

**ROLLESTON ON DOVE PARISH COUNCIL  
ANTI-FRAUD AND CORRUPTION POLICY**

**1. Statement of Intent**

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

Consequently, RPC recognises and accepts the need for an Anti-Fraud and Corruption Policy.

RPC will not tolerate fraud and corruption in the administration of its responsibilities and will deal equally with offenders whether from inside or outside RPC.

- 1.2 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.

This 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. The policy is presented in six areas as follows:

Section 2: Culture

Section 3: Prevention

Section 4: Deterrence

Section 5: Detection and Investigation

Section 6: Awareness and Training

**2. Culture**

- 2.1 RPC 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 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 positively encouraged to raise concerns regarding fraud and corruption in the knowledge that such concerns will wherever possible be treated in confidence.

- 2.2 RPC will ensure that any allegations received will be taken seriously and investigated in an appropriate manner. Those who defraud RPC 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.

- 23 Where fraud and corruption has 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 RPC 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, RPC's Standing Orders and Financial Regulations and other relevant legislation.

When they take office elected Members are required to sign to the effect that they have read and understood the Code of Conduct. The Code requires elected Members, inter alia, to declare and register interests and to register receipt of gifts and hospitality. In addition, elected members are given the opportunity to attend periodic update sessions on matters of conduct and standards provided by the Borough Council's Monitoring Officer.

#### **3.2 Role of Officers and Employees**

##### **3.2.1 Officer**

Officers are responsible for the communication and implementation of this Policy in their respective work areas. They are also responsible for ensuring that employees are aware of RPC'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.

Officers are 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 communicated to the Clerk.

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.

RPC 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. RPC has a recruitment procedure which contains appropriate safeguards on matters such as written references and verification of qualifications held. In addition, where appropriate, the relevant DBS checks will be undertaken for employees who will be required to work with children or vulnerable people.

### **3.2.2 Employees**

The work of employees is governed by RPC'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 their line manager particularly with regard to the safekeeping of RPC's assets.

Employees are expected to be aware of the possibility that fraud, corruption and theft may occur in the workplace. Concerns must be raised through use of RPC's Whistle Blowing Policy.

### **33 Conflicts of Interest**

Elected Members must act as laid down in the Code of Conduct and employees must act in accordance with parish policies to ensure that they avoid situations where there is a potential for a conflict of interests. Effective role separation will ensure that decisions made are seen to be based on impartial advice and therefore avoid questions regarding improper disclosure of confidential information.

### **34 Role of Internal Audit**

The Clerk is responsible for ensuring that there is an adequate and effective system of internal audit of RPC'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 management to identify the procedural changes necessary to prevent RPC from exposure to losses. Internal audit will also investigate cases of suspected irregularity or fraud.

### **35 Role of External Audit**

The external auditor has a responsibility to review RPC'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 are reported each year in the Annual Return which is presented to elected Members for approval at Council.

## **4. Deterrence**

4.1 Fraud, corruption and theft are considered to be serious offences against RPC 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 RPC or have otherwise acted illegally.

4.3 RPC 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 RPC 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 RPC'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 and RPC's Whistle Blowing procedure has been designed specifically to address this matter.

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. This is essential to ensure the consistent treatment of information regarding fraud and corruption and will facilitate a proper and thorough investigation.

5.5 Investigations will normally be conducted by the Clerk and reported to the Chairman who will determine whether or not referral to the Police is appropriate. The outcome of all investigations where loss has been suffered will be reported to RPC's external auditor.

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, RPC's disciplinary procedures will be applied to any employee found to be guilty of improper behaviour.

## **6. Awareness and Training**

6.3 RPC 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.

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

## **7. Conclusion**

RPC has in place a network of systems and procedures to assist in the prevention and detection of fraud and corruption. RPC 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 RPC's exposure to potential fraud and corruption is minimised and that the results of this review are reported to the Council.

Adopted: 08 April 2019

Review date: April 2020

## **APPENDIX A**

### **THE GENERAL PRINCIPLES**

#### **Selflessness**

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

#### **Honesty and Integrity**

Members 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**

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

#### **Accountability**

Members 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**

Members 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**

Members should take account of the views of others, including their political groups, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

#### **Respect for Others**

Members 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**

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

#### **Stewardship**

Members should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law.

#### **Leadership**

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