

Nailstone Parish Council

Anti-Fraud, Corruption and Bribery Policy

Introduction

1.1 Nailstone Parish Council has assets, interests and annual transactions running into many thousands of pounds per annum and has received a significant sum of money through Stoneshollow Community Benefit Funding.

In administering its legal duties and operations, the Parish Council operates financial control systems which mitigate against fraud and corruption, whether it is attempted from outside or inside the Parish Council.

1.2 The Parish Council is committed to an effective anti-fraud, corruption and bribery strategy designed to:-

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

1.3 The Parish Council expects to lead by example and the propriety and accountability of all members and staff will ensure adherence to all legal requirements, rules, procedures and practices.

1.4 The Parish 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 Parish Council's anti-fraud, corruption and bribery strategy is based on a series of comprehensive and interrelated procedures, designed to frustrate any attempted fraudulent or corrupt act.

The scope covers:

- Culture
- Prevention
- Detection and Investigation
- Training

1.6 The Parish Council is subject to a high degree of external scrutiny of its affairs by a variety of bodies and people, including its Members, and:

- Internal Auditor
- External Auditor
- The Public/Council Tax Payer – through the Exercise of Public Rights - Annual inspection of the accounts.

- HM Revenue and Customs.

1.7 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 the adequacy of the relevant financial systems and other arrangements for the prevention and detection of fraud. This process is known as the Annual Governance and Accountability Return (AGAR). The outcome of these reviews and tests are reported each year in the annual audit letter which is presented to elected Members.

Culture

2.1 Nailstone Parish Council is determined that the culture and tone of the organisation is 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 its employee will lead by example in these matters.

2.2 Nailstone Parish Council has a Code of Conduct which elected Members are expected to adhere to. This policy is reviewed annually and published on the PC's website. Nailstone Parish Council also expects all Members and its employee to adhere to the Nolan Principles.

2.3 The Council's employee is an important element in preventing fraud and corruption, and they are positively encouraged and expected to raise any concerns that they may have on these issues where they are associated with the Parish 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 or via Councillors.

2.4 The Parish Clerk is responsible for initiating the investigation of any allegation of fraud or corruption and will do so through clearly defined procedures. Where appropriate s/he will appoint an independent investigator (usually the Internal Auditor) and will inform the Police at the appropriate and earliest possible stage of the investigation. The Investigator 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 Auditors

The Parish Council, including members, will be robust in dealing with financial malpractice.

2.5 There is a need to ensure that any investigation process is not misused and, therefore, any abuse, such as raising unfounded malicious allegations, will be dealt with as a disciplinary matter and is likely to be viewed as Gross Misconduct.

2.6 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.

Prevention

Employees:

3.1 The Parish 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, their propriety and integrity. In this regard temporary and contract employees will be treated in the same manner as permanent employees.

3.2 The employee of the Parish Council is expected to follow any Code of Conduct introduced by their own professional body or institute. The Parish Council has in place disciplinary procedures that cover all employees.

Members:

3.3 Members are required to operate within the constraints of the following regulations, in addition to The Nolan Principles:

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

Internal Control Systems:

3.4 The Council has Standing Orders and Regulations in place that set standards for employees when dealing with Council affairs.

3.5 The Parish Clerk 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 of employees in relation to the Council's financial activity.

The Council has developed financial systems and procedures which 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 will ensure that such controls, including those in a computerised environment, are properly maintained and effective, including documentation and review of the controls.

3.6 An external qualified accountant independently monitors the existence, appropriateness and effectiveness of these internal controls.

Detection and Investigation

4.1 The internal control systems within the Parish Council have been designed to provide indicators of any fraudulent activity, although generally they should be sufficient in themselves to deter fraud. It is the responsibility of the Parish Clerk to ensure that arrangements are in place to give reasonable assurances of detection and prevention of fraud. However, it is often the alertness of Members, auditors and the public that identifies that fraud or corruption may have been committed or is in progress.

4.2 If fraud and/or corruption is reported, then the following responses will occur:

- Consistent and confidential treatment of information regarding fraud and corruption
- Investigation by an independent and experienced person
- When appropriate, submission of a full report to the Police
- Implementation of a fraud response investigation plan
- Optimum protection of the Parish Council's interest

4.3 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 Parish Council.

4.4 The Council's disciplinary procedures will be used where the outcome of the investigation indicates improper behaviour. Where financial impropriety is discovered, the Police will be called in. The Crown Prosecution Service determines whether a prosecution will be pursued.

4.5 The External Auditor has the power to independently investigate fraud and corruption, and the Parish Council may use their services for this purpose.

Training

5.1 The Parish Council recognises that the continuing success of its anti-fraud, corruption and bribery strategy, and its general credibility, will depend largely on the effectiveness of programmed training and the responsiveness of Members and employees.

To facilitate this the Parish Council supports the concept of induction training, together with detailed and specific training for employees involved in internal control systems, to ensure that their responsibilities and duties in this respect are regularly supported.

Conclusion

The Parish Council has in place a clear network of systems and procedures to assist in the fight against fraud, corruption and bribery. 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.

**Reviewed and adopted by resolution at a meeting of Nailstone Parish Council, 30th
July 2025.**