# SACRISTON PARISH COUNCIL
## Anti-Fraud and Corruption Policy

Purpose and Scope

1.1 Sacriston Parish Council have assets, interests and annual transactions amounting to hundreds of thousands of pounds each year. In administering its responsibilities, the Council will operate robust financial control systems designed to mitigate the risk of fraud and corruption, whether attempted from within the organisation or externally.

1.2 In carrying out its functions and responsibilities the Parish Council will promote a culture of honesty, openness and fairness and requires its elected members and employees at all levels to conduct themselves in accordance with the Nolan Principles contained in The Relevant Authorities (General Principles) Order 2001 throughout their term of office and employment with the Council. The principles contained in the Order are detailed in Appendix A. of this Policy.

1.3 The Council will not tolerate fraud and corruption in the administration of its responsibilities or undertaking of its affairs and will deal equally with offenders whether from inside or outside the Council.

1.4 Fraud and corruption are defined 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

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

1.5 Consequently the Council recognises and accepts the need for an Anti-Fraud and Corruption Policy, the intent of which is designed to:

- Encourage prevention
- Promote detection
- Identify a clear pathway for investigation

## 2 Culture

2.1 The Parish Council has 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 the public purse are the responsibility of everyone. The elected members and employees play an important role in creating and maintaining this culture. All are required to raise concerns regarding fraud and corruption in the knowledge that such concerns will wherever possible be treated in confidence.

2.2 The Parish Council will ensure that any allegations received will be taken seriously and investigated in an appropriate manner. Those who defraud the Council or who are corrupt or who instigate financial malpractice will be dealt with firmly. There is however a need to ensure that any investigation process is not misused and, therefore, any abuse may, where appropriate, be dealt with as a disciplinary matter, including any unfounded malicious allegations. It is likely that any disciplinary matters will be viewed as gross misconduct.

2.3 Where fraud and corruption have occurred due to a breakdown in systems or procedures, arrangements will be made to ensure that the appropriate improvements in systems of control are implemented to prevent a re-occurrence.

## 3 Prevention

### 3.1 Role of Elected Members

As elected representatives all Members 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 elected Members, the Council's Standing Orders and Financial Regulations and other relevant legislation.

When they take office elected Members are required to operate within the constraints of the adopted Code of Conduct; Chapter 7 of the Localism Act 2011 and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 (S.I. 2012/1464). In addition, elected members are given the opportunity to attend periodic update sessions on matters of conduct and standards provided by the County Council's Monitoring Officer.

### 3.2 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.

The Clerk is responsible for the communication and implementation of this Policy within the Council. They are also responsible for 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 Clerk will strive to create an environment in which employees feel able to approach them with any concerns they may have regarding suspected irregularities.

Special arrangements will apply where employees are responsible for cash handling or are responsible for financial systems and systems that generate payments. Checks are carried out on a regular basis to ensure that proper procedures are being followed.

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.

In addition to the above employees are responsible for ensuring that they follow the instructions given to them by the Clerk particularly with regard to the safekeeping of the Council's assets.

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 with the Clerk, in the first instance, the Chairman or signatories.

3.2 <u>Role of Internal Audit</u>

The 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 provisions of 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 Officers to identify the procedural changes necessary to prevent the Council from exposure to losses.

3.3 <u>Role of External Audit</u>

The external auditor has a responsibility to review the Council's arrangements for preventing and detecting fraud and irregularities and arrangements designed to limit the opportunity for corrupt practices. This responsibility is satisfied by undertaking a number of specific reviews and tests of the adequacy of the relevant financial systems and other arrangements for the prevention and detection of fraud. The outcome of these reviews and tests is reported each year in the Annual audit letter which is presented to elected Members by the external auditor.

**4. Deterrence**

4.1 Fraud, corruption and theft are considered to be serious offences against the Council and employees will face a disciplinary investigation if there is an allegation that they have been involved in any of these activities. Where necessary, disciplinary action will be taken in addition to, or instead of, criminal proceedings depending on the circumstances of each individual case in a consistent manner.

4.2 Similarly any elected Member 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 otherwise acted illegally.

4.3 The Council will not seek to cover up cases of fraud and corruption but conversely will try to ensure that the results of any action taken, including prosecutions, are notified to the media.

4.4 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.

4.5 All anti-fraud and corruption activities, including the adoption of this policy, will be publicised to make employees and the public aware of the Council's commitment to taking appropriate action on fraud and corruption when it occurs.

5 Detection and Investigation

5.1 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.

5.2 In addition it is often the vigilance of employees and members of the public that aids detection. Employees are to be encouraged to raise their concerns without the fear of recrimination.

5.3 Frauds are, in some cases, discovered by chance or 'tip-off' and arrangements are in place to enable such information to be properly dealt with.

5.4 All suspected irregularities should be reported directly, or via an intermediary, to the Clerk or Chairman. This is essential to ensure the consistent treatment of information regarding fraud and corruption and will facilitate a proper and thorough investigation.

5.5 The clerk is responsible for implementing the investigation of any allegation of fraud or corruption and will do so through clearly defined procedures. Where appropriate the clerk will appoint an independent investigator and will inform the Police at the appropriate and earliest possible stage of the investigation.

The clerk will also:

- Deal promptly with the matter.
- Record all evidence received.
- Ensure that evidence is sound and adequately supported.
- Ensure security of all evidence collected.
- Contact Internal and External Auditors
- Implement Council disciplinary procedures, where appropriate to any employee found to be guilty of improper behaviour
- The clerk will determine whether or not the referral to the Police is appropriate.

5.6 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.

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

## 6 Awareness and Training

6.1 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 elected members and employees throughout the organisation.

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

## 7 Conclusion

The Council has in place a network of 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 Clerk 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 Councils exposure to potential fraud and corruption is minimised.

**Policy Review and Updates**
This Anti-Fraud and Corruption Policy will be reviewed at least every three years to ensure it remains up to date and effective. It will also be reviewed earlier if there are significant changes in legislation, governance guidance, or if new risks are identified.

**APPROVED: 1st April 2026**
**MINUTE REF: 14b**

**Appendix 'A'**

# <u>THE NOLAN PRINCIPLES</u>

***Selflessness***

Holders of public office should act solely in terms of the public interest.

***Honesty and Integrity***

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

***Objectivity***

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

***Accountability***

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

***Openness***

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

***Honesty***

Holders of public office should be truthful.

***-Leadership***

Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.