



Anti-Theft, Fraud, Bribery and Corruption Policy

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Responsible	Financial Controller	
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1. Purpose and scope

- 1.1 This document sets out the policy and procedures of the group against fraud and other forms of dishonesty, together with the steps that must be taken where any of these practices is suspected or discovered.
- 1.2 The policy applies to trustees, directors, employees and volunteers. Anybody associated with the group who commits fraud, theft, or any other act of dishonesty, or who becomes aware of it and does not report it, will be subject to appropriate action.

2. Policy Statement

- 2.1 The group has a 'zero tolerance' policy towards theft, fraud, bribery and corruption. This means that the group:
 - a) does not accept any level of theft, fraud, bribery and corruption within the organisation or by any other individual or organisation representing the group; and
 - b) will always seek to take disciplinary and/or legal action against those found to have perpetrated, be involved in, or assisted with fraudulent or other improper activities in any of its operations.
- 2.2 The group is committed to developing an anti-fraud culture and keeping the opportunities for theft, fraud, bribery and corruption to the absolute minimum.
- 2.3 The group requires all employees to always act honestly and with integrity and to safeguard the resources for which they are responsible.

3. Definitions

- 3.1 **Theft** - Theft is dishonestly acquiring or disposing of physical or intellectual property belonging to the group or to individual members, supporters, or clients of the group.
- 3.2 **Fraud** - Fraud is the deliberate intent to acquire money or goods dishonestly through the falsification of records or documents. The deliberate changing of financial statements or other records by someone who works or is a volunteer for the group. The criminal act is the attempt to deceive, and attempted fraud is therefore treated as seriously as accomplished fraud.
- 3.3 The Fraud Act 2006 introduced a new general offence of fraud and defines it as the intention of making a gain or causing a loss to another person or organisation by:
 - false representation.

- failing to disclose information when there is a legal duty to disclose it.
- abusing a position of trust.

3.4 **Bribery** - Bribery is an inducement or other form of advantage offered or promised to someone to encourage that person to perform their functions or activities improperly or to reward that person for having already done so, in order to gain any commercial, contractual, regulatory or personal advantage.

3.5 The Bribery Act 2010 makes it an offence for a UK citizen or resident to pay or receive a bribe, either directly or indirectly. Companies can also commit an offence where a bribe has been paid or received on its behalf by an employee, agent or other persons providing services on behalf of the company.

3.6 **Corruption** - Corruption is the misuse of entrusted power for personal gain. This would include dishonest or fraudulent behaviour by those in positions of power, such as trustees or managers. It would include offering, giving and receiving bribes to influence the actions of someone in a position of power or influence, and the diversion of funds for private gain.

4. Responsibilities

4.1 In relation to the prevention of theft, fraud, bribery and corruption, specific responsibilities are as follows:

Trustees and Directors

4.2 The Trustees and Directors are responsible for:

- establishing and maintaining a sound system of internal control that supports the achievement of the group's policy, aims and objectives.
- ensuring the system of internal control is designed to respond to and manage the whole range of risks that the group faces.
- ensuring the system of internal control is based on an on-going process designed to identify the principal risks, to evaluate the nature and extent of those risks and to manage them effectively.

Managing Director

4.3 Overall responsibility for managing the risk of fraud has been delegated to the Managing Director. The responsibilities include:

- undertaking a regular review of the fraud risks associated with each of the group's key objectives.
- establishing an effective anti-fraud response plan, in proportion to the level of fraud risk identified.
- ensuring the design of an effective control environment to prevent fraud.

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5. Risk and internal control

- 5.1 The group will seek to assess the nature and extent of its exposure to the risks of internal and external theft, fraud, bribery and corruption. It will regularly review these risks, using information on actual or suspected instances of theft, fraud, bribery and corruption to inform its review.
- 5.2 The group will seek to put in place efficient and effective systems, procedures and internal controls to: encourage an anti-fraud culture; prevent and detect theft, fraud, bribery and corruption; and reduce the risks to an acceptable level.
- 5.3 The group will seek to equip its employees with the skills, knowledge and expertise to manage its fraud risk effectively. It will provide adequate training to make staff aware of the risks of theft, fraud, bribery and corruption, and of their responsibilities in preventing, detecting and reporting it.
- 5.4 The group will make all those receiving group's funds or representing the group, including its suppliers, grant recipients, partners, contractors and agents aware of this policy.
- 5.5 The group will work with relevant stakeholders, including comparable organisations, relevant regulators and government organisations to tackle fraud.
- 5.6 The group will regularly review and evaluate the effectiveness of its systems, procedures and internal controls for managing the risk of fraud. It will do this through risk management and assurance processes and audit arrangements.

Specific risk mitigation measures

Gifts

- 5.7 The acceptance of gifts could be viewed with suspicion by colleagues and members of the public. It could encourage contractors or suppliers to think that they can exert undue influence and make an individual vulnerable to criticism.
 - Modest gifts of a promotional nature, given to a wide range of people are acceptable. These include calendars, diaries and items for office use.
 - Other modest gifts that are not of a promotional nature may be accepted if it is felt that refusal would cause offence or returning the items would prove difficult. In these circumstances the gifts should be declared and handed to the Financial Controller to enable them to be pooled and used for the benefit of all (e.g. raffle). This includes gifts of alcohol.
 - Gifts of flowers should be displayed for the benefit of customers or employees as appropriate.

- Personal gifts (especially cash) must not be accepted under any circumstances.
- All offers of gifts, whether accepted or declined must be declared and reported to the Financial Controller who will record the details in the Gifts and Hospitality register.

Hospitality

5.8 The group will not offer nor accept inducements from others in order to obtain an unfair benefit though it acknowledges that from time to time it is appropriate that individuals should either give or be in receipt of hospitality.

- Individuals must not solicit hospitality.
- Prior to accepting any offer of hospitality employees should seek approval from the Managing Director.
- Personal hospitality must not be accepted though an employee may go to a lunch or dinner if he/she pays for their meal which can be reclaimed through expenses.
- Invitations to meals or events such as awards nights may be accepted if representatives of other organisations have been invited.
- All offers of hospitality, whether accepted or declined must be declared and reported to the Financial Controller who will record the details in the Gifts and Hospitality register.

Conflicts of interest

5.9 Conflicts of interest are known to increase the risk of fraud. Employees who have an interest in an actual or potential customer or supplier (whether personally, or through family members, close friends, or associates) must report that conflict of interest to their manager and People Development.

5.10 One or more of the following strategies may be appropriate to manage the conflict of interest:

- not taking part in discussions concerning certain matters.
- not taking part in decisions in relation to certain matters.
- resolving not to act as a particular person's supervisor.
- standing aside from any involvement in a particular project.
- limiting access to certain information or systems.
- limiting access to individual suppliers.

6. Reporting and Investigation

Reporting

6.1 Employees must immediately report any suspected or actual instances of theft, fraud, bribery, or corruption. This includes offers to pay bribes, solicitation of bribes and

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demands to make facilitation payments. Failure to report could result in disciplinary action.

- 6.2 Reports should be made to an appropriate manager. Employees not comfortable reporting their concerns to their manager should report to People Development in line with the group's Whistleblowing Policy.
- 6.3 The group also requires all those receiving group funds or representing the group, including its suppliers, grant recipients, partners, contractors and agents, to report any suspected or actual instances of theft, fraud, bribery, or corruption involving the group's assets or staff. Reports should be made to the Financial Controller via email.
- 6.4 The group will not penalise anyone for raising a concern in good faith, even if it turns out to be unfounded. Any member of staff who harasses or victimises someone for raising a concern in good faith will themselves be subject to disciplinary action.
- 6.5 Any reports will be passed to the Financial Controller who will maintain a system for recording:
- all reports of actual or suspected theft, fraud, bribery and corruption.
 - the action taken.
 - the outcome of any investigation.
- 6.6 The Managing Director will use this information to inform any review of the risks and the effectiveness of the control systems.
- 6.7 The group will fully meet its obligations to report theft, fraud, bribery and corruption to third parties.

Investigation

- 6.8 The group will take all reports of actual or suspected theft, fraud, bribery and corruption seriously and investigate proportionately and appropriately.
- 6.9 The matters raised may:
- be investigated internally.
 - be referred to the Police where there is evidence of a criminal offence.
- 6.10 The Financial Controller will conduct any internal investigation or delegate to an appropriate manager and act as the contact to any external police investigation.
- 6.11 The Financial Controller will write to the complainant in those instances where the complainant has provided contact details:
- acknowledging that the concern has been received.

- indicating how it is proposed to deal with the matter.
- giving an estimate of how long it will take to provide a final response.
- indicating whether any initial enquiries have been made.
- supplying information on staff support mechanisms.
- indicating whether any further investigations will take place, and if not, why not.

6.12 The group accepts that employees who report theft, fraud, bribery or corruption need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, they will receive information about the outcome of any investigation and whether any changes/improvements are to be made to systems and procedures as a consequence.

6.13 The group will always seek to take disciplinary and/or legal action against those found to have perpetrated or assisted with fraudulent or other improper activities in any of its operations. For employees, this may include dismissal. The group will also seek to recover any assets lost through fraud.

Approval of losses

6.14 Any losses as the result of fraud must be recorded on the fraud register and reported to the Board.

7. Data Protection

7.1 The process of personal data collected as part of this policy is in accordance with the group's Data Protection Policy. Data collected as part of this policy is held securely and accessed by and disclosed to, individuals only for the purposes of legal compliance. Employees should immediately report any inappropriate access or disclosure of employee data in accordance with the group's Data Protection Policy as this constitutes a data protection breach.

8. Equality, diversity and inclusion

8.1 CPL is an equal opportunity employer. This is not only a legal requirement underpinned by the Equality Act 2010 but also a commitment from the group. As an employer, the group embraces equality, diversity and inclusion (EDI) and seeks to ensure that its policies are free from unlawful or unfair discrimination and underpin the group's values.