Rackenford and Creacombe Parish Council – 7 July 2020

Agenda item 9(iv): Review Anti-Fraud, Corruption and Theft Policy

Introduction

Rackenford and Creacombe Parish Council is committed to ensuring that public money, assets and resources for which it is responsible are safeguarded and the Council is committed to the prevention, detection and investigation of all forms of fraud, corruption and theft.

For the purpose of this policy, fraud, corruption and theft are defined as follows:

Fraud: The intentional distortion of financial statements or other records in order to conceal the misappropriation of assets or otherwise for gain. Fraud is the deliberate act by an individual or group of individuals, and is therefore always intentional and dishonest.

Corruption: The offering, giving, soliciting or acceptance of an inducement or reward which may influence a person's actions.

Theft: The dishonest appropriation of property belonging to another with the intention of permanently depriving the other of that property.

Culture of Openness and Honesty

The policy is backed up by encouraging a culture of openness and honesty in all Council activities for both members and the Clerk. It has adopted the Code of Conduct for Members setting out the requirements regarding transparency in public life, and this is backed-up by a declaration made by all members when they join the council.

The Council also adheres to the Transparency Code in its publication of information and decision making.

Prevention

As elected representatives, members have a duty to ensure that the Council uses its resources prudently and legally. They must operate and adhere to the Council's Standing Orders, Financial Regulations, Code of Conduct and other approved policies. They must declare personal and pecuniary interests at each meeting, and also declare relationships, gifts and hospitality which impact on their Council activities.

The Council aims to employ staff who have high standards of honesty and integrity achieved through taking up references before appointing staff and will take disciplinary action against staff where fraud, corruption of theft is identified.

The Council has also adopted a statement of internal control which is reviewed and approved annually and will implement training on anti-fraud and corruption as required.

Clerk & Responsible Finance Officer

The Clerk is also the Council's Responsible Finance Officer and therefore has statutory responsibility under Section 151 of the Local Government Act 1972 to ensure proper arrangements for the administration of the Council's financial affairs. This role is supported by having an annual independent internal audit.

External Audit
From 2017/18 there is no longer a requirement for the Council to be subject to external audit provided it complies with the Transparency Code, however the internal auditor or members of the public will still have the ability to engage with external audit should there be any concerns over Council activities.

Investigating allegation and suspected fraudulent or corrupt activity
The adopted statement of internal control has been designed to deter and detect fraud. However if despite the best efforts of the Council a fraudulent or corrupt activity is suspected or alleged, then the Council will appoint an independent auditor to gather evidence and investigate as soon as is practical. Upon completion of the investigation, a report will be issued to the Clerk or Chairman as appropriate who will determine what further action, if any, needs to take place. This may include referring the matter to the District Council Monitoring Officer, External Auditor, Police, or taking disciplinary action.

It is important that:
- information around the allegation is dealt with consistently;
- an effective investigation by an experienced auditor takes place;
- any response and action taken is properly implemented; and
- that any investigation will be carried out in accordance with the relevant statutory Regulations.

What should you do, as a member of the public, if you suspect fraud, theft or corruption?

Please note that your identity and personal details will be kept confidential in most cases by the Council. The Council will only divulge them when the law requires this or with your consent.

Note your suspicions in writing to the Clerk: Wendy Sweet, South Riding Roachill, South Molton EX36 4EB. Mark the envelope “confidential” and include all relevant details such as what was observed, details of conversations, the date, time and name of the parties involved. Do not attempt to investigate the matter yourself.

If, after raising your concerns, you are not satisfied with the action taken, you may wish to take the matter to one of the following organisations:
- The National Association of Local Council (responsible for external audit appointments)
- The Devon Association of Local Councils
- Mid Devon District Council (Monitoring officer for member conduct)
- Devon and Cornwall Police
- The Local Government Ombudsman
- The National Audit Office
- HM Revenue & Customs
- The Information Commissioner’s Office