that the relevant requirements of each are being met in the day-to-day conduct of Council business.

The Parish Clerk is expected to strive to create an environment in which employees feel able to approach them with any concerns they may have regarding suspected irregularities. All such concerns must be dealt with in accordance with the Council's Whistleblowing Policy.

The Council is aware of the responsibilities of staff handling cash, particularly within the Gordon Bennett Memorial Hall and will ensure that adequate financial controls are in place and adhered to in order to protect those employees.

The Council recognises that a key preventative measure in dealing with fraud and corruption is ensuring that effective steps are taken at the recruitment stage to establish as far as possible, the honesty and integrity of potential employees whether for permanent, temporary, or casual posts. This includes obtaining written references. In addition, DBS checks will be made for employees should they be required to work with children or vulnerable people.

### **2.2.3 Employees**

The work of employees is governed by the Council's Standing Orders and Financial Regulations and other relevant policies i.e. Health and Safety etc.

In addition to the above, employees are responsible for ensuring that they follow the instructions given to them by the Parish Clerk, including directions on the safekeeping of the Council's assets.

Employees are bound by section 117 of the Local Government Act 1972 regarding the disclosure of pecuniary interests in contracts relating to the Parish Council, and the non-acceptance of any fees or rewards whatsoever other than their proper remuneration.



---

# Thurcroft Parish Council

## ANTI FRAUD AND CORRUPTION POLICY

---

Employees are expected to be aware of the possibility that fraud, corruption and theft may occur in the workplace and consequently must feel able to share their concerns in accordance with the Council's Whistleblowing Policy.

### **2.3 Conflicts of Interest**

Councillors and employees must ensure that they avoid situations where there is a potential for a conflict of interest. Effective role separation will ensure that decisions made are seen to be made based on impartial advice and therefore avoid questions regarding improper disclosure of confidential information.

### **2.4 Role of Internal Audit**

The Parish Clerk is responsible for ensuring that there is an adequate and effective system of internal audit of the Council's accounting, financial and other systems in accordance with the relevant Accounts and Audit Regulations. Internal audit plays a significant preventative role in ensuring that the relevant systems deter fraud and corruption and will work with management to identify any procedural changes necessary to prevent the Council from exposure to losses. The actions of the internal audit include the undertaking of a number of specific reviews and tests of the relevant financial systems and other arrangements for the protection and detection of fraud.

### **2.5 Role of External Audit**

The external auditor has a responsibility to review the Council's arrangements for preventing and detecting irregularities, and arrangements designed to limit the opportunity for corrupt practices. The outcome of these reviews is reported each year in the Annual Audit Letter from the external auditor which is presented to Councillors by the Parish Clerk.

## **3 Deterrence**

Fraud, corruption, and theft are considered to be serious offences against the Council and employees will face investigation under the Council's Disciplinary policy if there is an allegation that they have been involved in any of these activities.



---

# Thurcroft Parish Council

## ANTI FRAUD AND CORRUPTION POLICY

---

Similarly, any Councillor will face appropriate action under this policy if it is shown that they have been involved in fraud, corruption or theft against the Council or have acted otherwise illegally.

The Council will not seek to cover up cases of fraud and corruption and will seek to ensure where appropriate that the results of any external action taken, including prosecutions, are notified to the media.

In all proven cases where financial loss has occurred, and it is in the public's interest to do so the Council will seek to recover such loss and will give consideration to publicising the fact.

### **4. Investigation and Detection**

Systems of internal control have been established together with Financial Regulations and Standing Orders to deter fraud and corruption. These are complemented by the work undertaken by Internal Audit in the review of systems and financial controls.

In addition, it is often the vigilance of employees, Councillors and members of the public that aids detection. Employees are to be encouraged to raise any concerns they may have without fear of recrimination and the Council's Whistleblowing procedures have been designed specifically to address this matter.

If an employee makes an allegation of fraud, corruption or theft in good faith which is not confirmed in an ensuing allegation no action will be taken against that employee. However, if an employee makes malicious or vexatious allegations disciplinary action may follow.

Frauds are in some cases discovered by chance or 'tip-off' and the Council's policy is to follow up any such information.

The Council recognises that it is essential that there is a consistent treatment of information received suggesting the possibility of fraud, corruption or theft and that the actions laid out in the Whistleblowing policy are adhered to.

Following the completion of an investigation, the circumstances will be assessed to determine the need for procedural and system changes to ensure that future risks are eliminated.



---

## Thurcroft Parish Council

# ANTI FRAUD AND CORRUPTION POLICY

---

Where necessary, following an investigation, the Council's disciplinary procedures will be applied to any employee found to be guilty of improper behaviour.

## 5. Awareness and Training

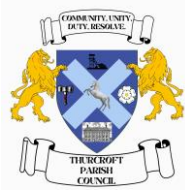
The Council recognises that the sustained success of this policy and its general credibility will depend upon the effectiveness of its training programmes and awareness on the part of Councillors and employees throughout the organisation.

Employees will be made aware of their responsibilities and the procedures to be followed for the safekeeping of the Council's assets and will be advised that failure to adhere to the specified procedures may lead to disciplinary action being taken.

## 6. Conclusion

The Council has put in place systems and procedures to assist in the prevention and detection of fraud and corruption. The Council is determined to ensure that these arrangements will keep pace with future developments in prevention and detection techniques regarding fraudulent or corrupt activity that may affect its operations.

The Parish Clerk, who is also the Responsible Finance Officer, has day to day responsibility for the successful operation of the relevant systems supported by internal and external audit and will ensure that this policy is reviewed annually in order to be satisfied that the Council's exposure to potential fraud and corruption is minimised.



---

# Thurcroft Parish Council

## ANTI FRAUD AND CORRUPTION POLICY

---

### APPENDIX 1

### The General Principles of the Order

#### **Selflessness**

Councillors should serve the public interest and should never improperly confer an advantage or disadvantage on any person.

#### **Honesty and Integrity**

Councillors should not place themselves in situations where their honesty and integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.

#### **Objectivity**

Councillors should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.

#### **Accountability**

Councillors should be accountable to the public for their actions and the manner in which they carry out their responsibilities and should co-operate fully and honestly with any scrutiny appropriate to their particular office.

#### **Openness**

Councillors should be as open as possible about their actions and those of their authority and should be prepared to give reasons for those actions.

#### **Personal Judgement**

Councillors should take account of the views of others but should reach their own conclusions on the issues before them and should act in accordance with those conclusions.

#### **Respect for Others**

Councillors should promote equality by not discriminating unlawfully against any person, and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or gender disability. They should respect the impartiality and integrity of the authority's statutory officers and its other employees.

#### **Duty to uphold the law**

Councillors should uphold the law and, on all occasions, act in accordance with the trust that the public is entitled to place in them.

#### **Stewardship**

Councillors should do whatever they are able to do to ensure that their authority uses its resources prudently and in accordance with the law.

#### **Leadership**

Councillors should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves public confidence.