

ANTI FRAUD AND CORRUPTION POLICY

1. Introduction

This Anti-Fraud and Corruption Policy sets out the Council's framework for preventing and detecting fraud and corruption and the procedure for the reporting, investigation and prosecution of occurrences of fraud and corruption.

In carrying out its functions and responsibilities Kirkby La Thorpe Parish Council will promote a culture of honesty, openness and fairness and requires all elected Members and employees to support and conduct themselves in accordance with the Nolan Committees Seven Principles of Public Life as contained within the Relevant Authorities (General Principle) Order 2001. (Appendix A)

All Members of the Parish Council are required to conduct themselves in accordance with the Members Code of Conduct.

The work of all Members and officers of the Parish Council are also governed by legal requirements, Standing Orders, Financial Regulations and Council policies and national legislation.

Individuals and organisations external to the Council e.g. suppliers, contractors and services providers, will also be expected to act with integrity and without thought or actions involving fraud and corruption.

Fraud and corruption are defined by the Audit Commission as follows: -

- 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 is the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person to act against the interests of an organisation, or the deliberate failure to disclose an interest in order to obtain a financial or other pecuniary gain for oneself or another.
- to include such acts as criminal deception, forgery, blackmail, corruption, theft, conspiracy and concealment of material facts and collusion. Fraud can also be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party.

This Policy identifies a series of measures designed to:

1. identify and assess the risk of fraud and corruption.
2. to prevent and detect fraud and corruption.

This policy addresses five general areas:

1. Culture
2. Prevention
3. Deterrence
4. Detection, Investigation and Reporting
5. Awareness and Training

Responsibility for the implementation and monitoring of the Policy lies with the Parish Clerk.

2. Anti-Fraud and Corruption Policy Statement

Kirkby La Thorpe Parish Council has adopted the following Anti-Fraud and Corruption Policy. This Policy should be read in conjunction with the Council's approved Standing Orders, Financial Regulations and associated policies.

3. Aims of Policy

The Anti-Fraud and Corruption Policy is designed to protect the Parish Council against fraud and corruption either from within or external to the Council.

The aims of the Policy are as follows:

- Promote a culture of honesty and integrity, and opposition to fraud and corruption;
- To assess and manage the risk of fraud and corruption;
- Encourage prevention of fraud and corruption through openness and honesty in all dealings, internal and external;
- Ensure effective systems of internal control are in place to help to prevent fraud;
- Promote detection of fraud by ensuring internal control systems and procedures are regularly monitored and subject to review by Internal Audit;
- Ensure formal systems are in place and are being used to provide information and give confidence to Members, employees, members of the public or third parties who may wish to raise concerns they have on issues associated with the Parish Council's activity;
- Investigate thoroughly any allegation of fraud and corruption received;
- To ensure that appropriate enforcement action is taken to address any incident of fraud and corruption.

4. Culture

The Parish Council promotes a culture of honesty, openness and fairness which supports its opposition to fraud and corruption. The prevention and detection of fraud and corruption and the protection of public resources are the responsibility of everyone. The elected Members and employees have an important role and responsibility in maintaining this culture.

All Members and employees of the Council are positively encouraged to raise any concerns regarding fraud and corruption in the knowledge that such concerns will be treated seriously and, wherever possible, in confidence.

The Parish Council will ensure that any allegation received will be taken seriously and investigated in an appropriate manner. Those who defraud the Parish Council or who are corrupt or instigate any financial malpractice will be dealt with fairly and firmly. Where fraud and corruption have occurred due to a breakdown in internal controls, systems or procedures, the Council will review its risk management and assessments of the area of concern and will work with the Council's internal auditor to ensure that the appropriate improvements in the systems of control are implemented in order to prevent a reoccurrence.

5. Prevention

Prevention can be achieved through:

a) Staff Policies - The Council is entitled to expect, and obliged to maintain, high standards of conduct among its employees to ensure that public confidence in their integrity, honesty and impartiality is not undermined. The public is entitled to demand conduct of the highest standard and that employees work honestly and without bias in order to achieve the Council's objectives.

The Council will ensure that formal recruitment procedures are followed and will obtain written references in respect of potential employees before employment offers are made and contracts of employment have been issued.

The Council will ensure that all employees are aware of their responsibilities in relation to the prevention of fraud and corruption and copies of this policy will be made available to all.

b) Role of Parish Clerk & RFO - The Parish Clerk & RFO is responsible for the communication and implementation of this policy within the Council and for ensuring that all employees are aware of Council Standing Orders and Financial Regulations and that these requirements are being implemented on a daily basis.

c) Role of Employees - The work of employees is governed by the Parish Council's Standing Orders, Financial Regulations and other relevant policies.

d) Role of Members - All elected Members have a duty on behalf of the electorate of Kirkby La Thorpe to protect the Council from all Fraud, Corruption and Theft. This is reflected through the adoption of:

- Adopted Code of Conduct for Members
- Council Standing Orders and Financial Regulations
- Council Policies

Members will be specifically required to record their financial and other interests and record any receipt or offering of gifts or hospitality in accordance with the requirements set out in the Council's Members Code of Conduct.

Members must also disclose any such interests in the matters under discussion at a meeting of the Council.

6. Internal Control, Audit and Risk Management

The Council's Standing Orders and Financial Regulations provide the framework within which officers and Members should act when dealing with the affairs of the Council.

The Financial Regulations provide the framework rules for the management of the Council's financial affairs. The Standing Orders for Contracts and Procurement provide the framework rules for the procurement of all works, goods, materials and services.

The Parish Clerk & RFO is charged with the responsibility of ensuring that proper internal controls are in place and for reviewing regularly the effectiveness and appropriateness of such controls especially in the deterrence of fraud and monitoring of high risk areas.

The Parish Clerk will undertake an Annual Insurance review under the Council's responsibilities for Corporate Governance.

6. Detection, Investigating and Reporting

The Council's systems of governance, as set out in the Standing Orders and Financial Regulations, will incorporate checks, reconciliations, analytical review and internal audit procedures to deter fraudulent and corrupt activity along with a management reporting and monitoring regime which will highlight by exception any unplanned, unexpected or potentially fraudulent activity.

The Council has formal arrangements in place via the Complaints Policy to enable information provided by and the suspicions and concerns of members, officers and the general public to be dealt with confidentially, properly and promptly.

When fraud and corruption does occur, these systems, controls and internal audit activity should, in most cases, assist in revealing the occurrences.

However, it is often the alertness of Members, officers or members of the public to such indicators that enables detection to occur and the appropriate action to take place when there is evidence that fraud or corruption may be in progress.

7. Reporting of Fraud and Corruption

Council Members and employees are an important element in its stand against fraud and corruption. Concerns that they have will be treated in confidence and will be properly investigated. The Parish Clerk will usually be the first contact when raising a concern.

The Parish Clerk will be responsible for following up any allegation of fraud or corruption received and will do so through clearly defined procedures. The Council will be robust in dealing with financial malpractice and will deal swiftly and firmly with those who defraud or are corrupt.

There is, of course, a need to ensure that any investigation process is not misused and, therefore, any abuse such as raising unfounded malicious or vexatious allegations may be dealt with as a disciplinary matter.

The Anti-Fraud and Corruption Policy sets out the procedures relating to the reporting of such concerns, reassures individuals that they will not suffer repercussions, and encourages those with legitimate concerns to voice them. Members of the Public are also welcomed to report concerns, either as a formal complaint or by speaking or writing to any member of the Council. The Council's Complaints Policy and Procedure apply in such cases.

Where a "tip-off" or concern or an implied "tip-off" or concern is received from a member of the public or councillor, it must be reported without delay to the Parish Clerk.

8. Investigation of Fraud and Corruption

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Depending on the nature and the anticipated extent of the allegations, the Parish Clerk will normally work closely with other agencies, such as the Police, to ensure that all the allegations are properly investigated, reported and where appropriate, maximum recoveries are achieved.

The follow up of any allegation of fraud and corruption received either from a Member, employee or member of the public will be through the agreed procedures of the Fraud and Corruption Reporting and Investigation Procedure, which will ensure that:

1. Concerns are dealt with promptly and consistently
2. All evidence is recorded, and the rules of evidence followed
3. Evidence is sound and adequately supported
4. All evidence is securely held
5. Where appropriate the Council's insurers and the police are informed
6. The Council's disciplinary procedures are implemented