

# DARTMOOR NATIONAL PARK AUTHORITY



## STRATEGY FOR DEALING WITH SUSPECTED IRREGULARITIES ANTI-FRAUD AND CORRUPTION POLICY

### **1 Introduction**

- 1.1 Dartmoor National Park Authority is a special purpose local authority which the public expects to demonstrate the highest standards of conduct and integrity. The Authority is mindful of the high expectations of the public and the degree of scrutiny to which its affairs are subject.
- 1.2 Public accountability, a reputation for honest and efficient administration and transparency in dealing with suspected misconduct are key features of local government practice. This strategy document sets out the procedures to be followed by any person who suspects financial or other irregularity, theft, fraud or corruption involving the Authority.
- 1.3 The Authority is determined that the culture and tone of the organisation should embody honesty and opposition to corruption and dishonesty. Members and employees are expected to lead by positive example.
- 1.4 In fulfilling its responsibilities to protect the public funds it administers against fraud and corruption the Authority will actively:
  - promote high standards of honesty and integrity;
  - encourage prevention of fraud and corruption;
  - maintain strong systems of internal control;
  - promote detection;
  - pursue a zero-tolerance policy;
  - seek to recover any losses incurred by the Authority.

### **2 What Constitutes a Financial or Other Irregularity**

- 2.1 A financial irregularity means any act or omission which results or could result in unapproved loss to the Authority. It includes the unauthorised use of the Authority's resources and any expenditure in breach of Financial Regulations.

- 2.2 Fraud may be defined as "the intentional distortion of financial statements and accounting records and/or misappropriation of assets"<sup>1</sup>
- 2.3 Corruption is "the offering, giving, soliciting or acceptance of an inducement or reward which may influence a person to act against the interests of the organisation"<sup>1</sup> Corruption in the public sector is an offence under the Prevention of Corruption Acts of 1889, 1906 and 1916, and the Bribery Act 2011.

### **3 Policy Statements**

- 3.1 The Authority is committed to preventing and detecting fraud and corruption. Members and employees are expected to be aware of the conduct expected of them and the procedures designed to reduce the risk of fraud and corruption occurring.
- 3.2 All staff and Members are required through their contracts of employment and the Authority's codes of conduct to notify their Line Manager, a Member of Leadership Team, the Monitoring Officer or the Head of Devon Audit Partnership (Internal Audit) as soon as he or she suspects that an irregularity has occurred. The Manager must, at the same time, inform the Monitoring Officer, Deputy Monitoring Officer or the Chief Financial Officer (CFO) where there are grounds to believe any financial impropriety or irregularity concerning income, expenditure, cash, stores, or other property of the Authority or held by the Authority may have occurred or may be occurring or about to occur. The same applies to any suspected irregularity or corruption in the exercise of the functions of the Authority.
- 3.3 Members of the public are also encouraged to report any concerns they may have to the Monitoring Officer, Deputy Monitoring Officer, CFO or The Head of Devon Audit Partnership (DAP).
- 3.4 Employees and Members may also wish to refer to the Authority's Confidential Reporting Policy – 'Whistleblowing'.

### **4 Prevention**

- 4.1 The Authority operates within a framework of corporate governance, including Standing Orders, a Scheme of Delegation, Financial Regulations, systems and procedures which are designed to ensure the integrity of decisions, activities and transactions.
- 4.2 The principal documents, policies and procedures forming this corporate governance framework are listed at Appendix 1.

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<sup>1</sup> Audit Commission

- 4.3 All Members and employees of the Authority have a responsibility to play their part in seeking to prevent fraud and corruption and to report any concerns they may have.
- 4.4 All Members and employees also have a responsibility to protect the assets and integrity of the Authority, and are expected to take all reasonable steps to safeguard and protect its physical assets including cash and equipment.
- 4.5 Members and employees must at all times comply with Financial Regulations and Standing Orders. Equipment and other facilities should only be used for authorised purposes on Authority business, except where express permission has been obtained for personal use.
- 4.6 Members and employees are accountable for their part in any financial or related transactions and must be as open as possible about the decisions and actions that they take, being prepared to give reasons for their decisions. In particular, employees should be aware that in certifying an invoice for payment, they take responsibility for that transaction.
- 4.7 All decisions must be taken solely in terms of the Authority's best interests. Personal relationships, friendship, family links or personal advantage must not influence decisions. Similarly, Members and employees must not place themselves under any financial or other obligation to outside individuals or organisations which might influence them in the performance of their Authority duties.
- 4.8 Any conflict of interest must be declared to the Monitoring Officer. Where the conflict of interest is judged to be material, an individual with such an interest shall not take part in any decision-making process.
- 4.9 Procurement of goods and services must be in accordance with the Authority's Standing Orders, Financial Regulations and Procurement Procedures. Value for money must always be the principal criterion in any procurement decision. However, this does not mean that price is an overriding consideration, as other factors such as quality and suitability for purpose will also be relevant.
- 4.10 Members and employees should be aware that it is a serious criminal offence to corruptly receive or give any gift, reward or favour for doing anything in their official capacity. The provisions of the Authority's policy on gifts and hospitality and of the Members Code of Conduct must be followed strictly at all times.

## **5 Investigations**

- 5.1 Allegations of financial impropriety, irregularity, or corruption will be investigated and resolved in accordance with the procedure summarised below.

- 5.2 Upon receiving a report of a suspected irregularity, either the Monitoring Officer, the CFO or The Head of DAP will arrange a meeting with the person who has reported the matter to establish the basis of their concern.
- 5.4 After establishing the basis of concern, the Monitoring Officer (or Deputy), the CFO and the Head of DAP will agree how to address the allegation(s) and who should act as investigating officer. It may be determined to:
- commence an internal investigation; and/or
  - commence a disciplinary investigation (employee); and/or
  - Refer the matter to Internal Audit (DAP); and/or
  - refer the matter to the Standards Sub-Committee (Member); and/or
  - inform the police without delay.
- 5.5 Any investigation will be carried out in accordance with the principles of natural justice, and with due regard to the rights of all individuals involved. All reasonable steps will be taken to ensure that an investigation is concluded as quickly as possible.
- 5.6 Where, upon investigation, the investigating officer believes that reasonable grounds exist for suspecting that a loss may have occurred as the result of misappropriation or fraud, he/she shall report the matter to the CFO and Monitoring Officer for a recommendation to be made to the Chief Executive (NPO) whether the circumstances warrant investigation by the police.
- 5.7 Where, upon investigation, the investigating officer believes that a loss has occurred as a result of waste, extravagance or maladministration, or that no loss has occurred, he/she shall report the matter to the Monitoring Officer and CFO for a recommendation to be made to the Chief Executive (NPO) whether any further action is required.
- 5.8 On completion of an investigation a formal report will be submitted by the Monitoring Officer or the CFO to the Audit and Governance Committee, who will review the report and the actions taken to resolve the issue and may request further actions or require a further report to satisfy itself that the matter has been fully resolved.
- 5.9 In the event that any Member is believed to have been involved in any irregularity, impropriety or corruption the matter will be reported to the Authority's Standards Committee for consideration whether this behaviour amounts to a breach of the Members Code of Conduct
- 5.10 In the event that any Member or employee is found to have breached the Authority's rules, policies or procedures resulting in loss to the Authority, the Authority reserves the right to take legal action to recover that loss.

## Appendix 1

### Corporate Governance Documents

- Code of Corporate Governance;
- The Grant Memorandum agreed with Defra;
- Standing Orders;
- Financial Regulations;
- Scheme of Delegation;
- Procurement Policy and Procedures;
- Risk Management policies and procedures;
- Members Code of Conduct;
- Employee travel and subsistence scheme;
- Members Allowances Scheme;
- Protocols:
  - Member and Officer Relations;
  - Development Management Good Practice Guide;
- H R Policies and Procedures;
- IT use policy;
- CIPFA Codes of Practice:
  - The Code of Practice on Local Authority Accounting in the UK
  - Prudential Code for Capital Finance in Local Authorities
  - Treasury Management in the Public Services
  - Corporate Governance in Local Government
- Confidential Reporting Policy (“Whistleblowing”).