



**Prevent.
Deter.
Detect.**

Version Control

Version	Reason for update	Publication Date
V1 – 2019	Creation of new policy	October 2019

1. Introduction

- 1.1. Coast to Capital will not accept any level of fraud, bribery or corruption. We are committed to protecting our assets and are committed to promoting honesty and integrity in all of our activities. Coast to Capital is determined to prevent, deter and detect all forms of fraud, bribery and corruption committed against it, whether by internal or external parties.
- 1.2. Coast to Capital is committed to ensuring all of its business is conducted in an open, honest and fair manner. All staff and third parties working on behalf of Coast to Capital are expected to adopt the highest standards of propriety and accountability, and to play a key role in promoting an anti-fraud culture.
- 1.3. Where fraud is suspected Coast to Capital will take direct action. All cases will be thoroughly investigated and dealt with appropriately. The form of action taken will depend on the level and circumstances of the fraud discovered and may include disciplinary procedures, dismissal and/or criminal prosecution. Coast to Capital will always seek to recover funds lost through fraud.
- 1.4. This policy applies to all staff whether permanent or temporary, and third parties working on behalf of Coast to Capital.

2. Definition of fraud

- 2.1. For the purposes of this policy, fraud is defined as the use of deception (a lie) to deprive, disadvantage or cause loss to another person or party. This can include theft, the misuse of funds or other resources or more complicated crimes such as false accounting and the supply of false information.
- 2.2. The Fraud Act 2006 introduced three main offences. They are as follows:
 - Fraud by false representation - e.g. lying on a CV to obtain employment
 - Fraud by abuse of position - e.g. finance manager uses their position to siphon off funds.
 - Fraud by failing to disclose information - e.g. not declaring an unspent criminal conviction in order to obtain employment.
- 2.3. Other examples of fraud that might occur at Coast to Capital would include:
 - Falsification of expense claims.
 - Theft of cash or other company assets or stock.
 - Falsification of invoices for payment.

- Failure to account for monies or invoices paid.

2.4. An individual who commits fraud will face disciplinary action. We reserve the right to bring civil action and/or criminal prosecution. If found guilty of fraud in criminal court, and individual may receive a custodial sentence of up to ten years.

3. Definition of Bribery

3.1. Bribery is a financial or other advantage that is intended to induce "improper performance" of a position of trust, or a function that is expected to be performed impartially or in good faith. Bribery does not have to involve cash or an actual payment exchanging hands and can take many forms such as a gift (i.e. lavish treatment during a business trip or tickets to an event).

3.2. Bribery does not always result in a loss. The corrupt person may not benefit directly from their deeds; however, they may be unreasonably using their position to give some advantage to another.

3.3. The Bribery Act 2010 provides the four main offences:

- Giving or offering a bribe
- Receiving or requesting a bribe
- Bribing a foreign public official (also known as facilitation payments)
- Negligently failing to prevent a bribe (corporate offence).

3.4. Under the Bribery Act an offence has been committed even if no money or goods have been exchanged, and a bribe has no minimum value.

3.5. It therefore falls to all staff to ensure that they comply with Coast to Capital's policy on declaring gifts and hospitality offered to them in the course of their work.

3.6. Individuals who commit bribery against Coast to Capital may face criminal prosecution, civil action, disciplinary action. If found guilty of bribery, the individual may receive a ten year custodial sentence and unlimited fines.

4. Prevention of fraud

4.1. Coast to Capital operates within a framework of statutes, regulations, codes of conduct and systems and procedures, including the Code of Conduct and the Whistleblowing Policy. These are designed, in part, to prevent fraud and corruption and to enhance accountability. We require all staff and third parties working on our behalf to act in accordance with this framework.

4.2. Coast to Capital has systems and procedures that incorporate robust internal controls designed to minimise the risk of fraud occurring. Managers are required to identify the risks to which systems are exposed (including the risk of fraud), to develop and maintain controls to mitigate and manage the risks and to ensure that such controls are properly complied with. The Corporate Risk Register identifies the risk of fraud, together with the mitigating

actions in place to minimise the risk of fraud occurring. The Internal Audit process reviews the adequacy and effectiveness of internal controls, as part of the annual audit programme, to provide assurance to managers and the Audit Committee.

4.3. Key fraud and bribery prevention measures are:

- Recruitment screening
- Nolan Principles - Seven Principles of Public Life - Annex A
- Gifts and Hospitality Policy
- Travel and Subsistence Policy
- Contract of Employment – Internet Use
- Code of Conduct – Staff
- Code of Conduct - Directors
- Whistleblowing Policy

5. Reporting fraud

- 5.1. Coast to Capital encourages and expects staff and third parties working on our behalf to report incidents of suspected fraud, bribery and corruption immediately. Any delay in reporting suspected fraud, bribery and corruption may result in further losses. Please refer to **Annex 2** for further details and guidance on how to report suspected fraud, bribery and corruption.
- 5.2. In the first instance, staff should normally raise the concern with their Line Manager. If the concern relates to a Line Manager, then staff should raise it with the Chief Executive, and if it relates to the Chief Executive, the concern should be raised with the Chairman of the Board.
- 5.3. Where staff have a difficulty in approaching their own manager, because there is a concern that either management are involved or may not take the matter seriously, they can contact the Chief Executive, Chairman of the Board, or Action Fraud (or other regulatory body).

6. Third parties reporting fraud

- 6.1. Third parties, including the general public, can report concerns through Coast to Capital corporate complaints procedure or contact Katie Nurcombe (Head of Communications and Corporate Affairs) katie.nurcombe@coast2capital@coast2capital.org.uk. If the concern relates to this named member of the team then the concern should be raised with Jonathan Sharrock (Chief Executive) jonathan.sharrock@coast2capital.org.uk. If the concern relates to both of these members of the organisation then the concern should be raised with the Accountable Body Croydon Council - contact Lisa.Taylor@croydon.gov.uk.
- 6.2. They can also report concerns direct to any Coast to Capital team member, who will escalate the concern in line with the Anti-Fraud and Anti-Bribery Policy.

- 6.3. In the event that a person feels unable to raise their concerns direct with Coast to Capital, they may contact Coast to Capital's Accountable Body, Croydon Council- contact Lisa.Taylor@croydon.gov.uk.
- 6.4. Anyone concerned about a wrongdoing that threatens the public interest can seek free, confidential legal help from the charity 'Public Concern at Work'. They operate a helpline on 0207 404 6609, and can be emailed at helpline@pcaw.co.uk.

7. Investigating allegations of fraud

- 7.1. In normal cases it will be the relevant manager, in conjunction with the Chief Executive, who will arrange for an investigation to be undertaken. Matters of a criminal nature will be reported to the Police. We will also notify other relevant agencies, such as employers, as appropriate.

8. Training

- 8.1. Coast to Capital recognises that the success of this anti-fraud and anti-bribery policy depends, to a large extent, on all staff and third parties working on our behalf being aware of Coast to Capital's approach to fraud, bribery and corruption.
- 8.2. Details of our Anti-Fraud and Anti-Bribery Policy are published on our website. In addition, fraud training will be provided to all staff as appropriate.

9. Monitoring fraud

- 9.1. The Audit Committee is responsible for reviewing the arrangements in place by which staff may raise concerns about possible improprieties. As part of this, the Audit Committee will approve the Anti-Fraud and Anti-Bribery Policy.
- 9.2. Any action taken by Coast to Capital in connection with suspected fraud, bribery or corruption will be reported to the Audit Committee.

10. Supporting policies

- 10.1. The Anti-Fraud Policy is supported by the following policies and procedures. These policies can be found on our website unless specified otherwise:

- Whistleblowing Policy
- Code of Conduct – Directors
- Code of Conduct – Staff
- Gifts and Hospitality Policy
- Contract of Employment – Internet Use (not published)
- Travel and Subsistence Policy (not published)

Annex 1 - Seven Principles of Public Life

Underpinning the anti-fraud culture are the Seven Principles of Standards in Public Life. The principles apply equally to staff and third parties working on our behalf, and are:

Selflessness - holders of public office should take decisions solely in terms of the public interest. They should not do so to gain financial or other material benefits for themselves, their families or friends.

Integrity – holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their official duties.

Objectivity – in carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards or benefits, holders of public office should make choices on merit.

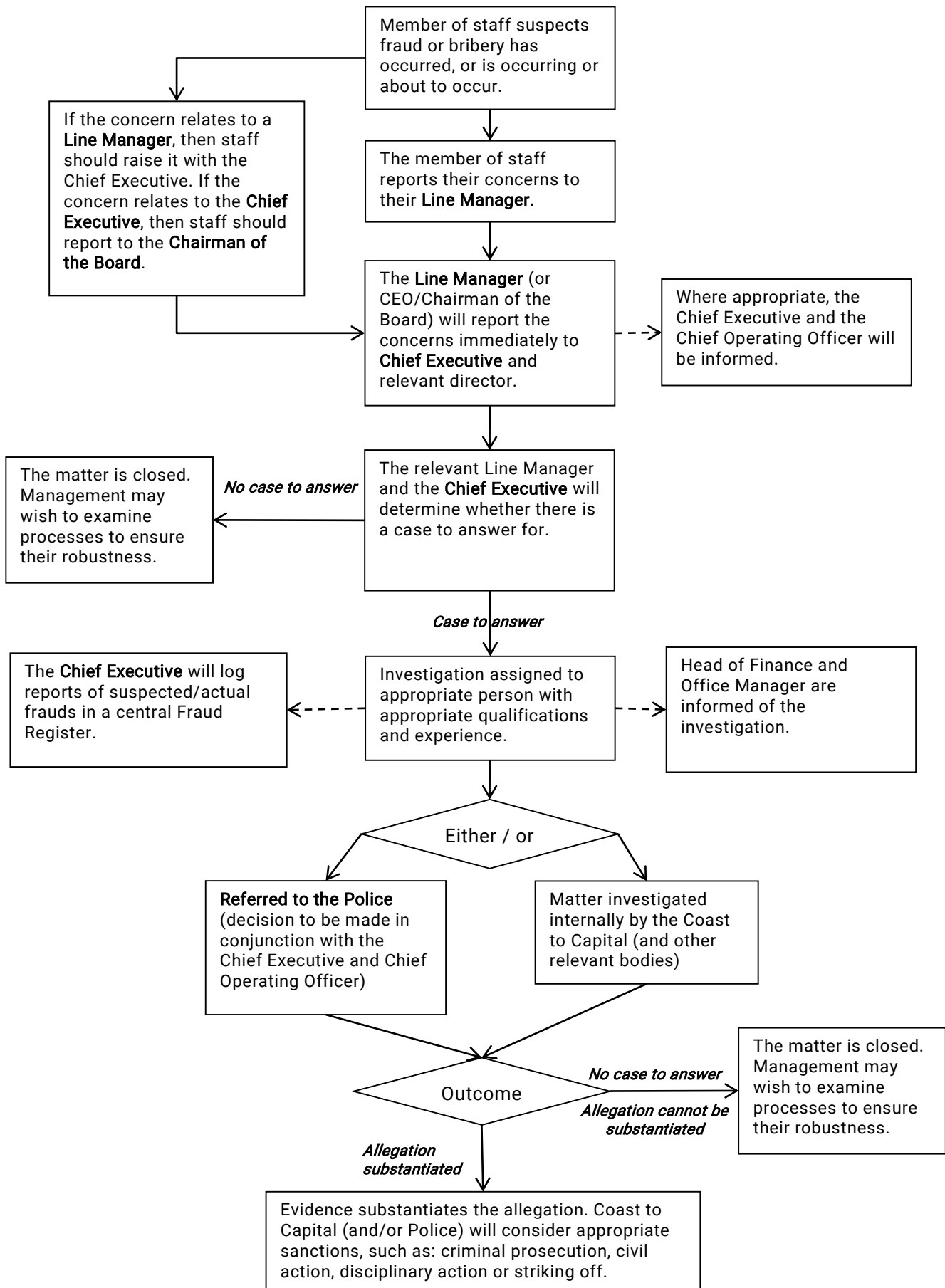
Accountability – holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever public scrutiny is appropriate to their role.

Openness – holders of public office should be as open as possible about all the decisions and actions they take. They should give clear reasons for their decisions and restrict information only when the wider public interest (or legislation) demands.

Honesty – holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership – holders of public office should promote and support these principles by leadership and example.

Annex 2 - Reporting Fraud Process Map and Guidance



The following is guidance for individuals who suspect bribery and corruption

Do:

- Stay calm – remember you are a witness not a complainant
- Write down your concerns immediately – make a note of all relevant details such as what was said in 'phone or other conversations, the date, the time and the names of anyone involved
- Do report your concerns as soon as possible (**see flowchart**), as any delay may cause the Coast to Capital to suffer further financial loss. We encourage you to raise your concerns - the Public Interest Disclosure Act 1998 protects employees who have reasonable concerns. You will not suffer discrimination or victimisation by following the correct procedures.

Don't:

- Do not investigate the matter yourself. Attempting to gather evidence yourself (unless it is about to be destroyed) may result in it becoming inadmissible and prejudice any criminal investigation. The gathering of evidence must be done in line with legal requirements in order for it to be admissible in court.
- Do not approach the person involved (this may lead to him/her destroying evidence)
- Do not discuss your suspicions or with anyone other than those persons referred to above unless specifically asked to do so by them. Confronting the suspect or conveying concerns to anyone other than those authorised, could the suspect or lead to an innocent person being unjustly accused
- Do not use the process to pursue a personal grievance
- Don't do nothing!

Remember:

- You may be mistaken or there may be an innocent or good explanation – this will come out in the investigation
- The process may be complex and protracted. Investigations are carried out in confidence on a need to know basis. You will be updated as an when it is appropriate to do so; do not be alarmed if you have not heard anything from the investigators.

