ANTI-FRAUD, THEFT & CORRUPTION POLICY

1. **The purpose of this policy statement:**

This policy applies to trustees, staff, volunteers, and contractors working for the charity. It provides information to people who may come across behaviour which they think may be fraudulent or corrupt. In line with our values, we promote an ethical culture of zero tolerance to fraud, theft and corruption and encourage people to speak up where they have concerns. It is important that everyone knows how to prevent/deter theft, fraud, or corruption, how to look for the signs and what to do if they suspect theft, fraud or corruption is taking place. The Bribery Act 2010 requires organisations to demonstrate adequate procedures to prevent bribery. This policy confirms that we will commit to proportionate procedures including risk assessment, due diligence on partners and suppliers and sensible gifts and hospitality controls.

2. **Definitions of theft, fraud & corruption:**

Bribery is offering, promising, or giving a financial or other advantage where the advantage is intended to bring about an improper performance by another person of a relevant function or activity, or to reward such improper performance or where the person offering, promising, or giving the advantage knows or believes that the acceptance of the advantage itself constitutes the improper performance of a relevant function or activity.

Corruption is the offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by the charity, it's trustees or staff. It also includes using personal relationships to influence actions.

Theft is dishonestly appropriating property belonging to another, with the intention of permanently depriving them.

Fraud is the intentional distortion of financial statements or other records by person internal, or external, to the charity, which is carried out to conceal the misappropriation of assets or otherwise, for gain.

3. **Roles and Responsibilities**

Responsibility for maintaining sound arrangements to prevent and detect theft, fraud and corruption rests with the CEO and Board of Trustees.

The charity will maintain up to date financial reporting procedures to help to prevent/deter theft, fraud or corruption.

Any concerns about theft, fraud or corruption should be raised with the CEO, Chair or Vice-Chair of the charity.

Implementation of this policy is the responsibility of all staff, volunteers, trustees & contractors.

4. **Prevention and deterrence of theft, fraud, and corruption**

Whilst it is impossible to create a 100% fraud-proof system, the CEO and managers must ensure that the systems they operate include a reasonable number of effective controls designed to detect and prevent fraud and error. These include:

- Keeping internal financial controls up to date and monitored by the trustees.
- Ensuring that staff are familiar with the internal financial controls and are trained in their use.
- Carry out spot checks to ensure compliance.
- Ensuring adequate internal checks are in place; this is where work/calculations/documentation are checked by a different officer than the one which initiated the work.
- Reviewing budget monitoring/management accounts monthly and being alert to trends such as falling income or increasing expenses and follow up any variances.
- Regularly reviewing processes to identify weak links that may be vulnerable to fraud.

5. Detection and Awareness

Fraud can happen wherever people working in or for the charity or people outside the charity complete official documentation and can take financial advantage of the charity. The risk of fraud or corruption is increased where people working for the charity, or outside agents, are in positions of trust or responsibility and are not checked or subjected to effective monitoring or validation. The following areas are susceptible to theft, fraud and/or corruption:

- Claims from contractors/suppliers
- Travel and expenses claims
- Cash/cheque receipts
- Petty cash/floats
- Payroll
- Purchasing
- Procurement of contracts
- Electronic/cyber fraud including phishing, invoice fraud & scams

6. Signs of Fraud and Corruption

Fraud often involves the falsification of records. Therefore, staff and trustees need to be aware of the possibility of fraud when reviewing or being presented with claims/forms/documentation for authorisation. Issues which could cause suspicion are:

- Inadequate supporting documentation for claims
- Delays in documentation completion or submission
- Use of numerous & confusing codes for expenditure (to avoid showing a large variation in budgets)

- Individuals could exhibit signs of stress or behaviour not in keeping with their usual conduct, they could be under financial pressure and apparently living beyond their means & could refuse to allow another person working for the charity to be involved in their duties.

Suspicions of corruption usually come from outside the normal course of work. Sources should be followed up as per section 7 below.

7. Responding to suspicion

Employees should report any concerns they have to their line manager. All others, including Trustees, contractors, members and volunteers, should report any such concerns to the CEO. They should not attempt to deal with any allegation or suspicion themselves, nor mention the concerns to anyone else outside of the reporting line set out in this policy.

The reporting route depends, however, on the seriousness and sensitivity of the issues involved and on who is suspected of the malpractice. For example, if the allegation is about a line manager, then employee concerns should also be directed to the CEO and if the concern relates to the CEO (or a Trustee), then the employee should report it to the Chair of Trustees.

If the concern relates to the Chair, then the employee should report to the Vice-Chair.

Initial reports should be treated with discretion and caution, as apparently suspicious circumstances may turn out to have reasonable explanation or could be malicious. Confidentiality will be respected, and anonymous tip offs will be assessed and followed up where appropriate and is in your interest to report suspicions.

Initial interviews of those suspected of significant theft, fraud or corruption should be undertaken by the CEO/Chair/Vice-Chair. They will decide whether to inform the Police. Any apparent criminal activity committed against the Charity will be referred to the Police, or other appropriate enforcement agency. Staff who have committed cases of fraud, theft and corruption will have their contract of employment terminated.

Serious incidents will be reported to the Charity Commission where required.

8. Important documents

The charity has various document which are designed to give a framework for internal control and to ensure that sound systems are in place. It is important that all staff & trustees are aware of the content of these documents, the most important in relation to theft, fraud and corruption are the Internal Financial Controls , Schemes of Delegation and our requirement to complete annual Conflict of Interest forms and to report related-party transactions.

Next review date	New name & version number
October 2025	Anti-fraud, theft & corruption policy reviewed Oct 2025
September 2026	Anti-fraud, theft & corruption policy updated JUNE 2026
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