



Anti-Fraud and Corruption Policy

1. Introduction

1.1 In administering its responsibilities Tidworth Town Council (hereafter known as the Council) aims to prevent fraud and corruption whether it is attempted by someone who is not part of the Council, or from within the Council, by an employee or a Member.

1.2 The Council is committed to an effective Anti-Fraud and Corruption Policy designed to promote high ethical standards, encourage prevention, and promote detection.

2. Responsibilities

2.1 The Town Clerk has a statutory responsibility to advise the Council on the legality of its decisions and to ensure that the Council's actions do not give rise to illegality or maladministration. It is therefore essential for employees to follow the Council's policies and procedures to demonstrate that the Council is acting in an open and transparent manner.

2.2 Any suggestions of fraud, corruption or theft will be investigated, both from within the Council and from external sources. Any proven fraud will be dealt with in a consistent and proportionate manner.

2.3 Prior to entering into any business arrangements, the Council should ensure that it has taken all reasonable steps to identify any potential areas of risk relating to bribery or corruption.

3. Definitions

3.1 Fraud - The Fraud Act 2006 defines Fraud as follows:

A person is guilty of fraud if they are in breach of any of the following:

Fraud by false representation; that is if a person:

- (a) dishonestly makes a false representation, and
- (b) intends, by making the representation
 - (i) to make a gain for himself or another, or
 - (ii) to cause loss to another or to expose another to a risk of loss.

Fraud by failing to disclose information; that is if a person:

- (a) dishonestly fails to disclose to another person information which he is under a legal duty to disclose, and
- (b) intends, by failing to disclose the information
 - (i) to make a gain for himself or another, or
 - (ii) to cause loss to another or to expose another to a risk of loss.



Fraud by abuse of position; that is if a person:

- (a) occupies a position in which he is expected to safeguard, or not to act against, the financial interests of another person.
- (b) dishonestly abuses that position, and
- (c) intends, by means of the abuse of that position
 - (i) to make a gain for himself or another, or
 - (ii) to cause loss to another or to expose another to a risk of loss.

Many of the offences referred to as fraud are covered by the Theft Acts of 1968 and 1978. The term is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. The term “fraud” is usually used to describe depriving someone of something by deceit, which might either be misuse of funds or other resources, or more complicated crimes like false accounting or the supply of false information. In legal terms, all of these activities are the same crime – theft.

3.2 Corruption

The deliberate use of one’s position for direct or indirect personal gain. Corruption covers the offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person to act inappropriately.

3.3 Theft

The physical misappropriation of cash or other tangible assets. A person is guilty of theft if he or she dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it.

3.4 Money Laundering

Money laundering is the process by which criminals attempt to recycle the proceeds of their criminal activities in order to conceal its origins and ownership and which leaves them with money that cannot be traced back to the crime.

3.5 Bribery

The Bribery Act 2010 introduces four main offences, simplified as the following:

Bribing another person: a person is guilty of an offence if he/she offers, promises or gives a financial or other advantage to another person.

Offences relating to being bribed: a person is guilty of an offence if he/she requests, agrees to receive, or accepts a financial or other advantage. It does not matter whether the recipient of the bribe receives it directly or through a third party, or whether it is to the recipient’s ultimate advantage or not.



Bribery of a foreign public official: a person who bribes a foreign public official is guilty of an offence if the person's intention is to influence the foreign public official in their capacity, duty or role as a foreign public official.

Failure of commercial organisations to prevent bribery: organisations, which include the Council, must have adequate procedures in place to prevent bribery in relation to the obtaining or retaining of business.

Prior to entering into any business arrangements, all Council officers should ensure that they have taken all reasonable steps to identify any potential areas of risk relating to bribery or corruption.

4. Procedure

4.1 The Council's expectation is that Members and employees at all levels will comply with Standing Orders, Financial Regulations and Council Policies.

4.2 It is essential that employees or Members of the Council report any irregularities, or suspected irregularities to the Town Clerk. The Town Clerk will, depending on the nature and anticipated extent of the allegations, determine how the allegations are to be investigated.

4.3 The Town Clerk will:

- a) Deal promptly with the matter
- b) Record all evidence received
- c) Ensure that evidence is sound and adequately supported
- d) Ensure security of all evidence collected
- e) Contact other agencies e.g. Police
- f) Notify the Council's insurers
- g) Implement Council disciplinary procedures where appropriate.

4.4 The Council will also work in co-operation with the following bodies that will assist in scrutinising our systems and defences against fraud and corruption:

- a) Internal Audit
- b) External Audit
- c) Central Government Departments
- d) HM Customs and Excise
- e) Inland Revenue
- f) Department for Work and Pensions.
- g) Police



8. Reporting Arrangements

8.1 Where a suspected irregularity is material or could seriously affect the reputation of the Council then the Members must be informed of this by the Town Clerk, or if the matter concerns the Clerk, by the Chair of the Council (or in their absence the Deputy Chair).

8.2 The type and nature of report(s) to the Council will vary according to the type of alleged fraud being investigated. These reports although confidential may need to be passed on to those who need to know e.g. police, Council employees or Members.

8.3 The usual procedure will be a preliminary investigation followed by a brief report which may recommend an in depth investigation, with further interim reports as required.

8.4 The final report will supersede all interim reports and is the definitive document on which the Town Clerk will base any further action.

8.5 For major incidents of fraud/corruption the Town Clerk will, within 6 months of the submission of the final investigation report, submit a summary report, in closed session, to Members. These reports will contain details of the area investigated, the outcome, action taken to prevent future occurrences, any losses suffered by the Council and the action taken to recover such losses.

9. Conclusion

9.1 The Council wishes to see that following an investigation action is taken to minimise future occurrence.

9.2 The Council recognises that the continuing success of its Anti-Fraud and Corruption Policy and its general credibility will depend largely on the effectiveness of programmed training and responsiveness of employees and Members throughout the organisation.

9.3 To facilitate this the Council supports the concept of induction and refresher training for Members and particularly for employees involved in internal control systems to ensure that their responsibilities and duties in this respect are regularly highlighted and reinforced.

9.4 The Council has in place a clear network of systems and procedures to assist it in the fight against fraud and corruption. It is determined that these arrangements will keep pace with any future developments in both preventative and detection techniques regarding fraudulent or corrupt activity that may affect its business.

Signed: _____ **Date:** _____

(Print Name) _____ **Chair, Tidworth Town Council**