



ACE RECRUITMENT

S O U T H W E S T

BRIBERY AND ANTI-FRAUD POLICY

Bribery Introduction

This policy is to inform Employees of the Bribery Act 2010 and ACE's guidelines in actively reinforcing its principles of openness and honesty in all its dealings, in keeping with its status as a UK Business.

What is 'bribery'? Simply, it is defined as giving someone a financial or other advantage to induce that person to perform his/her functions or activities improperly or to reward that person for already having done so. Offences under the Act cover giving a bribe or receiving one. It includes you or any of your immediate family.

Principles of the Bribery Act

The policy of ACE is actively to adopt the 6 guiding principles of the Act set out below and apply them to ACE's activities. In so doing, it is recognised that ACE, as a small environmental charity operating within the UK, is not likely to face many situations that will give rise to bribery. In addition, ACE has an embedded set of best practice procedures arising from conflicts of interest. The principles are:

- (1) Proportionality
- (2) Top Level Commitment
- (3) Risk Assessment
- (4) Due Diligence
- (5) Communication
- (6) Monitoring and Review

Proportionality

Bona fide hospitality and promotional expenditure that seeks to improve the image of ACE, better to present its services or establish cordial relations, is recognised as an established and important part of doing business. For example, the giving or receiving of a cup of tea is not intended to be criminalised.

In a practical sense, a good underlying guide on proportionality is for the Employee to ask him/herself if he/she would be happy for the case in question to be published in a newspaper as an allegation of bribery. If the answer is 'No', the Employee should not do it.

Top Level Commitment

By definition, an act of bribery distorts that trust and the loss of reputation resulting from publication of wrongdoing is a major risk to the sustainability and even existence of ACE. It is therefore critical for all



ACE RECRUITMENT

S O U T H W E S T

Employees to be aware of the ramifications and, if there is any doubt on the bona fide nature of their dealings, immediately to report it to the Managing Director.

Risk Assessment

The main areas of concern to ACE are considered to be:

(a) Hospitality

Any hospitality beyond normal courtesy refreshments must be reported to the Managing Director as soon as practicable and authorised.

(b) Gifts or Discounts from Suppliers

Any promotional gifts or personal discounts received should be reported as above. In general, promotional gifts should be raffled for charity or shared amongst staff.

(c) Favourable treatment of, or from, Contractors

ART is reliant on building good relationships with contractors for many of its activities. This is not intended to restrict those relationships, provided that all transactions are at arms' length, they represent good value and are in the best interests of ACE. Employees should ensure compliance with ACE's procurement policy and any deviation or concern should be reported and authorised.

Due Diligence, Communication, Monitoring and review

Because the risk of bribery in respect of ACE is relatively low, it is not considered necessary for ACE to operate a specific Due Diligence process or a formal Communication/Training programme.

As a business, it is believed that issues relating to potential pitfalls or acts of bribery can be adequately dealt with by:

- Continual review and discussion of specific issues of concern at Employee Meetings.
- Review bribery as part of the wider annual risk review undertaken by, the senior management team.

Conclusion

To be clear, ACE operates a zero-tolerance policy in respect of acts of bribery.

Acts of bribery are acts of gross misconduct and will result in the loss of the Employee's job and legal action being taken against the Employee, which could lead to a custodial sentence.

In case of conflict of interest, or potential conflict, it should always be dealt with by a Board Minute and be in accordance with law.

Anti-Fraud Introduction

We comply with applicable legislation, including the Fraud Act 2006 and the Criminal Finances Act 2017, and other regulatory requirements and applicable guidance.



ACE RECRUITMENT

S O U T H W E S T

We are committed to developing an anti-fraud culture and to conducting business fairly, openly and honestly and in accordance with the highest ethical and legal standards. We will continually strive to ensure that all our financial and administrative processes are carried out and reported honestly, accurately, transparently and accountably and that all decisions are taken objectively and free of personal interest. We will not condone any behaviour that falls short of these principles.

This policy is to inform Employees of Ace stance on fraud and its approach to preventing, detecting, investigating and reporting such offences.

Scope

We require all staff, those receiving funds from it and/or representing it, including its suppliers, partners, contractors and agents, to act in accordance with this policy and maintain the highest levels of integrity. This includes reporting to the Managing Director any suspected or actual instances of fraud involving Trust assets or staff.

Risk and Internal Control Systems

We will seek to assess the nature and extent of its exposure to the risks of internal and external fraud. It will regularly review these risks, using information on actual or suspected instances of fraud to inform its review.

We will seek to put in place efficient and effective systems, procedures and internal controls to: encourage an anti-fraud culture; prevent and detect fraud; and reduce the risks to an acceptable level. We will regularly review and evaluate the effectiveness of our systems, procedures and internal controls for managing the risk of fraud.

We will seek to equip its staff 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 fraud, and of their responsibilities in preventing, detecting, and reporting it.

Conflicts of interest are known to increase the risk of fraud therefore all staff who have an interest in an actual or potential supplier, grant recipient, partner, contractor or agent (whether personally, or through family members, close friends or associates) must report that conflict of interest to the Managing Director.

We will make sure all those receiving representing Ace, including its suppliers, contractors and agents aware of this policy.

Where required and whenever possible ACE will work with relevant stakeholders, including other relevant regulators to tackle fraud.



ACE RECRUITMENT

S O U T H W E S T

Reporting Actual or Suspected Fraud

All staff, have a responsibility for putting the principles of this policy into practice and for reporting any breaches they discover.

ACE has a 'zero tolerance' policy towards fraud and will always seek to take disciplinary and/or legal action against those found to have perpetrated or assisted with fraudulent or other improper activities, and those who become aware of it and do not report it. For staff, this will include disciplinary action and may include dismissal. In addition to taking disciplinary and/or legal action we will also seek to recover any assets lost through fraud.

We require all staff to immediately report any incidents or suspicions of fraud to their line manager and or the Managing Director. ACE will never 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.

We will maintain a system for recording: all reports of actual or suspected fraud; the action taken; and the outcome of any investigation. It will use this information to inform its review of the risks and the effectiveness of its controls.

We will fully meet its obligations to report fraud to third parties, including the Action Fraud, the Police and any other organisation and/or regulator deemed necessary e.g. professional bodies. The Managing Director is responsible for making these reports.

Investigation

The Trust will take all reports of fraud seriously and will investigate proportionately and appropriately to obtain sufficient evidence to make an informed judgement on the existence of fraud.

Responsibilities

We require all staff to act honestly and with integrity at all times and to safeguard the resources for which they are responsible.

In relation to the prevention of fraud, specific responsibilities are as follows:

a) Directors:

The Directors are ultimately responsible for establishing and maintaining a sound system of internal control that supports the achievement of the Trust's policies, aims and objectives.

The system of internal control is designed to respond to and manage the whole range of risks which the Company faces.

- Overall responsibility for managing internal controls and the risk of fraud has been delegated to the Managing Director.
- The day-to-day responsibility for internal controls and the prevention of fraud has been delegated to the Managing Director.



ACE RECRUITMENT

S O U T H W E S T

The Managing Director responsibilities include:

- Undertaking a regular review of the fraud risks facing the Business.
- The design of an effective control environment to prevent fraud;
- Establishing appropriate mechanisms for:
 - recording all instances of actual or suspected fraud and ensuring that they are investigated proportionately and appropriately and reported to external parties.
 - reporting fraud risk issues.
 - reporting significant incidents of fraud or attempted fraud to the Management Board.
- Liaising with the Trust's appointed Auditors.
- Making sure that all staff are aware of the Company's Anti-Fraud Policy and know what their responsibilities are in relation to combating fraud;
- Ensuring that appropriate anti-fraud training is made available to staff as required; and
- Ensuring that appropriate action is taken, including implementing new controls, to minimise the risk of previous frauds occurring in future.

c) Management Team THIS SECTION WILL ONLY BECOME RELEVANT WHEN WE ESTABLISH A MANAGEMENT TEAM

The Management Team is responsible for:

- *Ensuring that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively.*
- *Preventing and detecting fraud as far as possible.*
- *Assessing the types of risk involved in the operations for which they are responsible.*
- *Reviewing the control systems for which they are responsible regularly.*
- *Ensuring that controls are being complied with and their systems continue to operate effectively.*
- *Implementing new controls to reduce the risk of previous frauds occurring in future.*

d) Staff

Every member of staff is responsible for:

- Conducting themselves with selflessness, integrity, objectivity, accountability, openness, honesty and leadership.
- Being alert to the possibility that unusual events or transactions could be indicators of fraud.
- Alerting their manager when they believe the opportunity for fraud exists e.g. because of poor procedures or lack of effective oversight.
- Reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events; and
- Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.

Approved by The Directors Ace Recruitment 3rd June 2022



ACE RECRUITMENT

S O U T H W E S T

APPENDIX 1

Applicable Legislation

The relevant legislation in the UK is The Fraud Act 2006.

The Fraud Act 2006 defines a general offence of fraud and sets out three ways by which fraud can be committed:

- fraud by false representation. A representation is false if it is untrue or misleading, and the person making it knows that it is, or might be, untrue or misleading;
- fraud by failing to disclose information;
- fraud by abuse of position. This applies to those occupying a position in which they are expected to safeguard, or not to act against, the financial interests of another person.

In each case, the offence is to act dishonestly with the intention of making a gain for oneself or another or causing a loss, or risk of loss, to another. The criminal act is the attempt to deceive and attempted fraud is therefore treated as seriously as accomplished fraud.

Examples of Fraud Relevant to the Trust

Procurement fraud:

- Staff colluding with suppliers and ordering and paying for goods or services that are not required and / or have not been delivered or are charged at an excessive rate.
- Staff or third parties creating false invoices, receipts, purchase orders or supplier identities in order to obtain payment for goods and services that have not been supplied.
- Staff awarding a contract, or preferential terms, to a supplier in return for payments, personal discounts, commission or other benefits; or awarding a contract to a relative or other connected party.
- Fraudulently altering documents or records:
- Grant recipients not spending grant funds on purposes intended, or keeping funds for personal use, and falsifying records to support false claims.
- Staff issuing false receipts to customers in order to keep the funds paid for personal use.
- Staff or third parties altering supplier payment details to divert supplier payments to own bank account.
- Staff fraudulently altering accounting records.

Expenses fraud:

- Staff claiming expenses or allowances to which they are not entitled, including by falsifying receipts.
- Staff or contractors falsifying travel and subsistence or other expense claims.

Fraud involving impersonation:

- Staff or third parties impersonating the Trust (acting as a representative of the Trust without authority) in order to extract fees for services that are not passed on to the Trust.
- Staff or third parties submitting false applications for grants.



ACE RECRUITMENT

S O U T H W E S T

Payroll fraud:

- Staff creating non-existent employees for directing payments.
- Staff or temporary staff making false or inflated claims for overtime or flexible working.