

## **Introduction**

1. Creative Lives complies with applicable legislation, including the Fraud Act 2006, the Bribery Act 2010, and with other regulatory requirements and applicable guidance including Managing Public Money. Its Trustees are required under charity law to safeguard the assets of the charity.
2. Creative Lives is committed to conducting business fairly, openly and honestly and in accordance with the highest ethical and legal standards.

## **Purpose**

3. The purpose of this policy is to set out Creative Lives' stance on fraud, bribery and corruption and its approach to preventing, detecting, reporting and investigating fraud, bribery and corruption.

## **Scope**

4. This policy is applicable to, and must be followed by, Creative Lives Trustees, paid staff (whether salaried or contracted) and volunteers. Failure to comply could result in disciplinary action, including dismissal.
5. Creative Lives requires all those receiving funds from Creative Lives or representing Creative Lives, including its suppliers, grant recipients, partners, contractors and agents, to act in accordance with this policy.

## **POLICY**

### **Policy Statement**

6. Creative Lives has a 'zero tolerance' policy towards fraud, bribery and corruption. This means that Creative Lives:
  - a) does not accept any level of fraud, bribery or corruption within the organisation or by any other individual or organisation receiving Creative Lives funds or representing Creative Lives; and
  - b) will always seek to take disciplinary and/or legal action against those found to have perpetrated, be involved in, or assisted with fraudulent or other improper activities in any of its operations.
7. Creative Lives is committed to developing an anti-fraud culture and keeping the opportunities for fraud, bribery and corruption to the absolute minimum.
8. Creative Lives requires all staff, Trustees and other volunteers to act honestly and with integrity at all times and to safeguard the resources for which they are responsible.

### **Risk and internal control systems**

9. Creative Lives will seek to assess the nature and extent of its exposure to the risks of internal and external fraud, bribery and corruption. It will regularly

review these risks, using information on actual or suspected instances of fraud, bribery and corruption to inform its review.

10. Creative Lives will seek to put in place efficient and effective systems, procedures and internal controls to: encourage an anti-fraud culture; prevent and detect fraud, bribery and corruption; and reduce the risks to an acceptable level.
11. Creative Lives will make all those receiving Creative Lives funds or representing Creative Lives, including its suppliers, grant recipients, partners, contractors and agents aware of this policy.
12. Creative Lives will work with relevant stakeholders, including comparable organisations, relevant regulators and government organizations to tackle fraud.
13. Creative Lives will regularly review and evaluate the effectiveness of its systems, procedures and internal controls for managing the risk of fraud.

### **Reporting - internal**

14. All staff, Trustees and other volunteers must immediately report any suspected or actual instances of fraud, bribery or corruption. This includes offers to pay bribes, solicitation of bribes and demands to make facilitation payments. Failure to report could result in disciplinary action.
15. Reports should be made using the Disclosure Procedure detailed in the Creative Lives Whistle-blowing Policy.
16. Creative Lives also requires all those receiving Creative Lives funds or representing Creative Lives, including its suppliers, grant recipients, partners, contractors, and agents, to report to any suspected or actual instances of fraud, bribery or corruption involving Creative Lives assets or staff. Reports should be made using the process detailed in the Creative Lives Complaints Procedure.
17. Creative Lives will maintain a system for recording: all reports of actual or suspected fraud, bribery, and corruption; 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.

### **Reporting – external**

18. Creative Lives will fully meet its obligations to report fraud, bribery and corruption to third parties.

### **Investigation**

19. Creative Lives will take all reports of actual or suspected fraud, bribery and corruption seriously, and investigate proportionately and appropriately as set out in this policy.
20. Creative Lives will always seek to take disciplinary and/or legal action against those found to have perpetrated or assisted with fraudulent or other improper activities in any of its operations. For staff, this may include dismissal. It will also seek to recover any assets lost through fraud.

### Approval of losses

21. All losses as the result of fraud must be recorded and approved in compliance with Creative Lives' Financial Regulations and Policy.

### Specific risk mitigation measures

22. To manage the exposure to bribery and corruption, all staff, Trustees and other volunteers must declare any relevant interests and all personal gifts received and hospitality accepted or offered while on Creative Lives business, or from people or organisations connected with Creative Lives, in accordance with the Creative Lives Conflict of Interest and Gifts Policy.

### Definitions

23. **Fraud** is knowingly making an untrue or misleading representation with the intention of making a gain for oneself or another or causing a loss, or risk of loss, to another.
24. **Bribery** is giving or offering someone a financial or other advantage to encourage that person to perform their functions or activities improperly, or to reward someone for having already done so.
25. A **facilitation payment** is a type of bribe. An example is an unofficial payment or other advantage given to a public official to undertake or speed up the performance of their normal duties.
26. **Corruption** is the misuse of entrusted power for personal gain. This would include dishonest or fraudulent behavior by those in positions of power, such as managers or government officials. It would include offering, giving and receiving bribes to influence the actions of someone in a position of power or influence, and the diversion of funds for private gain.
27. A **conflict of interest** is where an individual has private interests that may or actually do influence the decisions that they make as an employee or representative of an organisation.

*Approve by the Creative Lives Board of Directors, 16 July*

*2020 Review by July 2023*