

Anti-fraud and Corruption Policy – August 2025

This procedure is a document that sets out North Tawton Town Councils approved and agreed practices. Any deviation must be by resolution of the full Council.

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Version	Point	Description of Change	Date
1.1		Add mention of Bribery Act, Fraud Act should also be mentioned.	8.2.22
2		Changed 'Parish' to 'Town' and other grammar errors.	19.08.2025
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1 Introduction

North Tawton Town Council is committed to:

- ensuring effective safeguarding of the public money and all other assets and resources for which it is responsible.
- The prevention, detection, and investigation of all forms of fraud, corruption and theft which could threaten the security of its assets, or its reputation.
- This policy is governed by the Fraud Act 2006 and the Bribery Act 2010.

2 Definitions – as defined by the Audit Commission.

- **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.

3 Scope of this policy

This policy identifies measures designed to frustrate attempted fraudulent or corrupt acts and the steps to be taken if such action occurs. The policy is presented in seven areas:

- Section 1 - Statement of Intent
- Section 2 - Culture of openness and honesty
- Section 3 – Raising concerns
- Section 4 - Prevention
- Section 5 – Deterrence
- Section 6 - Detection and Investigation
- Section 7 - Awareness and Training

1. Statement of Intent

1.1 In carrying out its functions and responsibilities the Council:

- will promote a culture of honesty, openness, and fairness.
- 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 and employment with the Council. (The principles contained in the Order are detailed in Appendix 'A'.)
- The Council recognises and accepts the need for an Anti-Fraud and Corruption Policy.
- The Council will not tolerate fraud and corruption in the administration of its responsibilities and will deal equally with offenders whether from inside or outside the Council.

2. Culture of Openness and Honesty

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- 2.1** North Tawton Town Council promotes a culture of honesty, openness, and fairness in all Council activities. Employees of the Council are key to creating, maintaining, and promoting this culture. Employees are encouraged to raise concerns they may have about any aspect of the Council's activities.
- 2.2** The Council has adopted the Code of Conduct for Members, which requires high standards of integrity, openness and honesty from Councillors, and which lays out stringent requirements regarding transparency in public life. The Council's Standing Orders and Financial Regulations, and other relevant legislation, impose similar requirements.
- 2.3** The Code requires elected Members, amongst other things, to declare and register interests and to register receipt of gifts and hospitality. Additionally, elected members will be given the opportunity to attend periodic update sessions on matters of conduct and standards provided by the District Council's Monitoring Officer.

3 Raising Concerns.

Concerns must be raised when Councillors or employees reasonably believe that one or more of the following has occurred, is in the process of occurring, or is likely to occur:

- a criminal offence
- a failure to comply with a statutory or legal obligation.
- improper unauthorised use of public or other funds.
- a miscarriage of justice
- maladministration, misconduct, or malpractice
- endangering of an individual's health and safety
- damage to the environment
- deliberate concealment of any of the above

4 Prevention

4.1 The role of Councillors as representatives

All members of the council have a duty to protect the North Tawton Town Council from all forms of abuse. This is undertaken through the procedures outlined in this policy and compliance with the Code of Conduct, the Council's Financial Regulations, Standing Orders, and relevant legislation.

Members sign to the effect that they have read and understood the Code of Conduct when they take office. This includes the declaration and registration of interests.

The Council recognises that a key preventative measure in dealing with fraud and corruption is to take effective steps at the recruitment stage to establish, as far as possible, the honesty and integrity of potential employees, whether for permanent, temporary, or casual posts.

4.2 The role of employees

Each employee is governed in their work by the Town Council's Standing Orders,

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Financial Regulations, and other relevant legislation.

In addition, employees are responsible for ensuring that they follow the instructions given to them by Council, particularly in relation to the safekeeping of the assets of the Council.

Employees are expected always to be aware of the possibility that fraud, corruption or theft may exist in the workplace and be able to share their concerns with their line manager or the Chairman or Vice Chairman of the Council as appropriate.

The Clerk is responsible for the communication and implementation of this Policy within the Council. He/she is also responsible for ensuring that Councillors are aware of the Council'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. Checks will be carried out on a regular basis to ensure that proper procedures are being followed.

4.3 Conflicts of Interest

Both members and employees must ensure that they avoid situations where there is a potential for a conflict of interest. Such situations can arise with externalisation of services, tendering, planning and land issues, etc.

Effective role separation will ensure decisions made are clearly based upon impartial advice and avoid questions about improper disclosure of confidential information.

4.4 Role of Internal Audit

It is not the Internal Auditor's function to prevent fraud and irregularity, but the Internal Auditor plays a vital preventative role in trying to ensure that systems and procedures are in place to prevent and detect fraud and corruption.

4.5 The Role of External Audit

Independent external audit is an essential safeguard in the stewardship of public money. This role is delivered through the carrying out of specific reviews that are designed to test (amongst other things) the adequacy of the council's financial systems, and arrangements for preventing and detecting fraud and corruption. It is not the external auditor's function to prevent fraud and irregularity, but the integrity of public funds is a matter of general concern. External auditors are always alert to the possibility of fraud and irregularity and will act without undue delay if grounds for suspicion come to their notice.

4.6 Co-operation with Others

The Council is aware of the high degree of external scrutiny of its affairs by a variety of bodies such as the External Auditor and HMRC. These bodies are important in highlighting any areas where improvements can be made.

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5 Deterrence

5.1 Fraud, corruption and theft are considered to be serious offences against the Council and employees will face disciplinary action if there is evidence that they have been involved in any of these activities.

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, after any relevant consultation.

5.2 Councillors will face appropriate action under this policy if they are found to have been involved in fraud, corruption or theft against the Council or have otherwise acted illegally.

5.3 Action will be taken in addition to, or instead of, criminal proceedings, depending on the circumstances of each individual case, but in a consistent manner.

6 Detection and Investigation

6.1 Internal audit plays an important role in the detection of fraud and corruption.

6.2 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.

6.3 All suspected irregularities should be reported directly, or via an intermediary, to the Clerk. This will ensure the consistent treatment of information regarding fraud and corruption and will facilitate a proper investigation.

6.4 Investigations will apply to all of the following:

- Fraud/corruption by Councillors
- Fraud/corruption by Town Council employees
- Fraud by contractor's employees
- External fraud (the public) relating to the Town Council.

6.5 Any decision to refer a matter to the Police will be taken by the Town Clerk in conjunction with the Chair or Vice Chair of the Council.

6.6 The Council will normally wish the Police to be made aware of and independently investigate offenders where financial impropriety is discovered.

6.7 Depending on the nature of an allegation, the Town Clerk and Chair of the Council will normally work closely with the relevant members of staff to ensure that all allegations are thoroughly investigated and reported upon.

6.8 The Town Council's Disciplinary Procedures will be used to facilitate a thorough investigation of any allegations of improper behaviour by employees.

6.9 The Council will deal firmly with those who defraud the Council, or who are corrupt, or where there has been financial malpractice.

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- 6.10** There is, of course, a need to ensure that any investigation process is not misused and, therefore, any abuse (such as malicious allegations) may be dealt with as a disciplinary matter.
- 6.11** When fraud or corruption have occurred because of a breakdown in the Council's systems or procedures, the Council will ensure that appropriate improvements in systems of control are implemented to prevent a recurrence.

7 Awareness and Training

- 7.1** The Council recognises that the continuing success of this policy and its general credibility will depend upon the effectiveness of training and awareness on the part of elected members and employees.
- 7.2** Employees will be made aware of their responsibilities and the procedures to be followed for the safekeeping of Council's assets and will be advised that failure to adhere to the specified procedures may lead to disciplinary action being taken.

8 Conclusion

- 8.1** This Policy supports North Tawton Town Council's desire to maintain an honest Council, free from fraud and corruption. Systems and procedures are in place to assist in dealing with fraud and corruption should it occur. These arrangements will be reviewed regularly to ensure they keep pace with any future developments in techniques to both prevent and detect fraudulent or corrupt activity that may affect the operation of the Council.
- 8.2** The Town Clerk and the RFO have 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 regularly in order to be satisfied that the Council's exposure to potential fraud and corruption is minimised.

Appendix A – The Relevant Authorities (General Principles) Order 2001

1 Selflessness

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

Honesty and Integrity

2. 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

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

Accountability

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4. 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

5. 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

6. Members may 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

7. 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 disability. They should respect the impartiality and integrity of the authority's statutory officers, and its other employees.

Duty to Uphold the Law

8. 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

9. 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

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

Explanatory Notes

1. The 10 General Principles set out above are expected to govern only the official conduct of members and co-opted members, apart from the second and eighth, which have effect on all occasions.
2. The General Principles apply to all elected members, but only applies to those coopted members of any committee or sub-committee of the Council, or of any joint committee or joint sub-committee of the Council, who have voting rights.