



ANTI FRAUD & CORRUPTION POLICY

1. Introduction

- 1.1. This Parish Council is committed to making sure that the opportunity for fraud, corruption and irregularity is reduced to the lowest possible level. Where there is the possibility of fraud, corruption or other irregularities, we will deal with such matters as outlined in the following paragraphs.
- 1.2. An important part of this approach is an established anti-fraud and corruption policy, which we use to advise and guide Councillors, staff and persons working for/with the Council on our approach to the serious issues of fraud and corruption. This document provides an overview of our approach in this matter and includes a 'Fraud Response Plan' which provides more detailed guidance on how to deal with fraud and corruption. See Appendix 1.
- 1.3. The main message is that we expect all Councillors, employees and workers to be fair and honest, and to give us all reasonable help, information and support needed to deal with fraud and corruption.
- 1.4. The Anti Fraud & Corruption Policy and supporting documents apply to the whole of the Council.
- 1.5. The policy set out in this document covers the following areas:
 - Approach
 - Culture
 - Our written rules
 - Expected behaviour
 - Preventing fraud and corruption
 - Detecting and investigating fraud and corruption
 - Fraud Awareness & Training
 - Whistleblowing Suspicions of Money Laundering
- 1.6. It is the responsibility of the Parish Clerk and all Councillors to maintain and update this document.

2. Approach

- 2.1. The Council's approach to minimising the risk of loss due to fraud, corruption and irregularity is:
 - 2.1.1. To develop and maintain a culture of honesty, openness and opposition to these acts within the organisation and in its relationship with outside individuals and organisations, and
 - 2.1.2. To have a series of comprehensive and inter-related procedures and arrangements in place designed to prevent, frustrate and deter fraud, corruption and irregularity or, where they occur, to detect and take effective action against any attempted or actual fraud, corruption or irregularity affecting the Council. This approach is outlined in more detail below.

3. Culture

- 3.1. To be effective, the Anti Fraud and Corruption Policy and supporting arrangements set out in Section 4, need to apply within an overall culture within the Council which positively promotes the highest standards expected of those in public life e.g. integrity, accountability, openness, honesty, etc - See Appendix 2) and makes it absolutely clear that the Council will not tolerate dishonesty on the part of any of its Councillors or employees or any persons/organisations involved in any way with the Council.
- 3.2. To encourage this culture the Council has adopted a range of interrelated policies, codes, arrangements and procedures which ensures all Councillors, employees or any persons/organisations involved in any way with the Council are fully aware of, and in agreement with, the culture the Council seeks to maintain, the values and conduct expected of persons working for or involved with the Council, including the Council's aim of keeping fraud & corruption to the lowest possible level.



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3.3. Responsibility for the creation of an anti-fraud culture rests jointly with all those involved in the Council. The Council expects that Councillors and its employees will actively promote an anti fraud and corruption culture through:

- endorsing and publicising the Council's Anti Fraud and Corruption Policy,
- being an example to others by ensuring adherence to legal requirements and internal Council rules and regulations, (E.g. Codes of Conduct, Financial Procedures, etc.)
- encouraging the reporting of any suspicions of fraud, corruption or deliberate irregularity by Councillors, employees, the public or any other third party with whom the Council works in providing services
- treating seriously any suspicions reported to them and dealing sensitively with the person reporting the information
- dealing swiftly and robustly with those who defraud the Council or who act corruptly
- raising any concerns they may have regarding fraudulent or corrupt activity and maintaining effective internal control arrangements designed to combat fraud, corruption and irregularity.

3.4. The Council believes that the maintenance of a culture of honesty and openness is an important component in tackling fraud, corruption and irregularity.

4. Our Written Rules

4.1. The Council has in place a number of rules and policies to ensure that financial, operational and organisational procedures are properly controlled. These are an important part of our internal control process, and it is important that all Councillors, employees and workers know about them.

4.2. The most important of these are as follows:

- Standing Orders
- Financial Regulations
- Statement of Internal Control
- Code of Conduct

4.3. Councillors and employees must make sure that they read and understand the rules, code of conducts and policies that apply to them, and act in line with them.

4.4. Any Member or employee who does not adhere to the rules, codes of conduct or policies may be subject to formal action, including disciplinary or legal action.

5. Expected Behaviour

5.1. All people and organisations that are in any way associated with this Parish Council are expected to be honest and fair in their dealings not only with us, our clients and customers but also in their dealings outside of the Council.

5.2. We expect our Councillors and employees to lead by example in these matters.

5.3. The Code of Conduct sets out our approach to work that we believe is both honest and fair.

5.4. Our employees have an important part to play in combating fraud and corruption and we will encourage our staff to warn us and provide information if they suspect a case of fraud or corruption. Guidance on reporting such matters is available in the Council's Fraud Response Plan attached as Appendix 1.

5.5. We will deal with all referrals fairly and confidentially and as far as possible we will not reveal the names of the people who reported the matter to us. However, confidentiality cannot be guaranteed, e.g. if an investigation leads to a prosecution and the person who reported the matter is required to give evidence in court. Section 6 below and the Council's Fraud Response Plan attached as Appendix 1 gives more advice on this issue.

5.6. The Nolan Committee sets out the seven guiding principles, attached as Appendix 2, that apply to people who serve the public. The Council has developed its working culture with these



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principles in mind. We may refer such matters to the police if we reasonably believe following an investigation that a criminal offence has taken place.

6. Preventing Fraud and Corruption

- 6.1. We believe that if we are to beat fraud and corruption, we must prevent it from happening in the first place. It is essential that we have clear rules and procedures, within which Councillors, employees, consultants and contractors can work. These include the main rules, codes of conduct and policies set out in Section 4.2 above.
- 6.2. The Council is committed to working and co-operating with other organisations to prevent organised fraud and corruption. Wherever possible, we will be prepared to help and exchange information with other councils and organisations to deal with fraud subject to any legal restrictions and the Council's own policies/procedures regarding the exchange of information. Exchanging of personal information will be tightly controlled in line with appropriate legislation. The Council will adhere to and only exchange personal information in accordance with the Data Protection Act (DPA).

7. Whistleblowing

- 7.1. The decision to report a concern can be a difficult one to make. If what you are saying is true, you should have nothing to fear because you will be doing a service to the public and to the Council. The Council will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action to protect you when you raise a concern in good faith. Any investigation into allegations of potential malpractice or wrong doing will not influence or be influenced by any disciplinary, capability, redeployment or redundancy procedures that apply. Concerns that are expressed anonymously will be considered.
- 7.2. Factors taken into account when deciding on appropriate investigation action would include: -
 - The seriousness of the issues raised
 - The credibility of the concern
 - The likelihood of confirming the allegation from attributable sources
 - If you make an allegation or raise a suspicion in good faith, but it is not confirmed by the investigations, no action will be taken against you. However, if during the investigation it is found that you made an allegation/raised a suspicion frivolously, maliciously or for personal gain, disciplinary action may be taken against you.
- 7.3. A list of relevant Parish Council contacts is attached at Appendix 3. 8.

8. Detecting and investigating fraud and corruption

This section should be read in conjunction with the Council's Fraud Response Plan attached at Appendix 1

- 8.1. Any member of the Parish Council must report any suspected cases of fraud and corruption. Reporting cases in this way is essential to the Anti-Fraud and Corruption Policy and ensures that:
 - Suspected cases of fraud and corruption are investigated properly;
 - The fraud response plan is carried out properly;
 - There is a standard process for dealing with all suspected cases of fraud/corruption and money laundering;
 - There is a corporate process for dealing with surveillance activity; and
 - Individuals and the Council's interests are protected.
- 8.2. The Chairman of the Parish Council will work with the Parish Clerk to decide on the type and course of the investigation. This will include referring cases to the police where necessary. Where appropriate we will press for prosecution of offenders.
- 8.3. If we refer cases to the police, we may also take action under the Council's Disciplinary Policy & Procedure.



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- 8.4. We will take all steps available to us to recover any monies misappropriated from the Council.
- 8.5. We will communicate the outcomes of our investigations where appropriate.
- 8.6. The External Auditor also has powers to investigate fraud and corruption.

9. Conclusion

- 9.1. We are committed to tackling fraud and corruption whenever it happens. We will work hard to ensure that our response will be effective and organised and will rely on the principles included in this document to achieve this.
- 9.2. This policy supersedes all previously published Anti-Fraud and Corruption Strategies and will take immediate effect. We will continue to review our rules and procedures and will make sure that this document is reviewed annually to ensure it remains effective.



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APPENDIX I

1. Introduction

- 1.1. It is important that we do all we can to prevent and detect fraud to make sure that we can provide services to residents/businesses within the Parish honestly and efficiently.
- 1.2. Our Anti-Fraud and Corruption Policy sets out the principles we are committed to in relation to preventing, reporting, detecting and managing fraud/corruption and money laundering. .

2. Definitions

Fraud: The Fraud Act 2006 created an offence of fraud which can be committed in three separate ways:-

- i. by false representation
A fraud will be committed if a person dishonestly makes a false representation and when doing so intends to make a gain or cause loss (or a risk of loss) to another.
- ii. by failing to disclose information
A fraud will be committed if a person dishonestly fails to disclose information where there is a legal obligation to do so and when doing so intends to make a gain or cause loss (or a risk of loss) to another.
- iii. by abuse of position
A person will commit fraud if he occupies a position in which he is expected to safeguard, or not act against, the financial interests of another person and he dishonestly abuses that position; and in doing so intends to make a gain or cause loss (or a risk of loss) to another.

Corruption:

“The soliciting or acceptance of an inducement or reward, which may influence the action of a member or officer of the Council”.

3. Procedures for Reporting Suspected Fraud and Corruption

- 3.1. We rely on our staff to help us to prevent and detect fraud and corruption or suspicions of money laundering. It is often Councillors or staff who are in a position to spot any possible cases of fraud/corruption and money laundering at an early stage.
- 3.2. We have specific reporting lines for fraud/corruption. You should first report the matter to the Chairman of the Parish Council. The action that you take when you first find out about a suspected case of fraud, corruption, irregularity might be vital to the success of any investigation that follows, so it is important that your actions are in line with the information given in this document.

4. Action by Employees

- 4.1. If you suspect fraud or corruption anywhere within the Council, you should do the following:
 - i. Write down your concerns immediately. Make a note of all relevant details, such as what was said in phone or other conversations, the date, the time and the names of anyone involved.
 - ii. In cases of suspected fraud or corruption, report the matter immediately to the Chairman of the Parish Council. Don't tell anyone else about your suspicions.
- 4.2. Under no circumstances should you try to carry out an investigation yourself. This may damage any subsequent investigation.

5. Action by the Chairman of the Parish Council

- 5.1. If you find out about suspected fraud or corruption, you should do the following:-
 - i. Listens to the concerns of your staff and treat every report you receive seriously and sensitively.



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- ii. Make sure that all concerns are given a fair hearing. You should also reassure the person reporting that they will not suffer victimisation because they have told you of their suspicions.
 - iii. Get as much information as possible, including any notes and any evidence they have that may support the allegation. Do not interfere with any evidence and make sure it is kept in a safe place.
 - iv. Assess whether the suspicions are justified before you take the matter further.
- 5.2. We will investigate all referrals received although if anonymous referrals are received they are much harder to pursue so we would encourage anyone with concerns to refer the matter directly to the Chairman of the Parish Council. He/she will decide how any enquiry will be carried out, and whether we need to tell outside organisations such as the police. Appendix 1 10
- 5.3. If appropriate, feedback will also be provided to the person who initially raised the concerns.

6. Actions Arising from Investigation

The Council's Anti Fraud and Corruption Policy provides that dishonesty on the part of any Councillors, employees or any person or organisations involved in any way with the delivery of services of the Council will not be tolerated at the Council. Where fraud, corruption or irregularity is detected the Council will rigorously pursue appropriate action against the persons concerned including legal and/or disciplinary action, and wherever possible and deemed appropriate, will take action to recover losses suffered.



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Appendix 2

The Seven Principles of Public Life

Selflessness

Holders of Public office should take decisions in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contract, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

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Note: These principles are a direct extract from the Nolan Committee report

Appendix 3

Anti-Fraud and Corruption and Whistleblowing Policy:-

Please refer to the Chairman’s contact details on the parish council website,

OR

Public Concern at Work (Charity Helpline)

Suite 306 16 Baldwin Gardens, London, EC1N 7RJ Tel: 020 7404 6609 Email: helpline@pcaw.co.uk (helpline) whistle@pcaw.co.uk (enquiries) Website: www.pcaw.co.uk

Wetheridge Parish Council Chairman

Date: