LOT03 – Internal Crime Policy

1.0 Introduction

1.1 This document sets out the policy and procedures of **St Raphael's Hospice** against fraud and other forms of dishonesty.

1.2 It applies to Directors, staff and volunteers. Anybody associated with **St Raphael's Hospice** who commits fraud, theft or any other dishonesty, or who becomes aware of it and does not report it, will be subject to appropriate disciplinary action.

2.0 Statement of Intent

2.1 **St Raphael's Hospice** 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. We will not condone any behaviour that falls short of these principles.

2.2 All members of **St Raphael's Hospice** have a responsibility for putting these principles into practice and for reporting any breaches they discover.

3.0 Definitions

3.1 ***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 **St Raphael's Hospice**. The criminal act is the attempt to deceive and attempted fraud is therefore treated as seriously as accomplished fraud.

3.2 ***Bribery:*** Bribery is the offering, promising, giving, requesting, or accepting of a financial or other advantage with the intention of inducing or rewarding improper performance of a function or activity, or to influence a decision in order to gain a business, personal, or organisational advantage.

3.2.1 This includes:

3.2.2 Direct or indirect payments, gifts, hospitality, or favours

3.2.3 Benefits provided to or received from third parties (e.g. suppliers, contractors, or partners)

3.2.4 Actions intended to secure an unfair or unethical advantage

3.2.5 Bribery can occur in both the public and private sectors and may take place regardless of whether the advantage is actually received or the intended outcome is achieved.

3.3 ***Theft:*** Dishonestly acquiring, using or disposing of physical or intellectual property belonging to **St Raphael's Hospice** or to individual members of the organisation.

3.4 ***Misuse of equipment:*** Deliberately misusing materials or equipment belonging to **St Raphael's Hospice** for financial or material benefit.

3.5 ***Abuse of position:*** Exploiting a position of trust within the organisation for financial or material benefit.

4.0 Culture

4.1 **St Raphael's Hospice** fosters honesty and integrity in its entire staff. Directors, staff 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 **St Raphael's Hospice**.

4.2 As part of this, **St Raphael's Hospice** will provide clear routes by which concerns may be raised by Directors, staff and volunteers. Details of this can be found in policy HR03 Raising Concerns – Freedom to Speak Up Policy

4.3 Senior management are expected to deal promptly, firmly and fairly with suspicions and allegations of fraud or corrupt practice.

4.4 St Raphael's Hospice also has Anti-Money Laundering policies covering all activities including its licensed activities with the Gambling Commission.

5.0 Responsibilities

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

5.1 Trustee and Non-Executive Directors:

The Directors are responsible for establishing and maintaining a sound system of internal control that supports the achievement of St Raphael's Hospice policies, aims and objectives.

The system of internal control is designed to respond to and manage the whole range of risks which the Charity 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.

5.2 The Chief Executive Officer (CEO):

5.2.1 Overall responsibility for managing the risk of internal crime has been delegated to *Director of Operations*.

5.2.2 Their responsibilities include:

- Undertaking a regular review of the internal crime risks associated with each of the key organisational objectives.
- Establishing an effective internal crime response plan, in proportion to the level of risk identified.
- The design of an effective control environment to prevent internal crime.

5.2.3 Establishing appropriate mechanisms for:

- reporting internal crime risk issues
- reporting incidents of internal crime or attempted internal crime to the Board of Directors;
- Liaising with St Raphael's Hospice appointed Auditors.
- Making sure that all staff are aware of the Internal Crime Policy and know what their responsibilities are in relation to combating internal crime;

5.2.4 Ensuring that appropriate training is made available to Directors, staff and volunteers as required; and

5.2.5 Ensuring that appropriate action is taken to minimise the risk of previous internal crimes occurring in future.

5.3 Senior Management Team

The Senior Management Team is responsible for:

5.3.1 Ensuring that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively;

5.3.2 Preventing and detecting internal crime as far as possible;

5.3.3 Assessing the types of risk involved in the operations for which they are responsible;

5.3.4 Reviewing the control systems for which they are responsible regularly;

5.3.5 Ensuring that controls are being complied with and their systems continue to operate effectively;

5.3.6 Implementing new controls to reduce the risk of similar internal crimes occurring where these have taken place.

5.4 Staff

Every member of staff is responsible for:

5.4.1 Acting with propriety in the use of St Raphael's Hospice resources and the handling and use of funds whether they are involved with cash, receipts, payments or dealing with suppliers;

5.4.2 Conducting themselves with selflessness, integrity, objectivity, accountability, openness, honesty and leadership;

5.4.3 Being alert to the possibility that unusual events or transactions could be indicators of crime;

5.4.4 Alerting their manager when they believe the opportunity for internal crime exists e.g. because of poor procedures or lack of effective oversight;

5.4.5 Reporting details immediately if they suspect that a crime has been committed or see any suspicious acts or events; and

5.4.6 Cooperating fully with whoever is conducting internal checks or reviews or investigations.

5.5 Volunteers

Every volunteer is responsible for:

5.5.1 Acting with propriety in the use of the St Raphael's Hospice resources and the handling and use of funds whether they are involved with cash, receipts, payments or dealing with suppliers;

5.5.2 Conducting themselves with selflessness, integrity, objectivity, accountability, openness, honesty and leadership;

5.5.3 Being alert to the possibility that unusual events or transactions could be indicators of crime;

5.5.4 Alerting their manager when they believe the opportunity for internal crime exists e.g. because of poor procedures or lack of effective oversight;

5.5.5 Reporting details immediately if they suspect that a crime has been committed or see any suspicious acts or events; and

5.5.6 Cooperating fully with whoever is conducting internal checks or reviews or investigations.

6.0 Review

6.1 This policy will be reviewed on an annual basis