

# BORDEN PARISH COUNCIL

## Anti-Fraud and Corruption Policy

Adopted on 15/02/2024

### 1. Introduction:

- 1.1 Borden Parish Council (the Council) has assets, interests, and annual transactions running into many thousands of pounds per annum.
- 1.2 In administering its responsibilities, the Council will operate financial control systems that mitigate against fraud and corruption, whether it is attempted from outside or inside the Council. The Council is committed to an effective anti-fraud and corruption strategy designed to:-
  - Encourage prevention.
  - Promote detection.
  - Identify a clear pathway for investigation.
- 1.3 The Council expects to lead by example and the propriety and accountability of members and employees will ensure adherence to all legal requirements, rules, procedures, and practices.
- 1.4 The Council also expects those individuals in outside organisations (e.g. suppliers, contractors, services providers) with which it comes into contact, to act with integrity and to assist the Council in implementing measures designed to prevent fraud and corruption.
- 1.5 The Council is subject to a high degree of external scrutiny of its affairs by a variety of bodies and people, including:
  - Internal Auditor
  - External Auditor - As part of the External Auditor's duty, they are required to ensure that the Town Council has in place adequate arrangements for the prevention and detection of fraud and corruption.
  - The Public/Council Taxpayer – Annual inspection of the accounts.

### 2. Culture

- 2.1 Borden Parish Council is determined that the culture and tone of the organisation are one of honesty and opposition to fraud and corruption. There is an expectation and requirement that the many individuals and organisations associated with the Council will act with integrity and that Council members and employees will lead by example in these matters.
- 2.2 The Council's employees are an important element in preventing fraud and corruption. They are positively encouraged and expected to raise any concerns that they may have on these issues where they are associated with the Council's activities. This they can do in the knowledge that such concerns will be treated in confidence, properly investigated and fairly dealt with. Members of the public are also encouraged to report concerns through the Parish Clerk.

### 3. Prevention

### **3.1 Employees**

- 3.1.1 The Council recognises that a key preventive measure in the fight against fraud and corruption is to take effective steps at the recruitment stage to establish, as far as possible, the previous records of potential employees, in terms of their propriety and integrity. In this regard, temporary and contract employees will be treated in the same manner as permanent employees.
- 3.1.2 When recruiting the Council will obtain written references regarding the known honesty and integrity of potential employees before employment offers are made.
- 3.1.3 Employees of the Council are expected to follow any code of conduct introduced by their own professional body or institute, and also by the Council's code of conduct for employees or guidelines contained in the staff handbook.
- 3.1.4 New employees will be asked to disclose any criminal convictions as part of the recruitment process. Existing employees should also declare any convictions whilst employed by the Council.
- 3.1.5 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 employees and Councillor's are aware of the Council's Standing Orders and Financial Regulations and that these requirements are being implemented daily.
- 3.1.6 Role of Employees - The work of employees is governed by the Parish Council's Standing Orders, Financial Regulations, and other relevant policies.

### **4. Members:**

- 4.1 Members are required to operate within the constraints of the following regulations:

- The Councils adopted Code of Conduct.
- The Councils Standing Orders and Financial Regulations.
- The Councils Policies and Procedures.
- Chapter 7 of the Localism Act.
- The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012(S.I. 2012/1464).

### **5. Internal Control Systems:**

- 5.1 The Council has Standing Orders and Financial Regulations in place that provide the framework within which officers and Members should act when dealing with the affairs of the Council.
- 5.2 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.

- 5.3 The Parish Clerk / Responsible Financial Officer (RFO) has a statutory responsibility to ensure the proper arrangement of the Council's financial affairs and has developed financial codes of practice and accounting instructions, which underpin financial regulations and outline the system, procedures, and responsibilities in relation to the Council's financial activity.
- 5.4 The Council has developed financial systems and procedures that incorporate efficient and effective internal controls. This includes adequate separation of duties to ensure that, as far as possible, financial impropriety is prevented. The Parish Clerk / RFO will ensure that such controls, including those in a computerised environment, are properly maintained and effective, including documentation and review of the controls.
- 5.5 An Internal Auditor will independently monitor the existence, appropriateness, and effectiveness of these internal controls.

## **6. Detection.**

- 6.1 The internal control systems within the Council have been designed to provide indicators of any fraudulent activity, although they should be sufficient in themselves to deter fraud. It is the responsibility of the Parish Clerk / RFO to ensure that arrangements are in place to give reasonable assurances of detection and prevention of fraud.
- 6.2 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.

## **7. Reporting of Fraud and Corruption**

- 7.1 Council Members and employees are an essential 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.
- 7.2 The Council will be robust in dealing with financial malpractice and will deal swiftly and firmly with those who defraud or are corrupt.
- 7.3 If fraud and/or corruption is reported then the Parish Clerk will be responsible for following up on any allegation of fraud or corruption received including;-
  - Consistent and confidential treatment of information regarding fraud and corruption
  - All evidence is recorded, and the rules of evidence are followed.
  - Evidence is sound and adequately supported.
  - All evidence is securely held.

- Where appropriate the Council's insurers are informed.
  - Where appropriate, submission of a full report to the Police. The Crown Prosecution Service determines whether a prosecution will be pursued.
  - No information will be given to the media regarding fraud and corruption investigations until such times as the matter becomes public knowledge, usually through criminal proceedings in the courts.
- 7.4 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.
- 7.5 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 welcome to report concerns, either as a formal complaint or by speaking or writing to the Parish Clerk. The Council's Complaints Policy and Procedure apply in such cases.
- 7.6 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.
- 7.7 Depending on the nature and the anticipated extent of the allegation, the Internal Auditor will normally work closely with the Parish Clerk and other agencies, such as the Police, to ensure that all allegations and evidence are properly investigated and reported upon and, where appropriate, maximum recoveries are made for the Council.
- 7.8 The External Auditor has the power to independently investigate fraud and corruption, and the Parish Council may use its services for this purpose.

## **8. Conclusion**

- 8.1 The Council has in place a clear network of systems and procedures to assist in the fight against fraud and corruption. It is determined that this arrangement will keep pace with any future development, in both preventative and detection techniques regarding fraudulent or corrupt activities that may affect its operation or related responsibilities.

**This policy statement will be subject to review to ensure its currency.**