FRAUD BRIBERY AND CORRUPTION PREVENTION POLICY

PRN-67: Fraud, Bribery and Corruption Prevention Policy
Company Name: AI Auto-Tech Ltd
Trading/Business Name: Trusted Companionship
Company Registration Number: 15556946
SIC Code: 88100 – Social Work Activities Without Accommodation for the Elderly and Disabled
Email: info@trustedcompanionship.com
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1. Purpose

The purpose of this policy is to establish the organisation's commitment to preventing, detecting, and responding to fraud, bribery, corruption, financial misconduct, and other dishonest activities.

The organisation is committed to maintaining the highest standards of integrity, honesty, transparency, and accountability in all aspects of its activities.

This policy aims to:

- Protect organisational assets and resources.
- Promote ethical behaviour.
- Prevent financial and reputational harm.
- Support compliance with legal requirements.
- Encourage the reporting of concerns.
- Promote a culture of honesty and accountability.

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2. Scope

This policy applies to:

- Trustees
- Directors
- Managers

- Employees
- Volunteers
- Contractors
- Consultants
- Agency workers
- Individuals acting on behalf of the organisation

The policy applies to all organisational activities, including:

- Financial transactions
- Procurement activities
- Fundraising
- Service delivery
- Partnership arrangements
- Grant management
- Donation management

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3. Policy Statement

The organisation adopts a zero-tolerance approach to:

- Fraud
- Bribery
- Corruption
- Theft
- Financial abuse
- Dishonesty
- Financial misrepresentation

The organisation will investigate all suspected incidents appropriately and take action where misconduct is identified.

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4. Principles

The organisation will promote:

Integrity

Acting honestly and ethically.

Accountability

Taking responsibility for actions and decisions.

Transparency

Ensuring decisions and transactions can be scrutinised.

Fairness

Applying procedures consistently and objectively.

Compliance

Meeting legal and regulatory obligations.

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5. Definitions

Fraud

Fraud is the deliberate deception intended to secure personal gain or cause loss to another.

Examples include:

- False expense claims.
- Theft of money.
- Falsifying records.
- Misuse of funds.
- Financial misrepresentation.
- Payroll fraud.

Bribery

Bribery involves offering, promising, giving, requesting, or accepting an improper advantage to influence a decision or action.

Examples include:

- Offering money for preferential treatment.

- Accepting gifts in exchange for favourable decisions.
- Providing incentives to secure contracts improperly.

Corruption

Corruption involves the abuse of power or position for personal benefit.

Examples may include:

- Undisclosed conflicts of interest.
- Misuse of authority.
- Improper influence over decisions.
- Favouritism for personal gain.

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6. Legal Obligations

The organisation will comply with relevant legislation including:

- Bribery Act 2010
- Fraud Act 2006
- Theft Act 1968
- Companies Act 2006 (where applicable)
- Charities Act 2011 (where applicable)
- Proceeds of Crime Act 2002
- Relevant financial and regulatory requirements

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7. Areas of Fraud Risk

Potential areas of risk may include:

- Expense claims.
- Procurement and purchasing.
- Payroll administration.
- Cash handling.
- Banking arrangements.

- Donations and fundraising.
- Grant funding.
- Financial reporting.
- Volunteer and employee expenses.

Risk assessments should consider fraud vulnerabilities.

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8. Standards of Conduct

All individuals associated with the organisation must:

- Act honestly.
- Protect organisational resources.
- Avoid conflicts of interest.
- Follow financial procedures.
- Report concerns promptly.
- Maintain accurate records.

Dishonest behaviour will not be tolerated.

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9. Gifts and Hospitality

Gifts and hospitality must comply with the Gifts, Hospitality and Donations Policy.

Individuals must not:

- Accept inducements.
- Seek personal benefits.
- Offer gifts intended to influence decisions.
- Accept excessive hospitality.

Any concerns should be reported to management.

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10. Conflicts of Interest

Individuals must declare:

- Personal interests.

- Financial interests.
- Family interests.
- Business interests.

Conflicts must be managed transparently and appropriately recorded.

Failure to disclose conflicts of interest may be treated as misconduct.

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11. Procurement Controls

Procurement activities should be conducted fairly and transparently.

Individuals involved in procurement must:

- Declare conflicts of interest.
- Follow procurement procedures.
- Seek value for money.
- Maintain records of decisions.

Procurement processes should not be influenced by personal interests.

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12. Financial Controls

Financial controls shall include:

- Segregation of duties.
- Authorisation limits.
- Budget monitoring.
- Financial reporting.
- Bank reconciliations.
- Audit processes.

Controls should reduce opportunities for fraud and financial misconduct.

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13. Cash Handling

Where cash is handled:

- Transactions must be recorded.

- Funds should be secured.
- Receipts should be issued where appropriate.
- Banking should occur promptly.

Cash handling arrangements should minimise risks.

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14. Expense Claims

Expense claims must:

- Be genuine.
- Relate to authorised organisational activities.
- Be supported by evidence where available.
- Be submitted honestly.

False or misleading claims may be treated as fraud.

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15. Donations and Fundraising

All donations and fundraising income must be:

- Recorded accurately.
- Managed transparently.
- Used for authorised purposes.
- Subject to appropriate controls.

Misuse of donated funds will be treated seriously.

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16. Record Keeping

Accurate financial and operational records are essential.

Individuals must not:

- Alter records dishonestly.
- Create false records.
- Destroy records improperly.
- Conceal information relevant to investigations.

Records should be maintained in accordance with organisational procedures.

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17. Fraud Prevention Measures

The organisation may implement:

- Segregation of duties.
- Financial monitoring.
- Management oversight.
- Audits.
- Staff training.
- Risk assessments.
- Authorisation controls.
- Whistleblowing arrangements.

Fraud prevention is a shared responsibility.

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18. Identifying Fraud Indicators

Possible indicators may include:

- Missing documentation.
- Unexplained transactions.
- Unusual financial activity.
- Repeated procedural breaches.
- Excessive control by one individual.
- Anonymous allegations.
- Lifestyle changes inconsistent with income.

Indicators should be reviewed objectively and sensitively.

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19. Reporting Concerns

Individuals must report concerns regarding:

- Fraud.

- Bribery.
- Corruption.
- Theft.
- Financial misconduct.
- Irregularities.

Reports may be made to:

- A manager.
- A Director.
- A Trustee.
- Through the Whistleblowing Policy.

Reports should be made promptly.

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20. Confidential Reporting

Concerns will be treated confidentially wherever possible.

The organisation will seek to:

- Protect individuals who raise concerns in good faith.
- Maintain confidentiality.
- Investigate concerns fairly.

Individuals should not fear retaliation for genuine reports.

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21. Whistleblowing

Individuals should use the Whistleblowing Policy where concerns involve:

- Serious misconduct.
- Senior personnel.
- Systemic failures.
- Concerns not addressed through normal channels.

Whistleblowers acting in good faith will be supported.

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22. Investigation of Concerns

All reported concerns will be assessed appropriately.

Investigations may include:

- Review of records.
- Interviews.
- Financial analysis.
- Audit activities.
- Examination of evidence.

Investigations will be conducted fairly and objectively.

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23. Suspension of Activities

Where necessary, the organisation may:

- Restrict access to systems.
- Suspend financial authority.
- Suspend duties pending investigation.

Such actions do not imply guilt and are intended to protect the integrity of investigations.

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24. Outcomes of Investigations

Investigation outcomes may include:

- No further action.
- Additional controls.
- Training requirements.
- Management action.
- Disciplinary action.
- Recovery of losses.
- Referral to external authorities.

Actions will be proportionate to findings.

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25. Reporting to External Agencies

Where appropriate, concerns may be reported to:

- Police.
- Action Fraud.
- Charity Commission.
- Funding bodies.
- Auditors.
- Regulatory authorities.

External reporting decisions should be documented.

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26. Recovery of Losses

Where fraud or financial misconduct results in financial loss, the organisation may seek to:

- Recover funds.
- Pursue civil remedies.
- Work with law enforcement agencies.
- Implement additional controls.

Recovery actions will be considered on a case-by-case basis.

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27. Training and Awareness

Relevant employees, volunteers, managers, and trustees may receive training covering:

- Fraud awareness.
- Bribery risks.
- Financial controls.
- Conflict of interest management.
- Reporting procedures.
- Ethical conduct.

Training supports prevention and early detection.

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28. Fraud Risk Assessment

The organisation will periodically assess:

- Areas vulnerable to fraud.
- Existing controls.
- Emerging risks.
- Financial processes.

Findings will inform risk management and control arrangements.

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29. Monitoring and Audit

Monitoring activities may include:

- Internal audits.
- Financial reviews.
- Spot checks.
- Control testing.
- Compliance monitoring.

Monitoring helps identify weaknesses and opportunities for improvement.

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30. Responsibilities

Board of Trustees

Responsible for:

- Oversight of fraud prevention arrangements.
- Monitoring financial risks.
- Reviewing significant incidents.

Directors

Responsible for:

- Implementing controls.

- Managing investigations.
- Reporting significant concerns.

Managers

Responsible for:

- Monitoring compliance.
- Reporting concerns.
- Supporting investigations.

Employees and Volunteers

Responsible for:

- Acting honestly.
- Following procedures.
- Reporting concerns promptly.

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31. Case Study

Scenario: Suspicious Expense Claim

A manager notices several duplicate mileage claims submitted by an employee.

Action Taken

- Claims are reviewed against records.
- Further information is requested.
- Financial records are examined.
- The concern is investigated in accordance with procedures.

Outcome

An administrative error is identified and corrective measures are implemented.

Learning Point

Not all irregularities indicate fraud, but all concerns should be reviewed appropriately to protect organisational resources.

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32. Monitoring and Quality Assurance

The organisation will monitor:

- Fraud allegations.
- Investigation outcomes.
- Financial audit findings.
- Control effectiveness.
- Whistleblowing reports.
- Fraud risk assessments.
- Training compliance.

Monitoring outcomes will be used to strengthen internal controls and governance arrangements.

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33. Review Arrangements

This policy will be reviewed:

- Annually.
- Following significant incidents.
- Following audit recommendations.
- Following legislative changes.
- Following governance reviews.

Related Policies

- Financial Management and Internal Controls Policy
- Gifts, Hospitality and Donations Policy
- Whistleblowing Policy
- Governance, Board and Trustee Responsibilities Policy
- Risk Assessment Policy
- Code of Conduct Policy
- Records Management and Record Keeping Policy
- Information Governance and Cyber Security Policy