



# **ANTI – FRAUD & CORRUPTION STRATEGY**

## **A POLICY STATEMENT**

Northumberland National Park Authority

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To be presented to Authority March 2024  
Last approved changes July 2018

## 1. Introduction

Northumberland National Park Authority is committed to sound corporate governance and is determined to prevent and eradicate fraud and corruption whether it is attempted from outside or within the Authority. It is important to emphasise that the Authority has an exemplary record to date with respect to probity and has had no significant occurrences of fraud and corruption.

In administering its responsibilities the Authority is committed to the highest ethical standards. It expects all its members and staff to lead by example in ensuring adherence to rules, procedures and recommended practices whilst maintaining conduct of the highest standards such that public confidence in their integrity is maintained.

The Authority also expects that individuals and organisations that it comes into contact with will act towards the Authority with integrity and without thought or actions involving fraud or corruption.

The Authority's anti-fraud & corruption Strategy is based on a series of comprehensive and inter-related procedures designed to frustrate any fraudulent or corrupt act. The strategy covers:

- Culture
- Prevention
- Detection and Investigation
- Training

This policy statement will be widely distributed throughout the Authority to ensure that all staff and members of the Authority are aware of this strategy. In addition the anti-fraud and corruption strategy will be included on the Authority's website as a demonstration to the public of how seriously the Authority treats this issue.

## 2. Definitions

### **Fraud**

*The intentional distortion of financial statements or other records by persons internal or external to the organisation that is carried out to conceal the misappropriation of assets or otherwise for gain.*

### **Corruption**

*The offering, giving, soliciting or acceptance of an inducement or reward that may influence the action of any person.*

### 3. Culture

The Authority has determined that the culture and tone of the organisation will continue to be one of honesty, openness, integrity, accountability and opposition to fraud and corruption. The Authority will not tolerate malpractice or wrongdoing in the provision of its services and is prepared to take vigorous action to stamp out any instances of this kind of activity.

There is an expectation and requirement that all individuals and organisations associated in whatever way with the Authority will act with integrity and that Authority staff and members at all levels will lead by example in these matters.

The Authority's staff are an important element in its stance on fraud and corruption and they are positively encouraged to raise any concerns that they may have on these issues where they are associated with the Authority's activity. They can do this in the knowledge that such concerns will be treated in the utmost confidence and properly investigated. If necessary, a route other than a normal line manager may be used to raise concerns. Examples of such routes are:

- Internal Audit
- Chief Financial Officer
- Chief Executive
- Directors and Heads of Department
- Monitoring Officer
- External Audit

The Authority has adopted a whistleblowing policy giving staff a mechanism for reporting instances of bad practice, illegal acts and corruption outside of the formal grievance and complaints procedures.

Members of the public are also encouraged to report any concerns they may have about Authority staff or members through any of the above mentioned routes or via the external agencies listed at the back of the whistleblowing policy.

Financial malpractice or corruption will not be tolerated. Any suspicion of fraudulent or corrupt practices will be promptly investigated. Where appropriate, senior management will instigate the Authority's disciplinary procedures in respect of those who are suspected of defrauding the Authority or who are suspected of corruption.

Where either Authority staff or members are implicated, the Chief Executive / Monitoring Officer must be informed immediately. Any subsequent investigation into members conduct will be conducted under the procedures set out under the Local Government Act 2000.

There is, of course, a need to ensure that any investigation process is not misused and therefore any abuse such as the raising of unfounded malicious allegations will be dealt with under appropriate disciplinary processes or codes of conduct.

#### 4. Prevention

There are four main strands to the measures taken by the Authority to minimise the opportunities for fraud and corruption. These are as follows;

- Staff measures
- Member measures
- Internal control systems
- Liaison with other agencies

The measures taken by the Authority are discussed in the following sections of this strategy.

##### **Staff**

As a public sector employer the Authority is obliged to maintain, and is entitled to expect, a high standard of conduct among its staff. The public are entitled to demand the highest standards of conduct from Authority staff and to have the utmost confidence that staff are working honestly and without bias in order to achieve the Authority's objectives.

The Authority recognises that a key preventative measure in the fight against fraud and corruption is to take effective steps at the recruitment stage to establish as far as possible the propriety and integrity of all potential staff, whether temporary, contracted or permanent. The Authority's recruitment code of practice contains comprehensive advice about good recruitment practice and in particular the sorts of checks that should be made prior to any appointment being made, e.g. written references.

The Authority has adopted a staff code of conduct that sets out the conduct expected of all its employees in the performance of their jobs. A number of clauses in the code specifically deal with fraud and corruption issues and offer guidance to staff on correct procedures to follow. Failure to comply with the requirements of the code is treated as a serious matter and can lead to action being taken against the member of staff under the Authority's capability and disciplinary procedure, up to and including dismissal.

All professional staff employed by the Authority are also expected to comply with any relevant codes of practice that may have been issued by the professional institute to which they belong.

Staff are required to comply with the Authority's standing orders and financial regulations. They must also operate within Section 117 of the Local Government Act 1972, regarding the disclosure of pecuniary interests in contracts relating to the Authority or fees and rewards other than proper remuneration.

## **Members**

Members of the Authority are expected to operate honestly and without bias within both a regulatory and advisory framework as follows:

- Northumberland National Park Authority's standing orders and financial regulations
- The members' code of conduct
- The statutory rules and guidance for the registration and declaration of personal and prejudicial interests
- Guidance for members on gifts and hospitality
- The Authority's members' allowance scheme

These matters are specifically brought to the attention of members on appointment to the Authority and during subsequent training.

Members are required to provide specific information concerning their financial and other interests and to keep this information up to date. The register of notifications of interest, including the gifts and hospitality register, is held by the Monitoring Officer.

Any suspected fraud and corruption involving members will be dealt with under the specific provisions of the Local Government Act 2000, overseen by the Authority's Standards Committee, which has independent representatives within its membership and, working closely with the Monitoring Officer, is responsible for the ethical framework of the Authority.

## **Internal Control Systems**

The Authority has financial regulations, standing orders and a scheme of delegation in place that acts as the framework for financial control within the Authority. All staff are required to act in accordance with these regulations when carrying out their duties.

The Chief Financial Officer has a statutory responsibility under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of the Authority's financial affairs. To this end he has adopted financial codes of practice and accounting controls and has developed procedural instructions in relation to the Authority's activities. These instructions, including Financial Procedures, are distributed to all relevant staff.

The Authority has put in place efficient and effective systems of control that as far as possible prevent potential fraudsters from exploiting weaknesses in procedures. The prime responsibility for maintaining such systems lies with directors, with support by the Authority's internal audit contractor providing an independent appraisal of the integrity of all internal control systems.

## **Liaison with Others**

Co-operation between the various agencies involved in the prevention and detection of fraud and corruption in the public sector is important. To this end the Authority maintains links with, and shares information with the following organisations:

- External auditor (Mazars)
- Government agencies
- Other national parks

The best method of deterring fraudulent activity may ultimately be to ensure that fraudsters are left in no doubt about the consequences of their actions. This Authority will investigate fully all instances of suspected fraud and corruption brought to its attention and where appropriate, refer matters to Northumbria Police for possible criminal proceedings to be enacted.

## **5. Detection and Investigation**

The internal control systems within the Authority have been designed to provide indicators of any fraudulent activity although, generally, the systems should be sufficient in themselves to deter fraud. It is also often the alertness of staff, members and the general public to signs of fraud and corruption that enables detection to occur and the appropriate action to be taken.

Despite the best efforts of financial managers and auditors, many frauds are discovered by chance or by a “tip-off” and the Authority has in place arrangements to enable such information to be properly dealt with via a whistleblowing policy.

Authority staff are required by Financial Regulations to report all suspected irregularities to the Chief Executive immediately. Prompt reporting is essential to the Anti-fraud & Corruption Strategy and this:

- ensures the consistent treatment of information regarding fraud and corruption;
- facilitates proper investigation by an experienced team; and
- ensures the proper implementation of a fraud response investigation plan.

Any notification of suspected irregularities will be referred to the internal audit contractors for a preliminary investigation. Depending on the nature and extent of the allegations, internal audit will normally work closely with directors to ensure that all allegations and evidence are properly investigated and reported on.

Prosecution is a prime deterrent to prospective fraudsters. The Authority has therefore decided that where evidence of potential fraud or corruption is uncovered, and subject to consultation with the Monitoring Officer, the matter will normally be referred to the police for further investigation with a view to criminal proceedings

taking place. Referrals to the police will be via the nominated police liaison contact appointed in accordance with the provisions of the Crime and Disorder Act 1998.

Notwithstanding the requirement of staff to abide by financial regulations in reporting all suspected irregularities it is recognised that on occasions staff will feel unable to voice their suspicions for fear of reprisals or discrimination against themselves by other members of staff. To encourage staff to come forward and report their suspicions, and in compliance with the provisions of the Public Interest Disclosure Act 1998, the Authority has introduced a whistleblowing policy. This policy ensures that any suspicions reported are dealt with in a consistent and confidential manner and provides staff with an assurance that they will not be discriminated against.

The Authority's formal capability and disciplinary procedures will be invoked where the outcome of an investigation reveals improper behaviour.

## **6. Training**

The Authority recognises that the continuing success of its anti-fraud & corruption strategy and its general credibility will depend largely on the effectiveness of programmed training and the responsiveness of staff throughout the organisation.

To facilitate this the Authority supports the concept of induction and re-induction training for members and in particular for those staff involved in the operation of internal control systems to ensure that their responsibilities and duties in this respect are regularly highlighted and reinforced.

The Chief Executive will ensure that all staff likely to be involved in the conduct of investigations receive appropriate training and guidance to enable them to fulfil any obligations placed upon them by the operation of the Authority's capability and disciplinary procedures.