

## Fraud, Bribery and Corruption Policy

### 1 Policy statement

CANDI is committed to operating a framework for the prevention and detection of fraud, bribery and corruption and a robust process to be followed in the event that a fraud, act of bribery or corruption is suspected.

### 2 Scope

This policy applies to all CANDI staff, regardless of position held, as well as service users, consultants, vendors, contractors, and/or any other parties who have a business relationship with CANDI. Bribery and corruption under the Bribery Act (2010) are punishable for individuals as a criminal offence by up to 10 years imprisonment and the organisation could face an unlimited fine and face incalculable damage to its reputation. CANDI therefore takes its legal responsibilities in relation to bribery very seriously.

### 3 Summary

- CANDI does not tolerate fraud, bribery or corruption and encourages all genuine suspicions of such activity to be reported to the Chair of the Board or Company Secretary at the time of their concerns, as time is likely to be of the utmost importance to prevent further loss to CANDI.
- The Treasurer has overall responsibility for funds entrusted to CANDI.
- All staff have a duty to protect the assets of CANDI and to ensure charity funds are safeguarded.
- CANDI's zero tolerance approach to fraud, bribery and corruption is set out across a range of other policies and procedural documentation. This applies to all staff, together with contractors and agents working or acting on behalf of CANDI.
- CANDI expects all organisations, partners and suppliers doing business with us to have a comparable commitment and this enables us to reassure our service users, members and stakeholders that charity funds are safeguarded. Under no circumstances is committing fraud, corruption or the giving, offering, receiving or soliciting of a bribe acceptable and CANDI will not tolerate this in any form.

### 4 Purpose

This document aims to:

- Improve knowledge and understanding concerning both the identification and reduction of fraud, bribery and corruption.
- Assist in promoting a culture of openness and an environment where staff feel able to raise concerns or report potential risks that may make CANDI susceptible to fraud, bribery or corruption and provide direction in how to raise and report such issues.
- Set out CANDI's approach in preventing, detecting and investigating allegations of fraud, bribery and corruption.
- Set out CANDI's intentions regarding the application of appropriate sanctions and the seeking of redress against anyone found to have committed fraud, bribery or corruption.

### 5 Definitions

**Staff** are anyone who works on behalf of CANDI. This includes trustees, employees and volunteers. Whilst the roles of trustees and employees are well defined, the nature of volunteers is less clear because of the varied nature of their involvement. However, whatever the specific tasks of anyone involved with CANDI, the principles, policies and procedures apply to everyone.

**Fraud** is defined as a dishonest act (or a failure to act) made with the intention of making a financial gain or causing a financial loss (or risk of loss). The dishonest act does not need to be successful for fraud to be committed, as long as the intention exists. Neither does the financial gain have to be personal but can be for the benefit of another. Where the intent is to cause a loss to the organisation, no gain by the perpetrator needs to be shown.

**Bribery** involves offering, promising or giving a payment or benefit in kind in order to influence others to use their position in an improper way to gain an advantage.

**Corruption** is defined as the abuse of entrusted power for private gain, for example someone making a decision that benefits themselves rather than the organisation or its service users. CANDI acknowledges the corporate offence enshrined in the Bribery Act for organisations who fail to prevent bribery or do not have robust and effective preventative procedures in place.

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### 6 Fraud Act 2006

The Fraud Act 2006 identifies the following offences:

- S2: Fraud by false representation (lying about something using any means, e.g. by words or actions).
- S3: Fraud by failing to disclose information (not saying something when you have a legal duty to do so).
- S4: Fraud by abuse of position (abusing a position where there is an expectation to safeguard the financial interests of another person or organisation).
- S6: Processing, making and supplying articles intended for use in fraud (applies anywhere and includes any article found, e.g. electronic data, documents etc.)
- S7: Making or supplying articles for use in fraud (must know or intend the article to be used to commit or facilitate fraud)
- S11: Obtaining services dishonestly.

Listed below are just a few examples of potential fraud risks.

- Submitting false or forged timesheets.
- Falsifying travel and/ or expense claims.
- People working for other agencies whilst off sick.
- Outside agencies duplicating invoices for payment.
- Contractors claiming payment for merchandise they have not delivered.
- The unauthorised selling of organisation property or assets.

### 7 Bribery Act 2010

The Bribery Act 2010 created a number of criminal offences and those most applicable to this policy are:

- Offence of bribing another person - is defined by section 1 of the Act. It is also an offence for a person to offer, promise, or give a bribe to another person as an inducement for them improperly performing any duty. For example, providing excess hospitality to a potential purchaser/commissioner of CANDI services.
- Offence of being bribed - is defined by section 2 of the Act. It is an offence for a person to request, or agree to receive, or accept a financial or other advantage as an inducement to, or as a reward for, the improper performance of any function or activity. For example, where an employee who sells confidential information to a third party or provides preferential treatment to suppliers or service users for a fee.
- Failure of a commercial organisation to prevent bribery – is defined within section 7 of the Act. If an individual bribes another person to obtain or retain business, or an advantage in the conduct of business for an organisation, then that organisation may also be guilty of an offence. For example, if an organisation fails to put adequate controls in place to prevent bribery and an employee offers a bribe.

### 8 Staff commitments

- All staff have a duty to protect the assets of CANDI. Assets include buildings, equipment, vehicles, monies, information and goodwill. All employees have a duty to ensure that charity funds are safeguarded, whether or not they are involved with cash or payment systems, receipts or dealing with contractors or suppliers.
- All staff are required to adhere to all CANDI policies and procedures. In particular, they need to be aware of: -
  - Financial procedures
  - Governance code
  - Conflict of interest
  - Confidentiality
  - Whistleblowing
- Staff are also expected to act in accordance with the standards laid down by their professional bodies where applicable.

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- In addition to maintaining the normal standards of personal honesty and integrity, all staff should always:
  - Avoid acting in any way that might cause others to allege or suspect them of dishonesty.
  - Behave in a way that would not give cause for others to doubt that CANDI staff deal fairly and impartially with official matters.
  - Be alert to the possibility that others might be attempting to deceive.
- The success of CANDI anti-bribery measures depends on all staff, and those acting for CANDI, playing their part in helping to detect and eradicate bribery. Therefore, all staff and others acting for, or on behalf of CANDI are encouraged to report any suspected bribery.
- All staff employed within CANDI have a right and a duty to bring to their manager's attention any matter which they consider to be damaging to the interests of service users, members of the public or other staff.
- These arrangements do not replace organisation procedures for handling complaints, grievances, incident reporting or matters reported through the Whistleblowing Policy.

### 9 CANDI Commitments

CANDI will be an organisation that:

- will uphold all UK legislation relevant to countering fraud, bribery and corruption, including the Bribery Act 2010
- requires staff and persons working on our behalf to act at all times with honesty, integrity, propriety and due care in all matters, but particularly in the safeguarding of the Charity, its associated assets and its reputation.
- strictly prohibits and will not tolerate fraud, acts of bribery or any other form of corrupt behaviour.
- understands and regularly assesses the nature and extent of risks relating to fraud, bribery and corruption.
- ensures by appropriate due diligence that those it does business with share the culture of intolerance to fraud, bribery and corruption.
- dedicates appropriate and sufficient resources to implement and embed procedures and to provide anti-fraud, bribery and corruption training. Staff training sessions include reviews of this and other policies.
- ensures that practical, cost-effective controls and procedures are implemented to proactively identify fraud, bribery and corruption or the threat of fraud, bribery and corruption.
- requires adherence to control processes designed to prevent and detect fraud, acts of bribery and corruption.
- remains alert to the risk of fraud, bribery and other irregularities both within the organisation and in organisations with which CANDI contracts and reports any matters of potential concern.
- recognises that signs of fraud, bribery and corruption in the organisation and/or its supply chain could be an indication of other illegal or unethical activity, such as modern slavery and/or human trafficking.
- promotes an open, honest and questioning culture which encourages propriety and vigilance amongst all staff.
- implements a process that encourages all staff to raise any matter of genuine concern, including to an independent organisation who will treat the call with discretion and confidentiality (refer Whistleblowing Policy)
- takes seriously any breach of this Policy, which may ultimately lead to dismissal via the Charity disciplinary procedure, or for non-employees may result in permanent removal from CANDI sites, and/or be subject to the involvement of the Police and judicial system in the event of and criminal activity.
- reserves the right to recover losses associated with breach of this Policy.
- regularly monitors and audits this policy and all other policies and procedures.

#### Document control

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