

Anti-Fraud, Bribery and Corruption Policy

Contents

1. Introduction	3
2. Scope	3
3. Policy Statement	4
4. Purpose and Aims	4
5. Definitions	5
5.1 Fraud	5
5.2 Bribery	5
5.3 Corruption	5
5.4 Theft.....	6
5.5 Financial irregularity	6
5.6 Cyber fraud	6
6. Legislative and Governance Framework	6
7. Culture and Standards of Conduct	7
8. Roles and Responsibilities	7
8.1 The Council.....	7
8.2 Finance and Strategy Committee.....	8
8.3 Town Clerk.....	8
8.4 Responsible Financial Officer	8
8.5 Employees	8
8.6 Councillors	9
8.7 Contractors, suppliers and other external parties.....	9
9. Prevention	9
10. Internal Control, Audit and Risk Management.....	10
11. Cyber Fraud and Payment Diversion	11
12. Procurement, Contracts and Grants.....	12
13. Gifts, Hospitality and Conflicts of Interest.....	12
14. Detection and Reporting.....	12
15. Investigation	13
16. Action Following an Investigation	14
17. Recovery of Losses.....	15
18. Confidentiality and Data Protection	15

19. Malicious or Vexatious Allegations	16
20. Awareness and Training.....	16
21. Monitoring and Review.....	16
Appendix 1	18
Fraud, Bribery and Corruption Reporting Procedure.....	18
A1. Immediate action	18
A2. Reporting routes	18
A3. Initial assessment	18
A4. Evidence.....	18
A5. Notification	19
A6. Investigation outcome	19
Appendix 2	20
The Seven Principles of Public Life.....	20

Document History

Adopted by Council – 8 January 2020

Reviewed & Adopted – 27 August 2024

Reviewed & Adopted – 22 September 2026

1. Introduction

1.1 Gainsborough Town Council is committed to the highest standards of honesty, integrity, accountability and transparency in the conduct of its business and the management of public money and resources.

1.2 The Council has a zero-tolerance approach to fraud, bribery, corruption, theft, financial malpractice and other forms of dishonesty.

1.3 The Council recognises that fraud and corruption can:

- cause financial loss;
- damage public confidence;
- undermine the delivery of Council services;
- damage the Council's reputation;
- expose the Council and individuals to legal or regulatory action; and
- adversely affect employees, councillors, contractors, suppliers, volunteers and members of the public.

1.4 The prevention and detection of fraud, bribery and corruption are the responsibility of everyone connected with the Council.

1.5 The Council will assess and manage its exposure to fraud and corruption risks and will maintain proportionate systems of prevention, detection, reporting and investigation.

1.6 Where suspected fraud, bribery, corruption, theft or other financial irregularity is identified, the Council will take the matter seriously and respond promptly, fairly and consistently.

1.7 Where appropriate, the Council may take disciplinary, civil or criminal action and will seek to recover any money, assets or other resources lost.

2. Scope

2.1 This policy applies to:

- all elected and co-opted members of the Council;
- all Council employees, including permanent, temporary, casual and agency employees;
- volunteers and work-placement personnel;
- contractors, consultants and suppliers;
- grant recipients;
- individuals and organisations providing services on behalf of the Council; and
- any other person or organisation having a financial or business relationship with the Council.

2.2 This policy applies to actual, attempted and suspected fraud, bribery, corruption, theft, dishonesty and financial irregularity.

2.3 The policy applies whether the suspected activity is carried out:

- by a person within the Council;
- by an external person or organisation;
- through collusion between internal and external parties; or
- through electronic, digital or cyber-enabled means.

2.4 This policy should be read alongside the Council's:

- Standing Orders;

- Financial Regulations;
- Code of Conduct for Members;
- Employee Code of Conduct, where applicable;
- Whistleblowing and Confidential Reporting Policy;
- Complaints Policy and Procedure;
- Disciplinary and Grievance Procedures;
- Risk Management Policy;
- Data Protection Policy;
- Register of Interests requirements; and
- procedures relating to gifts and hospitality.

3. Policy Statement

3.1 Gainsborough Town Council adopts the following policy statement:

Gainsborough Town Council operates a zero-tolerance approach to fraud, bribery, corruption, theft and financial malpractice. The Council is committed to promoting the highest standards of honesty, integrity, accountability and transparency. It will take all reasonable and proportionate steps to prevent, identify, report and investigate suspected wrongdoing and, where appropriate, will pursue disciplinary, civil, regulatory or criminal action.

3.2 The Council will not tolerate the misuse of public money, assets, information, systems, authority or position for personal, political, commercial or other improper benefit.

3.3 All concerns will be considered objectively and, where an investigation is required, it will be undertaken fairly and in accordance with applicable legislation, Council policies and the principles of natural justice.

4. Purpose and Aims

4.1 The purpose of this policy is to protect the Council, the public and public resources from fraud, bribery, corruption and related misconduct.

4.2 The aims of the policy are to:

- promote a culture of honesty, integrity and ethical conduct;
- make clear the Council's opposition to fraud, bribery and corruption;
- identify and assess areas of fraud and corruption risk;
- establish clear roles and responsibilities;
- maintain proportionate and effective systems of internal control;
- reduce opportunities for fraudulent or corrupt activity;
- encourage the prompt reporting of genuine concerns;
- ensure that concerns are treated seriously and, where possible, confidentially;
- ensure allegations are assessed and investigated appropriately;
- preserve evidence and maintain reliable investigation records;
- take appropriate action against those responsible for wrongdoing;
- seek recovery of losses where lawful and proportionate;
- learn from incidents and improve controls; and
- provide assurance to councillors, employees, auditors and the public.

5. Definitions

5.1 Fraud

For the purpose of this policy, fraud includes dishonest conduct intended to result in gain, cause loss or expose another person or organisation to a risk of loss.

The Fraud Act 2006 identifies fraud by false representation, fraud by failing to disclose information where there is a legal duty to do so, and fraud by abuse of position. [Fraud Act 2006](#)

Fraud may include:

- making a false or misleading statement;
- submitting false invoices, timesheets, expense claims or records;
- falsifying accounts or other documents;
- failing dishonestly to disclose relevant information;
- abusing a position of trust;
- using Council money or property for an unauthorised purpose;
- payroll, pension or expenses fraud;
- procurement or contract fraud;
- grant fraud;
- mandate or payment diversion fraud;
- identity fraud;
- cyber-enabled fraud;
- forgery;
- collusion;
- concealment of material information; and
- any attempt to carry out such conduct.

5.2 Bribery

Bribery includes offering, promising, giving, requesting, agreeing to receive or accepting a financial or other advantage where this is intended to induce or reward the improper performance of a function or activity.

The Bribery Act 2010 contains offences relating to bribing another person and requesting, agreeing to receive or accepting a bribe. [Bribery Act 2010](#)

A bribe does not have to involve cash. It may include:

- gifts;
- hospitality;
- preferential treatment;
- discounts;
- employment or business opportunities;
- services or favours;
- charitable or political donations intended to secure influence; or
- any other financial or non-financial advantage.

5.3 Corruption

Corruption is the misuse of entrusted power, office, information or resources for private, commercial or other improper benefit.

It may include:

- favouring a person or organisation because of a personal connection;
- improperly influencing a decision;
- accepting an inducement or reward;
- concealing a conflict of interest;
- manipulating a procurement or recruitment process; or
- using confidential information for personal advantage.

5.4 Theft

Theft includes dishonestly taking or appropriating money, goods, equipment, information or other property belonging to the Council or another person, with the intention of permanently depriving the owner of it.

5.5 Financial irregularity

A financial irregularity is any suspected breach of the Council's financial controls or procedures which may result in financial loss, unauthorised benefit, inaccurate records or misuse of Council resources.

It may arise from deliberate misconduct, reckless behaviour or a serious failure to follow required procedures.

5.6 Cyber fraud

Cyber fraud includes fraudulent or dishonest activity carried out or enabled through digital devices, electronic communications, online accounts or information systems.

Examples include:

- phishing;
- account takeover;
- email impersonation;
- false supplier emails;
- payment diversion;
- banking mandate fraud;
- invoice interception;
- unauthorised access to Council systems;
- fraudulent changes to payment details;
- theft or misuse of passwords;
- ransomware-linked fraud; and
- misuse of Council data or electronic records.

6. Legislative and Governance Framework

6.1 The Council will have regard to relevant legislation and governance requirements, including, where applicable:

- Fraud Act 2006;
- Bribery Act 2010;
- Theft Act 1968;
- Localism Act 2011;
- Public Interest Disclosure Act 1998;
- Proceeds of Crime Act 2002;
- Data Protection Act 2018;
- UK General Data Protection Regulation;

- Accounts and Audit Regulations 2015;
- Local Audit and Accountability Act 2014; and
- other legislation or statutory guidance relevant to the circumstances.

6.2 The Localism Act 2011 requires relevant authorities to promote and maintain high standards of conduct and to adopt a code of conduct for members.

6.3 The Council's governance arrangements are also supported by its:

- Standing Orders;
- Financial Regulations;
- Members' Code of Conduct;
- internal control arrangements;
- risk management arrangements;
- internal audit;
- external audit arrangements; and
- Annual Governance and Accountability Return.

6.4 This policy does not replace any statutory reporting duty or prevent the Council from referring a matter to the police, its insurers, auditors, legal advisers or another appropriate authority.

7. Culture and Standards of Conduct

7.1 The Council will promote a culture in which:

- honesty and integrity are expected;
- fraud and corruption are unacceptable;
- proper procedures are followed;
- conflicts of interest are declared and managed;
- public money and resources are protected;
- genuine concerns can be raised without fear of improper retaliation; and
- lessons are learned when weaknesses are identified.

7.2 Councillors and employees are expected to lead by example and act in accordance with the Seven Principles of Public Life.

7.3 The Seven Principles, also known as the Nolan Principles, apply to people elected or appointed to public office and include selflessness, integrity, objectivity, accountability, openness, honesty and leadership. [The Seven Principles of Public Life - GOV.UK](https://www.gov.uk/government/publications/the-seven-principles-of-public-life)

7.4 The Council will not seek to discourage or suppress genuine concerns.

7.5 No person should attempt to conceal evidence, improperly influence a witness, interfere with an investigation or subject a person who has raised a genuine concern to detrimental treatment.

8. Roles and Responsibilities

8.1 The Council

The Council is responsible for:

- approving this policy;
- establishing an appropriate control environment;
- approving Financial Regulations and Standing Orders;

- ensuring adequate resources are available to manage significant risks;
- considering relevant audit findings;
- monitoring the implementation of agreed recommendations; and
- maintaining high standards of governance.

8.2 Finance and Strategy Committee

The Finance and Strategy Committee is responsible for:

- monitoring the implementation of this policy;
- reviewing relevant financial and governance controls;
- considering internal and external audit reports;
- monitoring agreed remedial actions; and
- recommending revisions to the policy where necessary.

The committee must not become involved in the detailed conduct of an investigation where doing so could compromise confidentiality, fairness or due process.

8.3 Town Clerk

The Town Clerk has overall operational responsibility for:

- communicating and implementing the policy;
- ensuring employees are aware of relevant procedures;
- maintaining an appropriate system of internal control;
- ensuring allegations are assessed promptly;
- securing records and evidence;
- obtaining appropriate professional advice;
- referring matters to relevant external bodies where necessary;
- ensuring appropriate reporting to the Council or committee; and
- monitoring the implementation of improvements.

8.4 Responsible Financial Officer

The Responsible Financial Officer is responsible for:

- administering the Council's financial affairs;
- implementing Financial Regulations;
- maintaining appropriate financial records;
- operating and monitoring financial controls;
- undertaking or arranging reconciliations;
- identifying unusual or potentially fraudulent transactions;
- reporting suspected irregularities promptly; and
- supporting any investigation.

Where the Town Clerk also acts as Responsible Financial Officer, the Council must ensure that compensating controls and independent checks are in place.

8.5 Employees

Employees must:

- act honestly and with integrity;
- comply with Council policies and lawful instructions;
- safeguard Council money, property, information and systems;
- follow financial, procurement and information-security controls;

- declare conflicts of interest;
- avoid accepting improper gifts or hospitality;
- remain alert to indicators of fraud or corruption;
- report genuine concerns promptly;
- preserve relevant records; and
- cooperate with authorised investigations.

8.6 Councillors

Councillors must:

- comply with the Members' Code of Conduct;
- observe the Seven Principles of Public Life;
- declare and register interests as required;
- declare gifts and hospitality in accordance with the Code of Conduct;
- avoid attempting to secure preferential treatment;
- protect confidential information;
- report suspected fraud or corruption promptly; and
- cooperate with properly authorised investigations.

Councillors must not attempt to investigate allegations personally or question witnesses unless formally authorised to do so.

8.7 Contractors, suppliers and other external parties

The Council expects contractors, suppliers, consultants, grant recipients and other external parties to:

- act honestly and lawfully;
- comply with relevant contractual requirements;
- maintain accurate records;
- disclose actual or potential conflicts of interest;
- report suspected wrongdoing; and
- cooperate with legitimate audit or investigation activity.

9. Prevention

9.1 The Council recognises that prevention is the most effective means of reducing loss and reputational damage.

9.2 Preventative measures may include:

- clear Standing Orders and Financial Regulations;
- appropriate separation of duties;
- documented authorisation limits;
- dual authorisation for payments where appropriate;
- independent bank reconciliations;
- verification of supplier and employee payment details;
- budget monitoring;
- review of unusual transactions;
- secure payroll procedures;
- asset registers and inventory checks;
- effective procurement procedures;
- declarations of interests;
- controls over gifts and hospitality;

- secure information systems;
- access controls and multifactor authentication;
- fraud awareness training;
- internal and external audit;
- appropriate insurance cover; and
- regular risk assessments.

9.3 Recruitment

The Council will apply fair and consistent recruitment procedures.

These may include:

- checking identity and eligibility to work;
- obtaining appropriate references;
- confirming qualifications or professional memberships where relevant;
- verifying employment history;
- undertaking Disclosure and Barring Service checks where the role is eligible and a check is appropriate; and
- ensuring job descriptions clearly identify duties and accountability.

9.4 Separation of duties

Wherever reasonably practicable, responsibility for the following functions should not rest with one person:

- ordering goods or services;
- approving expenditure;
- processing payments;
- authorising bank payments;
- recording transactions; and
- reconciling accounts.

9.5 Changes to payment details

Requests to amend supplier, contractor or employee bank details must be independently verified using established contact information.

Payment details must not be changed solely in reliance on an email, particularly where the email requests urgency, secrecy or a change from established arrangements.

10. Internal Control, Audit and Risk Management

10.1 The Council will maintain a proportionate system of internal control designed to safeguard public money and assets, maintain accurate records and reduce the risk of fraud or error.

10.2 Financial controls will include, where applicable:

- appropriate authorisation and approval arrangements;
- documented financial procedures;
- regular bank reconciliations;
- budget monitoring;
- review of income and expenditure;
- control of cash and banking;
- secure access to financial systems;
- monitoring of debts and write-offs;

- maintenance of asset records; and
- independent review.

10.3 The Council will review its fraud and corruption risks as part of its wider risk-management arrangements.

10.4 Higher-risk areas may include:

- online banking;
- payroll;
- procurement;
- contracts;
- grants;
- cash handling;
- expenses;
- credit cards or purchasing cards;
- changes to supplier bank details;
- use of Council property;
- personal or commercially sensitive information; and
- cyber and email security.

10.5 The Council will appoint an independent and competent internal auditor in accordance with applicable requirements.

10.6 Internal audit will evaluate whether the Council's controls are appropriate and operating effectively. Internal audit is not responsible for preventing all fraud and does not remove the responsibilities of councillors or employees.

10.7 The Council will consider internal and external audit findings and will prepare action plans where improvements are required.

10.8 Any control weakness identified through an incident will be reviewed promptly. The Council will implement proportionate changes designed to reduce the likelihood of recurrence.

11. Cyber Fraud and Payment Diversion

11.1 The Council recognises that fraud may be enabled through email, telephone calls, text messages, websites, online banking, social media or unauthorised access to systems.

11.2 Councillors and employees must be alert to:

- unexpected payment requests;
- requests for secrecy or urgency;
- changes to bank details;
- emails that imitate a supplier, councillor or employee;
- unusual attachments or links;
- requests for passwords or security codes;
- invoices that differ from normal arrangements;
- instructions to bypass established controls; and
- telephone calls requesting sensitive financial information.

11.3 Passwords, authentication codes and banking credentials must not be shared unless expressly permitted under a secure and approved procedure.

11.4 Suspected cyber fraud must be reported immediately to the Town Clerk or other designated person.

11.5 Where a fraudulent payment may have been made, the Council should contact its bank immediately and consider notifying the police, insurers, auditors, data-protection advisers or other relevant bodies.

12. Procurement, Contracts and Grants

12.1 All procurement activity must comply with the Council's Financial Regulations, Standing Orders and applicable procurement requirements.

12.2 The Council will seek to minimise procurement and contract fraud by:

- specifying requirements clearly;
- obtaining quotations or tenders as required;
- recording procurement decisions;
- declaring conflicts of interest;
- carrying out proportionate due diligence;
- checking that goods or services have been received;
- matching invoices to orders and delivery records;
- monitoring contract performance;
- preventing unauthorised contract variations; and
- maintaining appropriate records.

12.3 No councillor or employee may use their position to secure a contract, grant, employment opportunity or other advantage for themselves, a family member, friend, associate or connected organisation.

12.4 Grant applicants and recipients must provide complete and accurate information and must use Council funding for the approved purpose.

12.5 The Council may require repayment of a grant where information was false or misleading, conditions were breached or funding was misused.

13. Gifts, Hospitality and Conflicts of Interest

13.1 Councillors and employees must not accept any gift, hospitality, benefit or advantage intended, or reasonably perceived as intended, to influence a Council decision or secure preferential treatment.

13.2 Gifts and hospitality must be declared, recorded or declined in accordance with the Members' Code of Conduct and applicable Council procedures.

13.3 Actual, potential or perceived conflicts of interest must be declared promptly and managed appropriately.

13.4 A person with a relevant conflict must not participate in a decision where participation would be unlawful, contrary to the Council's Code of Conduct or otherwise improper.

14. Detection and Reporting

14.1 Fraud and corruption may be identified through:

- internal controls;
- financial monitoring;
- bank reconciliations;
- management review;

- internal or external audit;
- data analysis;
- complaints;
- whistleblowing disclosures;
- supplier or customer queries;
- concerns raised by councillors, employees or the public; or
- information received from external bodies.

14.2 Any person who suspects fraud, bribery, corruption, theft or serious financial irregularity should report it as soon as possible.

14.3 Employees should normally report concerns to the Town Clerk in accordance with the Council's Whistleblowing and Confidential Reporting Policy.

14.4 Where the concern involves the Town Clerk, it should be reported to the Chair of the Council. If the concern also involves the Chair, it should be reported to the Vice-Chair and independent professional advice should be obtained.

14.6 Members of the public may report concerns to:

- the Town Clerk;
- the Chair or Vice-Chair of the Council;
- another councillor, who must forward the concern promptly;
- the Council's external auditor, where appropriate; or
- the police where criminal conduct is suspected or immediate action is required.

14.7 A person reporting a concern should provide as much factual information as possible, including:

- what happened;
- when and where it happened;
- the people involved;
- how the matter was discovered;
- the value of any suspected loss;
- details of relevant documents or witnesses; and
- whether immediate action may be required.

14.8 A person raising a concern must not:

- confront the person suspected;
- conduct their own investigation;
- access records without authority;
- attempt to obtain evidence unlawfully;
- discuss the allegation unnecessarily; or
- alter, remove or destroy relevant records.

14.9 Protected disclosures and protections against detriment are addressed by the Public Interest Disclosure Act 1998 and related employment legislation. [Public Interest Disclosure Act 1998](#).

15. Investigation

15.1 All allegations will be subject to an initial assessment to determine:

- the nature and seriousness of the concern;
- whether immediate action is required;

- whether there is a risk of further loss;
- whether records or assets need to be secured;
- whether the matter falls within another Council procedure;
- whether specialist assistance is needed; and
- whether referral to an external body is appropriate.

15.2 The person conducting or overseeing an investigation must be suitably independent and must not have an actual or apparent conflict of interest.

15.3 Depending on the circumstances, an investigation may involve:

- the Town Clerk;
- the Responsible Financial Officer;
- the Council's internal auditor;
- the external auditor;
- an independent investigator;
- the Council's solicitor or employment adviser;
- the Council's insurer;
- the police;
- the bank;
- Action Fraud or another reporting body;
- a data-protection adviser; or
- another competent authority.

15.4 The Council will seek to ensure that:

- concerns are assessed promptly;
- investigations are proportionate;
- relevant evidence is identified and preserved;
- records are accurate and securely held;
- confidentiality is maintained as far as reasonably possible;
- individuals are treated fairly;
- employment and contractual procedures are followed;
- legal and professional advice is obtained where necessary; and
- decisions are recorded.

15.5 The Council will not provide a guarantee of complete anonymity. The identity of a person raising a concern may need to be disclosed where required by law, necessary for a fair investigation or essential to subsequent proceedings.

15.6 Anonymous allegations will be considered, but the Council's ability to investigate may be limited where the source cannot be contacted for further information.

15.7 A councillor or employee must not make public statements about an allegation or investigation unless authorised to do so.

15.8 Where there is a possibility of criminal conduct, the Council will seek appropriate advice before carrying out detailed interviews or taking action that could prejudice a police investigation.

16. Action Following an Investigation

16.1 At the conclusion of an investigation, the Council will consider the evidence and determine what action is appropriate.

16.2 Possible outcomes include:

- no further action;
- informal management action;
- improvements to procedures or controls;
- disciplinary action;
- action under the Members' Code of Conduct;
- termination of a contract;
- recovery of grant funding;
- referral to the police or another authority;
- civil proceedings;
- insurance notification or claim;
- recovery of financial loss; or
- referral to internal or external audit.

16.3 Any disciplinary action relating to an employee will be managed under the Council's disciplinary procedure.

16.4 Any allegation concerning a councillor's conduct will be considered under the applicable Code of Conduct arrangements.

16.5 The Council will distinguish between:

- allegations that are substantiated;
- allegations that are not substantiated because of insufficient evidence;
- allegations that are demonstrably unfounded; and
- allegations shown to have been made maliciously.

An allegation that is not substantiated is not automatically malicious or vexatious.

17. Recovery of Losses

17.1 The Council will take reasonable and proportionate steps to recover money, assets or other losses resulting from fraud, bribery, corruption, theft or misconduct.

17.2 Recovery action may include:

- requesting repayment;
- deductions permitted by law or contract;
- withholding payments;
- recovery under contractual terms;
- civil proceedings;
- insurance claims;
- recovery of grant funding; or
- other lawful measures.

17.3 The Council will obtain legal or professional advice before taking recovery action where necessary.

17.4 The recovery of losses does not prevent the Council from taking disciplinary action or referring the matter to the police or another authority.

18. Confidentiality and Data Protection

18.1 Information relating to allegations and investigations will be handled sensitively and shared only with people who have a legitimate need to know.

18.2 Personal information will be processed in accordance with applicable data-protection legislation and Council policies.

18.3 Investigation records will be stored securely and retained in accordance with the Council's retention arrangements and any legal, audit or insurance requirements.

18.4 Confidentiality may be restricted where disclosure is:

- required by law;
- necessary for an investigation;
- required for disciplinary, civil or criminal proceedings;
- necessary to protect public funds; or
- otherwise in the public interest and legally justified.

19. Malicious or Vexatious Allegations

19.1 The Council encourages genuine concerns to be raised and will not take action against a person merely because a concern is not substantiated.

19.2 However, where there is clear evidence that a person knowingly made a false allegation maliciously, dishonestly or for an improper purpose, the Council may consider action under the appropriate disciplinary, complaints, standards or legal procedure.

19.3 Any decision that an allegation was malicious or vexatious must be evidence-based, proportionate and properly recorded.

20. Awareness and Training

20.1 The Council will make this policy available to councillors and employees.

20.2 Relevant information will be included in induction arrangements.

20.3 Periodic training or awareness updates will be provided where appropriate and may cover:

- recognising fraud and bribery risks;
- cyber fraud and phishing;
- payment and banking controls;
- procurement integrity;
- conflicts of interest;
- gifts and hospitality;
- evidence preservation; and
- reporting procedures.

20.4 Councillors and employees are expected to familiarise themselves with this policy and related procedures.

21. Monitoring and Review

21.1 The Town Clerk is responsible for monitoring the operation of this policy.

21.2 The Finance and Strategy Committee will receive appropriate assurance concerning:

- the effectiveness of internal controls;
- significant fraud and corruption risks;
- relevant audit findings;
- progress against agreed actions; and

- proposed policy revisions.

21.3 Information provided to councillors must be proportionate and must protect personal information, confidential evidence and the integrity of any investigation.

21.4 The policy will normally be reviewed at least every two years.

21.5 An earlier review may be undertaken following:

- a significant incident;
- a material control failure;
- a change in legislation;
- updated professional guidance;
- a major organisational change;
- an internal or external audit recommendation; or
- a change to the Council's financial systems.

Appendix 1**Fraud, Bribery and Corruption Reporting Procedure****A1. Immediate action**

1. A person who identifies a suspected fraud or irregularity should:
2. Report the concern promptly.
3. Record the basic facts, including dates, people, transactions and documents.
4. Preserve relevant information.
5. Avoid confronting the suspected person.
6. Avoid carrying out an unauthorised investigation.
7. Keep the matter confidential.

A2. Reporting routes***Concern involving an employee, contractor, supplier or member of the public***

Report the matter to the Town Clerk.

Concern involving the Responsible Financial Officer

Report the matter to the Town Clerk.

Concern involving the Town Clerk

Report the matter to the Chair of the Council.

Concern involving the Town Clerk and Chair

Report the matter to the Vice-Chair of the Council, who should obtain independent professional advice.

Concern involving a councillor

Report the matter to the Town Clerk. If it relates to a potential breach of the Members' Code of Conduct, advice should be obtained about the appropriate standards process.

Immediate risk or suspected crime

Where there is an immediate threat, ongoing theft, risk to safety or urgent risk of significant financial loss, contact the police or emergency services as appropriate and notify the Town Clerk or Chair as soon as possible.

A3. Initial assessment

The person receiving the report should:

1. Record the allegation and date received.
2. Consider any immediate risk of loss or evidence destruction.
3. Secure relevant records and access credentials where lawful.
4. Notify the bank where a fraudulent payment may have occurred.
5. Identify any conflicts of interest.
6. Obtain legal, audit, employment or insurance advice where required.
7. Decide whether the matter should be handled internally or referred externally.
8. Maintain a clear decision record.

A4. Evidence

Relevant evidence may include:

- invoices and purchase orders;
- bank records;
- emails and electronic messages;
- system access records;
- contracts and quotations;
- payroll or expenses records;
- meeting records;
- CCTV where lawfully obtained and relevant;
- asset records;
- witness statements; and
- records of telephone conversations.

Evidence must be preserved securely. Original documents should not be altered or annotated.

A5. Notification

Depending on the circumstances, notification may be made to:

- internal audit;
- external audit;
- the Council's insurer;
- the Council's bank;
- the police;
- Action Fraud;
- employment or legal advisers;
- the data-protection adviser;
- the relevant principal authority's Monitoring Officer; or
- another statutory or regulatory body.

A6. Investigation outcome

The outcome should be recorded and should identify:

- the allegation considered;
- the evidence reviewed;
- the findings;
- the action taken or recommended;
- any financial loss;
- any recovery action;
- any control weaknesses; and
- any improvements required.

Appendix 2

The Seven Principles of Public Life

The Seven Principles of Public Life apply to all public office-holders, including people elected or appointed to public office nationally and locally. [The Seven Principles of Public Life - GOV.UK](https://www.gov.uk/government/collections/seven-principles-of-public-life)

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work.

They should not act or take decisions to gain financial or other material benefits for themselves, their family or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner.

Information should not be withheld from the public unless there are clear and lawful reasons for doing so.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour and treat others with respect.

They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.