



## The Black Horse Community Group Limited (the “Society”) Anti-fraud policy and procedures

### 1. Introduction

This document sets out the policy and procedures of the Society against fraud and other forms of dishonesty.

It applies to Members, members of the Management Committee, employees and volunteers. The Society will not accept any level of fraud and other forms of dishonesty and will treat any such matter with the utmost seriousness. Anybody associated with the Society who commits fraud, theft or any other dishonesty, or who becomes aware of it and does not report it to the Society, will be subject to appropriate disciplinary action.

This policy should be read in conjunction with the following Society documents:

- BHCG Code of Conduct for management committee members
- BHCG Roles and Responsibilities for management committee members
- BHCG GDPR Policy and procedures
- BHCG Society Rules
- BHCG Disputes and complaints procedures

### 2. Statement of intent and responsibilities

The Society is committed to the prevention, deterrence, detection and investigation of all forms of fraud and corruption. The Society fosters honesty and integrity and seeks to reduce the opportunity for fraud. Members, members of the Management Committee, employees and volunteers are expected to lead by example in adhering to policies, procedures and practices.

Equally, members of the public, service users and external organisations (such as suppliers and contractors) are expected to act with integrity and without intent to commit fraud against the Society.

The Society will continually strive to ensure that all its 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.

All members of the Society, employees and volunteers have a responsibility for putting these principles into practice and for reporting any breaches they discover.

As part of this, the Society has routes by which concerns may be raised by Members, members of the Management Committee, employees and volunteers. Details can be found in the BHCG Disputes and complaints procedures.

### 3. Definitions

- Fraud:** A deliberate intent to acquire money or goods dishonestly through the falsification of records or documents. The deliberate changing of financial statements or other records by either a member of the public, someone who works or is a volunteer for the Society. The criminal act is the attempt to deceive and attempted fraud is therefore treated as seriously as accomplished fraud
  - Corruption /Bribery:** the offering, giving, soliciting or acceptance of an inducement or reward (including any gift, loan, fee, or advantage) which may influence the action of any person
  - Theft:** Dishonestly acquiring, using or disposing of physical or intellectual property belonging to the Society or to individual members of the Society
  - Misuse of equipment:** Deliberately misusing materials or equipment belonging to the Society for financial or material benefit
  - Abuse of position:** Exploiting a position of trust within the Society for financial or material benefit
- Some examples of internal fraud:

- An employee or volunteer keeps cash or cheque donations meant for the Society for themselves
- Society credit/debit cards are misused by volunteers, members or employees
- Members or volunteers claim false or inappropriate expenses

Some examples of external fraud:

- Someone hijacks the Society's bank account or creates a fake but very similar website with a donation link
- A contractor under-delivers or over-charges for goods or services
- Fraudsters extract money from the Society by posing as a contractor that the Society currently uses and convinces the Society to change the bank account details that they have on file for that contractor to a fraudulent account. Fraudsters have been successful in doing this by: sending emails from an email address very similar to the real contractor's address; trying to change details over the phone
- Cyber fraud include phishing emails where a fraudster impersonates someone or a reputable company to get the Society to reveal security information; ransoming of Society data; hacking a Society's computer or network
- Unauthorised fundraising in the Society's name such as creating a fake page on a fundraising website or a fake street collection

#### **4. Responsibilities**

In relation to the prevention of fraud, theft, misuse of equipment and abuse of position, specific responsibilities are as follows:

- Members of the Management Committee are responsible for establishing and maintaining appropriate systems of internal control that supports the achievement of the Society's policies, aims and objectives.
- The systems of internal control are designed to respond to and manage the range of risks which the Society faces. The system of internal control is based on an on-going process designed to identify the principal risks, to evaluate the nature and extent of those risks and to manage them effectively. Managing fraud risk is seen in the context of the management of this wider range of risks.
- The Management Committee responsibilities are detailed in the Society's Roles and Responsibilities for Management Committee members.
- Every member, employee and volunteer is responsible for:
  - Acting with propriety in the use of Society resources and the handling and use of funds whether they are involved with cash, receipts, payments or dealing with suppliers
  - 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 line manager or a member of the management committee when they believe the opportunity for fraud exists e.g. because of poor procedures or lack of effective oversight
  - Reporting details immediately to their line manager or an officer of the management committee if they suspect that a fraud has been committed or see any suspicious acts or events
  - Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.

#### **5. Investigations**

All investigations will follow the Society's Disputes and Complaints procedures

#### **6. Review**

Adopted 31 January 2023. This policy will be reviewed regularly, at least every two years.

This policy was reviewed and approved by the Management Committee on 21 February 2024.