



Phoenix Community Care Ltd Foster Care Agency Policy & Procedure

0209 - FRAUD, MALPRACTICE & BRIBERY POLICY

Version	Written	Updated/ Reviewed	Scheduled Review Date	Author/ Reviewer	Approving Body	Date Approved
1	Oct 2013		Oct 2014	J A Coates	PCC Directors	5.2.14
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1. Background

This policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud, malpractice and bribery against Phoenix Community Care Foster Care Agency. It is the intent of PCC Foster Care Agency to promote consistent organizational behaviour by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

2. Scope of Policy

This policy applies to any irregularity, or suspected irregularity, involving employees as well as shareholders, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with PCC Foster Care Agency.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title or relationship to PCC Foster Care Agency.

3. Policy

Management is responsible for the detection and prevention of fraud, misappropriations, bribery, and other irregularities.

Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any irregularity that is detected or suspected must be reported immediately to the Directors, who co-ordinates all investigations.

4. Actions Constituting Fraud

The terms defalcation, misappropriation, and other fiscal irregularities refer to, but are not limited to:

- Any dishonest or fraudulent act
- Misappropriation of funds, securities, supplies or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of company activities
- Disclosing confidential and proprietary information to outside parties
- Disclosing to other persons securities activities engaged in or contemplated by the company
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the Company.
Exception: Gifts less than £50 in value

- Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment; and/or
- Any similar or related irregularity

5. Actions constituting Bribery

Under the Bribery Act 2010, a bribe is a financial or other type of advantage that is offered or requested with the:

- Intention of inducing or rewarding improper performance of a function or activity; and
- Knowledge or belief that accepting such a reward would constitute the improper performance of such a function or activity

6. Investigation Responsibilities

The Directors have the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. If the investigation substantiates that fraudulent activities have occurred, the Directors will issue reports to appropriate designated personnel, and if appropriate, to the Board of Directors.

7. Confidentiality

The Directors treat all information received confidentially. Any employee who suspects dishonest, fraudulent activity or bribery will notify the Directors immediately and should not attempt to conduct investigations or interviews/interrogations related to any suspected inappropriate behaviour (see **Reporting Procedure** section below).

Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the Company from potential civil liability.

8. Authorisation for Investigating Suspected Fraud or bribery

Members of the Investigation Unit will have:

- Free and unrestricted access to all Company records and premises, whether owned or rented; and
- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation

9. Reporting Procedures

Great care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way.

An employee who discovers or suspects fraudulent activity will contact the Directors immediately. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her solicitor or representative, or any other inquirer should be directed to The Directors. No information concerning the status of an investigation will be given out. The proper response to any inquiries is: "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation", "the crime", "the fraud", "the forgery", "the misappropriation", or any other specific reference.

The reporting individual should be informed of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution
- Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the Directors

10. Termination

If any investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the designated representatives and if necessary by outside counsel, before any such action is taken. The decision to terminate an employee is made by the Directors.