



## ANTI-FRAUD POLICY

### Introduction

As a UK registered charity, ACU undertakes to comply with UK law relevant to countering fraud under the Fraud Act 2006.

The purpose of this document is to provide ACU's policy on fraud and set out our responsibilities for its prevention.

### Who is covered by this Policy?

This policy applies to the trustees, employees, third parties, partners, consultants and all other individuals and companies working within or on behalf of ACU.

The ACU is committed to the prevention of fraud and the promotion of an anti-fraud culture. The ACU operates a zero-tolerance attitude to fraud and requires all staff, members of Council, applicants for and recipients of ACU grants and suppliers and any other related third parties to always act honestly and with integrity, to be aware of, and to report all reasonable suspicions of fraud, in all its forms.

The ACU will investigate all instances of actual, attempted, and suspected fraud committed by staff, members of Council, applicants for and recipients of ACU grants and suppliers and other third parties and will seek to recover funds lost through fraud. ACU will make every endeavor to ensure that perpetrator(s) are subject to appropriate disciplinary action, including legal action and will make every attempt to recover any losses in full.

This policy is approved by the ACU's Audit and Risk Committee.

### Definition of Fraud

'Fraud' is a broad term commonly used to describe the use of deception to deprive, disadvantage or cause loss to another person or party, or secure unwarranted personal gain.

Fraud covers a wide range of activities and involves the intention to act dishonestly. In essence, fraud can be defined as:

1. Wrongful or criminal deception intended to result in personal gain, financial or otherwise; and
2. A person or thing intended to deceive others, typically by unjustifiably claiming or being credited with accomplishments or qualities
3. Causing the loss, or risk of loss to ACU

Examples of fraud at the ACU could include, but are not limited to:

- Fraudulent expense claims
- Not declaring absences from work
- Failing to return ACU resources (e.g., cash advances, mobile phones, laptops, or other equipment)
- Partners claiming falsely to have undertaken paid contracted work



- Scholar fraudulently claiming tuition fees
- Abusing your position, if you have a duty to protect the financial interests of ACU and you fail in this for the purpose of your own gain to cause loss to ACU
- Providing false documents (e.g., accounting) which you know are misleading
- Payroll fraud
- Recruitment and appointment fraud

ACU reserves the right to decide what specific circumstances constitute to fraud, provided it falls within the meaning of the Fraud Act 2006.

Individuals can be prosecuted under three main offences of fraud under the Fraud Act 2006, all of which carry a maximum sentence of 10 years and/or an unlimited fine if they:

- make a false representation
- fail to disclose information
- abuse their position at ACU

## Who is responsible for this Policy

The Council has overall responsibility for ensuring that this anti-fraud policy is appropriate and adequate in minimizing the risk of fraud and that they lead by example in establishing a culture of abhorrence of fraud in any form throughout the ACU.

Audit and Risk Committee through its delegated responsibilities from Council is responsible for:

- Regularly reviewing this anti-fraud policy statement and compliance to ensure it remains effective and relevant.

The Leadership Team is responsible for:

- Investigating all allegations of fraud and pursuing appropriate action, including legal action.
- Developing, implementing, and maintaining adequate systems of internal control to prevent and detect fraud.
- Ensuring that the ACU's reputation and assets are protected against fraud.
- Reporting to Audit and Risk Committee on all aspects of fraud risk management including known or suspected fraud.
- Monitoring compliance with internal controls and agreed policies and procedures.

All staff are responsible for:

- Assisting in the investigation of suspected fraud.
- Adhering to the terms of this policy, being aware of the risk of fraud and reporting instances of suspected fraud and/or non-compliance with this policy.

## Reporting a Suspicion of Fraud

### 1. Initial Response



Report concerns about actual, attempted, or suspected fraud (whether perpetrated by ACU staff or by a third party) to any member of the ACU's Leadership Team without delay. Individuals should not attempt to investigate any fraud themselves.

No investigations should be undertaken by an ACU staff member from outside the Leadership Team, unless explicitly permitted. This would be counterproductive to the investigative process, duplicate work, and hamper efforts to promote an independent and transparent process.

The Leadership Team will then make an initial assessment to the level of seriousness by completing an initial response form (*\*Appendix 1 – Initial Risk Assessment Response*).

## **2. Risk Escalation**

At any time during an investigation, the initial risk status may escalate or de-escalate at which time the Leadership Team should update their version of *Appendix 1*.

All amber and red incidents should be reported to the Chief Finance Officer. The CFO will convene the group, allocate investigators, and address further actions as appropriate.

If a case is further escalated for investigation, the relevant Leadership Team member or nominated staff member(s) involved in the investigation should complete (*\*Appendix 2 – Further investigation*).

The CFO will notify the Chair of the Audit and Risk Committee.

### Police involvement

Depending on the type of fraud, an incident may need to be reported to the police, but this decision lies with the Leadership Team depending on the seriousness of the fraud and there should be an element of realism as to the likely extent of police involvement. In some cases, certain fraudulent cases may involve the police initiating their own investigation.

All evidence collected by the ACU must be retained to hand over to the police in case of involvement. All contact with the police should be channeled through one person at the ACU who should remain the same until the case is concluded.

### Reporting offences to the Charity Commission

ACU will report serious incidents to the Charity Commission. A serious incident is an adverse event, whether actual or alleged, which results in or risks significant:

- loss of a charity's money or assets
- damage to a charity's property
- harm to a charity's work, beneficiaries, or reputation

If a serious incident takes place, the trustees need to report to the Commission what happened using the email [RSI@charitycommission.gsi.gov.uk](mailto:RSI@charitycommission.gsi.gov.uk) and explain how they are dealing with it. This is the case even if the incident has already been reported to the police, donors or another regulator.

### Reporting offences to other national fraud entities



Any member of the investigating team, with the permission of the CEO, may choose to report the fraud to the following organisations:

- **National Fraud Authority (NFA)** - involved in gathering intelligence and taking action against fraudsters intent on stealing money and identities.
- **Action Fraud** –talk to a fraud specialist who will provide help and advice.

### 3. Investigation and Evidence

The investigation process will vary according to the circumstances of the case. The Leadership Team reserves the right to appoint a relevant staff member(s), to investigate the alleged fraud case, which may include external specialists as deemed appropriate to follow through the case.

Any member of staff who is asked to join an investigation at ACU will be required to do so with immediate effect. All staff are expected to cooperate with any investigation, where required. Anyone involved in the investigation must ensure the case details in its entirety are always kept confidential.

In all cases, a relevant staff member who forms part of the investigation must complete *'Appendix 2'* as relevant during the case progression.

The Leadership Team will determine what immediate action should be taken, for example, whether the matter should be immediately reported to the police and how the investigation will proceed.

#### Accused individual (ACU staff)

ACU will follow their standard and established disciplinary procedures against any staff member who we believe has committed fraud, which can be found in the staff handbook. It will be investigated under these procedures and will normally lead to dismissal if proven. The investigators will ensure that:

- Evidence requirements are met during any fraud investigation
- Staff involved in fraud investigations are familiar with and follow rules on the admissibility of documents and other evidence which would become relevant in criminal proceedings
- Where required, external forensic services (such as IT) meet evidentiary requirements and standards, such as those relating to continuity of evidence

#### Accused funder / supplier / consultant (third party)

Post consultation with the CFO and the Chair of Risk and Audit Committee, notification to the relevant third-party organisation about actual or suspected fraud will commence where necessary. ACU will refer to its contractual obligations with the accused third party with regards to their various contracts and guidelines. The relevant protocols for third parties must be followed, and ACU investigators must refer to additional related policies as required (for example anti-bribery and corruption, where relevant).

If there are any doubts, the Leadership Team and Audit and Risk committee should seek advice



from the Company Solicitor and the CFO. The Chair of Audit and Risk and/or CFO may wish to seek external legal advice.

#### Media Enquiries

Any media enquiries should be agreed by the CEO, Chair of Audit and Risk Committee, and Leadership Team.

Enquiries from the media in respect of any case of fraud should be referred to the Director of Strategic Communications (and in their absence the Chief Executive Officer or somebody nominated who is qualified and able to make a statement to the media).

#### **4. Recovery of losses**

Recovering losses is a major objective of any fraud response investigation and ACU will ensure it takes all the necessary steps to recover losses in full. Those investigating the incident should ensure that the amount of any loss is quantified.

Repayment of losses should be sought in all cases. Where the loss is (potentially) substantial, legal advice should be obtained without delay about the need to freeze an individual's assets through the courts pending the conclusion of the investigation.

Legal advice should also be sought about the prospects for recovering losses through the civil court in circumstances where the perpetrator(s) refuse repayment.

ACU would normally expect to recover costs in addition to losses. The ACU's insurers should be involved in such cases.

#### **Review, action on findings and conclusion**

On completion of the investigation, the Leadership Team should review and discuss:

- A description of the incident, including the value of any loss, the people involved and the means of perpetrating the fraud (*Appendix 1 and 2 will be sufficient in reviewing and recording the completion of the case*)
- Actions taken to prevent recurrence
- A plan detailing any recommendations and actions (with timings) required to strengthen future fraud responses
- Implementation of any amendments or recommended course of action

#### **PIDA 1998**

The Public Interest Disclosure Act 1998 protects employees who raise concerns about certain matters of public interest in good faith. Staff can obtain free independent advice from the charity Public Concern at Work on 020 7404 6609 ([www.pcaw.org.uk](http://www.pcaw.org.uk)).

|                            |           |
|----------------------------|-----------|
| <b>Date of last review</b> | June 2025 |
| <b>Date of next review</b> | June 2028 |



Policy owner

Compliance



**APPENDIX 1 – Initial Risk Assessment Response**

*(To be completed by Leadership Team or nominated person)*

**Section 1 – Summary**

|   |   |
|---|---|
| Suspected or actual fraud allegation details: | <i>Enter summary of what has been reported (include names of person(s) and/or companies/entities involved)</i>  |
| Type of fraud:                                | <i>i.e. academic, financial (one word is sufficient)</i>  |
| Value of loss:                                | <i>Explain/describe what was lost or compromised</i>  |
| Reported by:                                  | <i>Enter staff name or leave anonymous if requested</i>   |
| Date reported to Compliance:                  | <i>Enter date compliance was informed</i>   |
| Method of communication                       | <i>How did the staff member alert compliance i.e., email, private conversation</i>                              |
| Reported to SLT                               | <i>Enter date this was flagged to SMT and name of person(s) or email (if group email) that this was sent to</i> |

**Section 2 – What risk status is this fraud case? - RED/AMBER/GREEN (delete 2)**

| RISK STATUS/REVIEW | DESCRIPTION  |
|--------------------|--|
| RED                | Serious incident that requires escalation to the Leadership Team.  |
| AMBER              | Has the potential to be serious incident but requires further investigation prior to possible escalation and notification to the Leadership Team.                                      |
| GREEN              | Is not deemed serious or time sensitive. Expected outcome poses no risk to staff, property or company reputation. Does not require notification to the Risk Management Incident Group. |

**Section 3 – Next steps – what course of action have you taken?**

*Based on the risk review in Section 2, please list the appropriate action you are planning to, or have taken?*

**Section 4 – Completed by (SLT only)**

|              |  |
|--------------|--|
| <b>Name:</b> |  |
| <b>Date:</b> |  |



**APPENDIX 2 – Further investigation**

Following on from the fraud allegation committed by (enter name who fraud is in relation to OR entity/company/third party) in relation to (summary of the allegation), reported on (complete date) the following staff members have been nominated to lead and conduct the investigation:

| Name | Position | Role in investigation                                       |
|------|----------|---|
|      |          | <i>i.e. lead investigator, assistant, evidence collator</i> |
|      |          |   |
|      |          |   |
|      |          |   |

| Type of Evidence collected   | Collected on      | Additional information   |
|------------------------------|-------------------|--|
| <i>i.e. fake certificate</i> | <i>Enter date</i> | <i>Enter anything relevant about this piece of evidence for example, where can this be found, how many copies were made etc.</i> |
|                              |                   |  |
|                              |                   |  |
|                              |                   |  |

| Action   | Date   | Description (Additional information)  |
|--|--|---|
| <i>i.e. disciplinary hearing, reported to police</i>         |  | <i>Enter anything relevant about this type of action taken, i.e. who it was conducted by and what was discussed</i> |
|  |  |   |
|  |  |   |
| <i>Keep adding lines at every stage until case is closed</i> | <i>Keep adding lines at every stage until case is closed</i> | <i>Keep adding lines at every stage until case is closed</i>  |

**Conclusion**

|               |                              |
|---------------|------------------------------|
| Decision made | <i>What was the decision</i> |
| Decided by    |                              |
| Date          |                              |

Signed by CFO to confirm the above further investigation is satisfactory and now concluded

Signed.....

Date.....