

# FRAUD POLICY

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## Policy Statement

Carmichael<sup>UK</sup> is committed to conducting its business with the highest standards of honesty and integrity. Fraud can take many forms and for the purpose of this policy fraud is defined as intentional deception of or damage to an individual or an entity for personal gain.

Carmichael<sup>UK</sup> has a zero tolerance approach to fraudulent activity and all alleged or suspected fraud will be investigated thoroughly. Fraud is a criminal offence and proven fraudulent activity will be treated as such.

## Scope of the Policy

This policy covers all employees, contractors, temporary workers, job applicants, consultants, suppliers and clients to the company.

## Policy Elements

Fraud is usually connected with monetary gain, however for the purpose of this policy, fraud will also be defined as intentional deception that is designed to mislead, damage another individual or entity, deprive another individual or entity, achieve personal gain, or gain personal prestige.

For clarification, deliberate hoaxes that culminate in any of the activities above will also be treated as fraud.

## Examples of Fraud

The following examples are provided purely for clarification, and this is not an exhaustive list. They do not cover the full scope and range of potential fraudulent activity and should be treated purely as examples of the types of fraud that may be associated with a recruitment agency.

- Failure to account for monies received;
- Receipt of goods, services or other inducements for providing unfair advantage;
- Dealing inappropriately with company, contractor, temporary worker or client transactions;
- Supply of free or reduced cost services to colleagues, friends or relatives;
- Misappropriation of contractor or temporary worker bank details;

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- Falsification of expense claims;
- Authorising or receiving payment for hours not worked;
- Misuse of company assets or property;
- Breaches and misuse of intellectual assets;
- Collusion with a contractor or temporary worker in respect of falsification of timesheets;
- Falsification of records or unauthorised amendments to databases, administration systems or accounting records;
- Submission of fraudulent timesheets;
- Alteration, falsification or forgery of documents;
- Provision of deliberately misleading information;
- Deliberate withholding of essential and or relevant information;
- Identity theft;
- Embezzlement of company funds;
- Computer crime, internet fraud or hacking.

## Prevention of Fraud

Carmichael<sup>UK</sup> has a broad range of processes and procedures in place to prevent fraud. Employees are required to comply with these processes to minimise the risk of fraud. These include but are not limited to:

- Use of external accountants / auditors to review financial transactions and ensure probity of accounting practices.
- Examination of hard copy timesheets by experienced payroll staff to identify any potential fraud and validate any amendments.
- Requirement for any amendments to hours/timesheets to be initialled by an authorised member of the client's staff.
- Electronic timesheets to be sent by email from an authorised member of the client's staff or where online timesheets are in use, these must be approved by an authorised member of the client's staff.
- Requirement for receipts to be provided for all expenses and for these receipts to be reconciled with the documented expenses claim.
- Use of a system that requires purchase order numbers to help track payments to suppliers and ensure they are authorised.
- Compliance with the Company's Corporate Social Responsibility and Ethical Conduct Policy with particular focus on the section entitled Conflicts of Interest and Anti-Corruption.

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- Compliance with the Company's Anti-Bribery & Corruption Policy
- Completion of the company's application form for applicants including signing the declaration confirming that the information provided is correct and that applicant has not withheld any information of which the company should be made aware. The declaration also ensures that the applicant understands that giving any incorrect or misleading information could lead to their subsequent dismissal, or withdrawal / termination of assignment.
- Communication of and compliance with the following company policies:
  - Recruitment (including the procedure for validation of qualifications)
  - Training
  - Referencing
  - Anti-Bribery & Anti-Corruption
  - Eligibility to Work in the UK
  - Data Protection
  - Purchasing & Procurement
  - Safeguarding Vulnerable Adults & Children
  - Whistleblowing
- Validation of relevant documentation (e.g. documents used to prove eligibility to work in the UK, ID, qualifications/certificates etc) to be undertaken using the following process:
  - Checking that the document appears to relate to the employee;
  - Confirming that the document is relevant to the check being carried out;
  - Checking that the document appears to be an original;
  - Where applicable; confirming that the document is in date / has not expired.
  - Confirming that the document does not appear to have been tampered with;
  - Taking a colour copy of each relevant document, signing/dating to confirm that the above checks have taken place and retaining the copy (or scan of it) in the candidate's file.
- Password protected company computer systems (e.g. regular mandatory password changes).
- Paper files containing personal data and financial information retained in locked filing cabinets to prevent opportunist fraud.
- Policy of shredding of documents which contain personal data / information to prevent it being used for fraudulent purposes.

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## Reporting of Suspected or Alleged Fraud

Suspected or alleged incidents of fraud should be reported to the Managing Director immediately. Any employee, contractor, temporary worker, consultant, supplier or client who has concerns that a potentially fraudulent act has taken place has a duty to report the matter to this member of our staff immediately. The company will take vigorous action against anyone trying to suppress a possible report of fraud.

Contact details for the Managing Director for reporting fraud are:

Name: Rod Carmichael  
Tel No: 01844 212058  
Email: rod@carmichaeluk.com  
Address: Carmichael<sup>UK</sup>, 34 Upper High Street, Thame, Oxon, OX9 2DN

The Managing Director will assess the allegations and or suspicions and decide upon the appropriate action to be taken. If the incident is considered to be very minor, then the situation will be dealt with directly and in the case of employees, the company's Disciplinary and Grievance Procedure may be invoked as required. If the incident is of a more serious nature, the Managing Director will inform the police.

In all cases, the Managing Director is responsible for investigating any allegation of fraud and maintaining complete records of the suspicions raised, or allegations made, including dates, times and persons involved, and action taken.

Where it is suspected that such fraudulent activity may have been undertaken by a staff member and the alleged incident complies with the definition of a "qualifying disclosure", then reporting the matter will be done in accordance with the company's Whistleblowing Policy.

## Consequences for Employees who breach the Fraud Policy

Disciplinary action may be taken against any employee who acts in breach of this policy. Disciplinary action may include summary dismissal in the case of a serious breach of this policy or repeated breaches. In other cases, it may include a verbal or written warning. Such action will be taken in accordance with the Company's disciplinary procedure.

Breaches of this policy may also result in the employee responsible being held personally liable for compensation if legal action is taken in relation to fraudulent dealings.

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## Consequences for Contractors and Temporary Workers who breach the Fraud Policy

Contractors and Temporary Workers are also expected to behave with integrity in all of their dealings, both with Carmichael<sup>UK</sup> and with its clients.

Should a Contractor or Temporary Worker be proven to have behaved fraudulently or been involved in fraudulent activity, Carmichael<sup>UK</sup> reserves the right to advise the client and terminate their assignment with immediate effect.

## Consequences for Job Applicants who breach the Fraud Policy

Job Applicants are also expected to behave with total integrity and provide information linked to their application that is accurate, honest and true and ensure that they have not withheld any information of which the company should be made aware.

Should the company become aware of dishonesty, deliberate inaccuracy (including provision of misleading information) or fraudulent activity during the application or registration process, Carmichael<sup>UK</sup> reserves the right to terminate the application process with immediate effect and will withdraw its services.

## Consequences for Consultants and Suppliers who breach the Fraud Policy

Consultants and Suppliers are also expected to behave with total integrity in all of their dealings with or on behalf of the company.

If it becomes apparent that any such dealings could be construed as fraudulent or deliberately misleading, Carmichael<sup>UK</sup> reserves the right to terminate its dealings with the individual or entity with immediate effect.

## Responsibilities of Carmichael<sup>UK</sup>

It is the direct responsibility of the Managing Director, supported by the Board of Directors, to ensure the implementation of this policy on a day-to-day basis. However, all employees, contractors, temporary workers, job applicants, consultants, suppliers and clients to the company are also expected to act with honesty and integrity at all times.

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## Responsibilities of Employees

Employees are required to accept their personal responsibility in applying the fraud policy. They must be familiar with its contents and ensure that it is followed by both themselves and employees for whom they have a responsibility.

## Approval & Review

This policy will be reviewed once a year to ensure continuing suitability with business requirements. As necessary additional alterations may be made from time to time in the light of legislative changes, operational procedures, or other prevailing circumstances.

This policy has been approved by the Board of Directors to ensure it is fit for the purposes of the business in respect of managing risk of fraudulent activity.

