Appendix C to
Performance Management Strategy

This model document is intended as an example only. Councils Will need to consider the content carefully and adapt it to meet Their individual circumstances.

Millbrook Parish Council

Anti-Fraud and Corruption Policy

Date	Minute	Comments
16/01/2024	143.1	Approved
20/05/2025	10.3	Policy re-affirmed
19/05/2026	9.3	Policy re-affirmed
15/09/2026	76.1	Policy re-affirmed

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Millbrook Parish Council

Anti-Fraud & Corruption Policy

1. Introduction:

1.1 Millbrook Parish Council is one of the larger Parish Councils within its County.It 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 which 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 staff at all levels will ensure adherence to all legal requirements, rules, procedures and practices.

1.4 The Council also expects those individuals in outside organisation (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's anti-fraud and corruption strategy is based on a series of comprehensive and interrelated procedures, designed to frustrate any attempted fraudulent or corrupt act.

This covers:

- Culture
- Prevention
- Detection and Investigation
- Training

1.6 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
- The Public/Council Tax Payer – Annual inspection of the accounts.
- HM Revenue and Customs

As part of the External Auditor's duty, he or she is required to ensure that the Parish Council has in place adequate arrangements for the prevention and detection of fraud and corruption.

2. Culture

2.1 Millbrook 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 employees at all levels will lead by example in these matters.

2.2 The Council's employees are 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 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.

2.3 The Parish Clerk is responsible for implementing 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 and will inform the Police at the appropriate and earliest possible stage of the investigation. The Parish 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 Auditors
- Implement Council disciplinary procedures, where appropriate.

2.4 The Parish Clerk is expected to deal swiftly and firmly with those who defraud theCouncil or who are corrupt and will inform the Police at the earliest possible stage of the proceedings. The Council, including members, will be robust in dealing with financial malpractice.

2.5 There is, of course, 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.

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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 Employee recruitment will be in accordance with the procedures laid down in the Councils Recruitment and Retention Policy and, in particular, the Council will obtain written references regarding 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. The Council has in place disciplinary procedures that cover all employees. The role that all employees are expected to play in the Council's framework for internal control is explained as part of the induction process.

3.1.4 Employees are reminded that they are subject to paragraph 32 of the Council's Standing Orders. This paragraph states that each employee must disclose any financial interests in contracts relating to the Parish Council. Employees are also reminded that they may not accept any fees or rewards whatsoever, other than proper remuneration.

3.1.5 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. DBR checks will be carried out on existing and new employees.

4. Members:

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

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

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5. Internal Control Systems:

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

5.2 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 thesystem, procedures and responsibilities of employees in relation to the Council'sfinancial activity.

5.3 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.

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

6. Detection and Investigation.

6.1 The internal control systems within the 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 ensurethat arrangements are in place to give reasonable assurances of detection and prevention of fraud. However, it is often the alertness of employees and the public that identifies that fraud or corruption may have been committed or is in progress.

6.2 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

6.3 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 Council.

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6.4 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.

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

7. Training

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

7.2 To facilitate this the 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 highlighted and reinforced. The possibility of disciplinary action against employees who ignore such training and guidance is made clear within this strategy.

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.

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