

## Vision for a Nation – Fraud & Whistleblowing Policy

Version	Date	Comments
VFAN Fraud & Whistleblowing Policy v.1	13/01/2020	

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## 1. Fraud Policy: Introduction

For the purposes of this Policy and all VFAN policies, “Country Manager” refers to the most senior member of VFAN staff in the country office and “Finance lead” refers to the most senior member of VFAN finance staff in the country office.

The term fraud is used to describe a range of activities such as deception, forgery, extortion, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. Fraud involves an act of deceit in order to obtain a personal or collective advantage, avoid an obligation or cause loss. It is important that we have mechanisms in place to reduce the likelihood of fraud and to increase the likelihood of fraud detection should fraud take place.

## 2. Policy Aims

It is our policy to conduct all of our business in an honest and ethical manner and we take a zero-tolerance approach to fraud. We are committed to acting professionally, fairly and with integrity in our business dealings and relationships wherever we operate and to implementing and enforcing effective systems to counter fraud.

The purpose of this policy is to:

- Set out our responsibilities, and of those working for us and with us, in observing and upholding our position on fraud.
- Provide information and guidance to those working for us and with us on how to recognise and deal with fraud issues.

## 3. Examples of Fraud

Some of the most common types of fraud are:

- False accounting.
- Claiming non-existent, inflated or inappropriate expenses.
- Withdrawing cash directly from a bank account for personal use, using cheques without authorisation or setting up direct debits and standing orders to transfer funds to a personal bank account.
- Misusing internet banking for personal expenditure.
- Creating false invoices, purchase orders or supplier identities to obtain payment for goods or services not supplied.
- Submitting false applications for grants or other benefits.
- Creating non-existent beneficiaries or employees for directing payments for personal benefit.
- Personal use of charity property such as vehicles.
- Intercepted cheques or other income being paid into personal accounts.

- Using the name or logo of the organisation in correspondence or on materials for the purpose of deception or personal gain.
- Awarding a contract to a supplier on preferential terms in return for payment, personal discounts, commission or other benefits.

## 4. Responsibilities

Sound financial management and effective internal control will help to prevent the occurrence of any type of fraud.

### 4.1 Responsibilities of all staff members

Your responsibilities are to:

- Respect VFAN's assets and resources and comply with this policy.
- Alert the Country Manager or HoFO where you believe the opportunity for fraud exists.
- Report any suspected or actual fraud and any suspicious acts or events which might give rise to a suspicion of fraud.
- If for any reason you do not feel able to report suspected fraud to the Country Manager or HoFO, inform the CEO.
- Assist in any investigations by making available all relevant information and by cooperating in interviews.

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct.

### 4.2 Managers' responsibilities

The day to day responsibility for the prevention and detection of fraud rests with line managers who are responsible for:

- Developing and maintaining effective controls to prevent fraud.
- Ensuring that if fraud occurs, a vigorous and prompt investigation takes place.
- Taking appropriate disciplinary action with the support of the HoFO and CEO.
- With the approval of the CEO, taking legal action, where justified.
- Reviewing systems and procedures to prevent similar fraud taking place.

### 4.3 Responsibilities of the Head of Finance and Operations (HoFO)

The responsibilities of the HoFO are to:

- Establish the internal control system designed to counter the risk of fraud and ensure the adequacy and effectiveness of this system.
- Ensure there are arrangements in place for investigation of all suspected / alleged fraud.
- Maintain a record of any fraud perpetrated.
- Report cases of fraud to the CEO and the VFAN Board of Trustees.
- At the request of the VFAN Board of Trustees, carry out investigations into suspected or alleged fraud where there is a significant risk to VFAN's reputation.

## 5. How to raise a concern

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage so as to minimise damage and prevent further loss.

If you are unsure whether a particular act constitutes fraud, or if you have any other queries, these should be raised with the Country Manager, the CEO or HoFO.

## 6. Consequences

VFAN takes any attempt to commit an act of fraud seriously. Employees involved in fraud of any kind will be subject to disciplinary action within the organisation and may be reported to external authorities for criminal prosecution.

## 7. Whistleblowing Policy: Introduction

Employees who raise concerns or report another's wrongdoing are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith, even if they turn out to be mistaken.

This section of the manual describes procedures for handling allegations of malpractice, commonly referred to as whistleblowing. The procedures are designed to assist in investigating a complaint by any person about any of the matters set out below, whether in respect of VFAN itself or about an individual or individuals:

- Administrative malpractice (financial or non-financial) including misuse of company assets, theft, siphoning of funds, awarding contracts unfairly, tax irregularities
- Suppression or concealment of any information relating to any of the above.

It should be noted that no detrimental action of any kind will be taken against a person within the organisation who makes a complaint of the nature described above, provided that it is done without malice and in good faith, reasonably believing it to be true. Detrimental action includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

If you believe that you have suffered any such treatment, you should inform the Country Manager or HoFO immediately. If the matter is not remedied, you should raise it formally using our grievance procedure.

A malicious or vexatious complaint can, however, result in disciplinary action against the person making the complaint.

In the UK, members of staff have statutory protection in respect of any whistleblowing provided that they comply with the relevant provisions of the Public Interest Disclosure Act 1998.

## 8. Whistleblowing Procedures

Any allegations raised under the whistleblowing procedures should be submitted in writing, marked private and confidential, to the Country Manager, unless he/she is the subject of the allegation or is in some way implicated in it.

If an allegation involves the Country Manager, the allegation should be made to the HoFO.

All allegations of administrative malpractice will be investigated immediately by HoFO or the CEO and their conclusions will be reported to the Board of Trustees.

In all cases where an allegation, if judged to be true, has been made, the HoFO will acknowledge its receipt and keep a record of action taken.

The person or persons against whom an allegation is made must be informed of the allegation and the evidence supporting it and must be allowed to comment before the investigation is concluded.

All allegations, including those dismissed after preliminary examination, and the results of their investigation must be reported to the Board of Trustees. The outcome of all allegations must also be reported to the complainant.

VFAN will take all reasonable steps to protect the identity of the whistleblower. No information will be divulged to external authorities, unless required to do so by law, without the permission of the whistleblower. Alternately, a whistleblower can raise concerns anonymously. Raising concerns anonymously is discouraged as it limits the ability of the whistleblower to receive feedback for his/her concern.

Provided that the allegation has been made lawfully, without malice and in the public interest, the employment position of the person making it will not be adversely affected by reason of making the allegation.

## 9. Review of this Policy

This policy will be reviewed by VFAN's Senior Management Team on an annual basis, with any changes approved by the Board of Trustees, and with ownership of updates resting with the Head of Finance and Operations.

## Annex A – Fraud and Whistleblowing Policy Compliance Form

I have received and been briefed on the VFAN Fraud and Whistleblowing Policy and fully understand my responsibilities to comply with the Policy.

Name	
Position within VFAN	
Signature	
Date	