

Arthuret Parish Council

Fraud/Corruption Detection and Prevention

This document sets out the Councils framework for preventing and detecting fraud and the procedure for the reporting or investigating of occurrences of fraud.

The Council is committed to promoting a culture of honesty, openness and fairness and will not tolerate fraud.

The Council requires all members of the Council to conduct themselves in accordance with the Members Code of Conduct. The work of all members and officers of the Council is also governed by legal requirements, the Financial Regulations, Standing Orders and other relevant policies of the Council. This Policy applies to all members and officers.

Individuals and organisations external to the Council will also be expected to act with integrity and without thought or actions involving fraud and corruption.

Fraud and Corruption are defined by the Audit Commission as follows.

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, or the deliberate failure to disclose an interest in order to obtain a financial or other pecuniary gain for oneself or another.

The Council must be aware of the risk of fraud and corruption, and put in place measures and wherever possible earmark resources to help detect and prevent fraud and corruption including the operation of management control systems and the maintenance of an effective system of internal audit.

Responsibility for the implication and monitoring of the Policy lies with the clerk who will also ensure that the Policy is regularly reviewed and updated where relevant.

Measures to prevent or detect Fraud

- All payments approved by The Council.
- Cheques verified against invoices prior to signing.
- Two authorised bank signatories, independent of the cheque raising process.
- A Councillor will verify the invoices against the cheque.
- Cheque stubs initialled by signatories when signing to verify the stub matches.
- All electronic payments to be verified by 2 councillors.
- Employ a qualified Clerk.
- Council receives regular budget updates and bank reconciliation reports.
- Internal Audit carried out by a qualified accountant, independent of the Council.
- Review of the effectiveness of the Internal Audit annually.
- Financial Risk assessment annually reviewed.

- Financial details are available for Councillors inspection at any time.
- Standing Orders.
- Financial Regulations.
- Legally advertised and minuted meetings.
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Measures to mitigate against Fraud

Fidelity Guarantee with the Insurance Company of 500,000

Implementation

The Council agrees to regularly review this policy.

Last reviewed, amended and updated on 1st July 2019