UK Research and Innovation

Counter Fraud and Bribery Policy

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1. Policy Statement

1.1. UK Research and Innovation (UKRI) is committed to establishing and applying appropriate standards of regularity and propriety and to fostering an environment in which opportunities for fraud, bribery and corruption are reduced to the lowest possible level of risk.

1.2. UKRI views fraud, however committed, as an extremely serious matter and is committed to the prevention of fraud and the promotion of a counter fraud culture. The term 'fraud' is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. For further details and definitions please see Appendix 2.

1.3. UKRI will not condone any form of fraud, bribery or corruption and it is important in this context that we guard against the perception of impropriety as well as the reality. All staff must act honestly and with integrity, in accordance with the UKRI Code of Conduct.

1.4. Fraud is an ever-present threat which can harm the reputation of UKRI and puts at risk the public resources and services we administer. UKRI has an internal control framework which is designed to minimise the risk of fraud or bribery and meet our responsibilities for managing public money. Having strong preventative controls built into our policies,

processes and programmes and a strong culture of fraud awareness is our primary means of countering fraud.

1.5. Three conditions are required for fraud to be committed by an individual: Dishonesty, Opportunity and Motive/Intention. Preventative controls in these areas will help minimise the chance that fraud takes place.

1.6. The purpose of this policy is to ensure that all staff are aware of their responsibilities to counter fraud and to safeguard the public resources for which they are responsible. Within this context staff have a critical role in assisting UKRI to combat the risk of fraud.

2. Policy Scope

2.1. This policy works in conjunction with the relevant UKRI policies (see appendix 1)

2.2. Where fraud is mentioned this should be taken to cover Fraud, Bribery and Cyber Crime.

2.3 For the purposes of this policy the use of the word "staff" covers UKRI employees on permanent or temporary contracts. This policy also covers other groups such as Board members and Council members; persons who are on secondment to UKRI; non-UKRI staff such as students, contractors and other persons carrying out work on UKRI premises and/or on behalf of UKRI.

2.4. This policy covers overseas activities as well as UK, particularly in cases of overseas funding where new relationships are being pursued and developed.

2.5. This policy covers the actions of any person acting on behalf of UKRI (Associated Person as defined by the Bribery Act).

2.6. UKRI is committed to investigating allegations where fraud is alleged. Where an allegation is proven, UKRI will attempt to recover any assets lost and to take action against perpetrators of fraud or bribery.

2.7. All investigations conducted by the UKRI Counter Fraud Team will be fair and impartial, with due regard to the rights of all persons or entities involved. All information gathered will remain confidential to the extent possible for a thorough investigation and any individuals approached as part of the investigation will be informed about the need to maintain confidentiality.

2.8. Investigations will be conducted in accordance with the relevant legislation and UK General Data Protection Regulation (UK GDPR).

2.9. Each department or council within UKRI should refer to their respective Debt Recovery Policy and/or process where there is a requirement to pursue recovery of funds following an investigation.

2.10. A list of relevant legislation, regulations and supporting frameworks that provide background to this, as well as related UKRI policies and strategies are listed in Appendix 1.

3. Counter Fraud Framework

3.1. UKRI is committed to complying with the Cabinet Office Counter Fraud Framework which is outlined in the Government Functional Standards (GOV13). Where UKRI have been assessed as not meeting the functional standards, the UKRI Head of Risk and Counter Fraud will implement an action plan to work towards and maintain compliance.

3.2. UKRI, as a Non-Departmental Public Body, must act in line with the guidelines and principles of Managing Public Money which include ensuring adequate arrangements for preventing, countering and dealing with fraud risks.

4. Cybercrime

4.1. Cybercrime has increased considerably over the past few years, shifting from crimes of notoriety to far more serious crimes for financial gain. The UK Government has added cyber activity to its list of Tier One threats to the UK, alongside terrorism, war and global pandemic.

4.2. Cybercrime is an 'umbrella' term for lots of different types of crimes which either take place online or where technology is a means and/or target for the attack. Cybercrime can be committed by different groups:

- cyber criminals interested in making money through fraud or the sale of valuable information
- industrial competitors interested in gaining an economic advantage
- foreign intelligence services interested in gaining national security information
- hackers who find interfering with computer systems enjoyable challenge
- activists who attack organisations for political or ideological motives
- staff or those who have legitimate access, who deliberately misuse systems and data.

5. What is non-compliance?

5.1. Non-compliance is broader than fraud and includes a failure or refusal to comply with Terms and Conditions, processes, contract or law. Failures can arise from accidental mistakes/errors or negligence not just intentional acts or omissions. Non-compliance may include incorrect information being provided or stages in processes circumvented to "game the system".

5.2. Non-compliance controls and counter-fraud actions therefore go together. Establishing checks and controls to ensure a process is robust and clear not only helps people engage effectively and efficiently but also help reduce the risk of fraud and error by minimising uncertainty and opportunity.

Preventative controls against both fraud and non-compliance

5.3. Preventative controls may take the form of background checks, effective recruitment, induction and training. Putting in place staff appraisals, separation of duties, specific targets and standards, and establishing procedures, practices and appropriate structures and supervision should manage the risk of fraud.

5.4. When designing and implementing new policies, programmes and systems it is important to ensure that appropriate controls are built in to manage the risk of fraud and non-compliance. The steps taken to manage the risks should be in proportion to a realistic assessment of the likelihood and probable impact.

5.5. Managers are required to specifically consider the risk of financial losses in respect of the funding flows and staff for which they are responsible. Such losses may arise from control weaknesses resulting in non-compliance, error or fraud; they can relate to common processes, such as procurement, or to the specific policy instruments or tools.

5.6. Where policies and processes change it may be necessary to re-evaluate the risks. Expert advice on fraud risk management should be sought from the Counter Fraud Team in the review and design process and at other key stages. An early evaluation of

the controls should be carried out to determine whether risk measures have been effective in countering fraud and non-compliance risks.

6. Reporting Fraud

6.1. Staff should report any suspicions to their line manager as soon as possible in accordance with the Fraud and Bribery Response Plan (see appendix 3). Where staff are reluctant to discuss their concerns with their line manager, they can report their suspicions to the UKRI Senior Counter Fraud Manager, the UKRI Head of Risk and Counter Fraud or the UKRI Director of Risk and Assurance. If the staff member feels unable to raise their concerns internally, they may raise them in accordance with the UKRI Whistleblowing Policy.

6.2. Staff and Non UKRI staff (external) may also report any suspicions through the Fraud e-mail address reportfraud@ukri.org or the online fraud referral form which can be found on the UKRI website: (https://www.report-fraud.co.uk/ukri/0).

6.3. In exceptional circumstances where reporting fraud via the above routes is deemed inappropriate; suspicions of fraud can also be reported directly to the UKRI Chief Finance Officer who has overall responsibility for Counter Fraud within UKRI.

Issues that should be reported include:

- any suspected or actual attempts at fraud, bribery or corruption
- concerns that other staff or associated persons may be being bribed; or
- concerns that other staff or associated persons may be bribing third parties, such as clients or government officials.

6.4. The UKRI Senior Counter Fraud Manager will be responsible for all investigations with regards to cases of actual or suspected fraud, discovered or reported.

7. Fraud investigations

7.1. UKRI will investigate or commission investigations of all instances of actual, attempted or suspected fraud regardless of value and there are certain procedures that should be followed. The official response is the Fraud Response Plan (see Appendix 2). The Fraud Response Plan sets out UKRI's procedures for ensuring that allegations and reports of fraud or dishonesty are properly followed up, are considered in a consistent and fair manner and that prompt and effective action is taken to:

- minimise the risk of any subsequent losses
- reduce any adverse operational effects
- improve the likelihood and scale of recoveries
- demonstrate that UKRI retains control in a crisis
- identify weaknesses in controls and processes and any lessons learned
- make a clear statement to staff and others that UKRI has a zero tolerance towards fraud and robust processes to guard against fraud.

8. Fraud Risk Management and Fraud Risk Assessment (FRA)

8.1. UKRI will adopt a risk-based approach to counter fraud. A fraud risk assessment will be carried out within the principles of the UKRI Risk Management Policy and reviewed every 12 months. The Head of Risk and Counter Fraud will agree a programme of fraud risk reviews to inform the FRA. The fraud strategy will reflect those areas of high risk with associated activities to address and reduce the risk. Key areas of fraud include:

- Duplicate Research Funding

- Claim for costs covered by other Government schemes
- UK Grants & Awards Payments
- International Grants & Payments
- Procurement and Supply Chain Management
- False Expenses
- Conflicts of Interest

8.2. Results from investigations will be fed into the review of any relevant fraud risk assessments.

8.3. Risk Appetite - UKRI recognises that it must take risks to achieve its objectives. However, it must take risks in a controlled manner, reducing the exposure to external or internal fraud, misuse of public money or illegal and unlawful behaviour which includes fraud, corruption and bribery.

8.4. The Head of Risk and Counter Fraud is responsible for ensuring that UKRI has sufficient processes and controls in place to prevent and detect fraud and to ensure the appropriate action is taken if fraud is detected.

9. Training and Skills

9.1. An appropriate counter fraud training programme will be developed to support this policy. Key elements of the training framework will include:

- reference within Staff Induction
- e-learning
- reference within fraud awareness campaigns
- bespoke training for key groups

9.2. The counter fraud training programme will include tailored training for the following groups:

- Counter Fraud Specialists – bespoke training, external providers; BEIS, CIPFA etc.
- Specialist Areas – target training delivered via fraud and bribery workshops
- All Staff – training delivered via IT, eLearning etc.

9.3. Information regarding fraud training can be found on the UKRI internal staff website (The Source)

9.4. Staff responsible for the delivery of staff fraud training, proactive fraud exercises and the investigation of allegation of fraud and bribery will be suitably trained and qualified. Training and qualification requirements will be agreed and set by the Head of Risk and Counter Fraud in accordance with best practice and adherence with the Government Functional Standard 13 (GOV 13).

10. Use of data

10.1 UKRI may engage in counter-fraud investigations using personal data held by itself and UKRI partners, including but not limited to employee and third-party data. UKRI may process and share such data with third-party data processors (such as the National Anti-Fraud Network) solely for the purposes of the prevention and detection of fraud. UKRI will at all times take steps to comply with the relevant legislation when processing data for this purpose.

11. Policy Communication

11.1. This policy will be made available to all staff for reference and guidance purposes through the UKRI Intranet and external web content.

12. Policy Review

12.1. This policy will be reviewed on an annual basis to incorporate any legislative changes or changes in the risk profile.

Appendix 1: Relevant Authoritative Bodies, related UKRI Documents, Legislation, Regulations

Authoritative Bodies

Department for Business, Energy and Industrial Strategy (BEIS)	Supports the scientific community and funds UKRI activities.

Related Documents

The Fraud Act 2006	The Fraud Act 2006
The Bribery Act 2010	The Bribery Act 2010
Managing Public Money	Managing Public Money
Government Functional Standard 13 (GOV 13)	Government Functional Standard 13 (GOV13)
UKRI Code of Conduct	UKRI Code of Conduct
UKRI Managing Performance and Conduct Policy	UKRI Managing Performance and Conduct Policy
UKRI Risk Appetite Statement	UKRI Risk Appetite Statement
UKRI Whistleblowing Policy	UKRI Whistleblowing Policy
UKRI Conflicts of Interest Policy	UKRI Conflicts of Interest Policy
UKRI Gifts and Hospitality Policy	UKRI Gifts and Hospitality Policy
UKRI Information Security Policy Framework	UKRI Information Security Policy Framework
UKRI Acceptable Use Policy	UKRI Acceptable Use Policy

Appendix 2: Definitions (Fraud Act 2006 and Bribery Act 2010)

The Fraud Act 2006

On 15th January 2007 the Fraud Act 2006 came into effect. This was the result of a major review of the approach to criminal fraud issues and was drafted with three main objectives in mind:

I. To rationalise the offences of fraud under one cohesive piece of legislation to make the fraud response easier and more effective;

II. To amalgamate the many small, and often highly specific offences under broader "umbrella" offences, which would be easier to use and to understand; and

III. To update the law to take account of such developments as electronic financial transactions, Chip and Pin cards, the advent of the Internet and the increasing role of technology and software in the execution of fraud.

Fraud is commonly used to describe dishonest acts or omissions intended to deprive, disadvantage or cause financial loss to another person or party. This can include theft, the misuse of funds or other resources or more complicated crimes such as false accounting and the supply of false information. The essence of the crime is dishonest intent. The Fraud Act 2006 created several new, broadly drafted offences the main ones being:

1. The General Offence of Fraud - which includes false representation, failing to disclose information when under a legal duty to do so and abuse of position;
2. Possessing Articles for Use in Frauds - this covers items (such as card cloning machines), software (such as Trojan packages designed to obtain information from PCs or electronic systems) and information (for example possession of another person's credit card details);
3. Making or Supplying Articles for Use in Fraud;
4. Participating in Fraudulent Business – which covers carrying on a business for any fraudulent purpose; and
5. Obtaining Services Dishonestly.

It is worth bearing in mind that while fraud is an economic crime, personal financial gain need not be a feature of fraud. Dishonestly seeking to obtain other advantages such as time off work, or access to official facilities could be categorised as fraud if the other criteria in the Fraud Act are met. Indeed, there is no requirement for the perpetrator of a fraud to benefit in a tangible way from the offence. A member of staff who intentionally acted improperly to gain advantage for another person or company – for example in the letting of a contract – could be held to have committed fraud even if they received no payment, or other benefit, for doing so.

The Bribery Act 2010

The Bribery Act 2010 brought together the pre-existing bribery legislation but also created the corporate offence of failure to prevent bribery. In summary, the Act prohibits the following:

- The offering, the giving, the solicitation or the acceptance of any bribe, whether cash or other inducement, regardless of size;
- *to or from* any person or company, wherever they are situated and whether they are a public official or body or private person or company; and

Appendix 2: Definitions (Fraud Act 2006 and Bribery Act 2010)

- *by* any individual employee, agent or other person or body acting on the organisation's behalf *in order to* gain any commercial, contractual or regulatory advantage for the organisation in a way which is illegal/unethical *or in order to* gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.

This prohibition includes facilitation payments made to public officials for securing or accelerating routine processes and procedures.

Appendix 3: Fraud and Bribery Response Plan

1. The purpose of this Fraud Response Plan is to reinforce UKRI's approach to fraud and bribery by setting out the ways in which concerns about fraud and bribery will be actioned. Any suspicion of fraud, bribery or dishonesty will be investigated as set out in this fraud response plan.

2. The objectives of the Fraud Response Plan are to ensure that timely and effective action can be taken to:

    - prevent further loses of funds or assets where fraud has occurred and to maximise recovery of losses;
    - minimise the effect of a fraud or corrupt act by taking appropriate and timely action at the earliest opportunity;
    - ensure there is a clear understanding of the processes and responsibilities for identifying, reporting and investigating suspected fraud, bribery or dishonesty;
    - identify the perpetrators and maximise the likelihood of a success of any legal, disciplinary or recovery action; and
    - identify any lessons which can develop future fraud and bribery management and improve internal controls.

Reporting suspicions of fraud

3. It is the responsibility of all staff to report any suspicion of fraud which may have a financial or reputational impact on UKRI.

4. Staff should report any suspicions to their line manager as soon as possible. Where staff are reluctant to discuss their concerns with their line manager, they can report their suspicions to the UKRI Senior Counter Fraud Manager, the UKRI Head of Risk and Counter Fraud or the UKRI Director of Risk and Assurance. If the staff member feels unable to raise their concerns internally, they may raise them in accordance with the UKRI Whistleblowing Policy.

5. The manager to whom a report has been made should ensure that full details of the incident are reported to the UKRI Counter Fraud Team via the UKRI fraud e-mail address (reportfraud@ukri.org) or to the UKRI Senior Counter Fraud Manager.

6. Staff and Non UKRI staff (external) may also report any suspicions through the Fraud e-mail address reportfraud@ukri.org or the online fraud referral form which can be found on the UKRI website: (https://www.report-fraud.co.uk/ukri/0)

7. In exceptional circumstances where reporting fraud via the above routes is deemed inappropriate; suspicions of fraud can also be reported directly to the UKRI Chief Finance Officer who has overall responsibility for Counter Fraud within UKRI.

8. To help ensure that the risk of fraud and corruption is minimised, and to maintain the integrity of any investigations; staff should consider the following DO's and DON'T's guidance where fraud is suspected.

    DO:

- be discreet to ensure to minimise the risk of reputational harm which may result from false accusations and to ensure that the perpetrators are not forewarned. If you suspect someone in your line management chain, be careful not to alert them to your suspicions. Information must be shared on a 'need to know' basis only;
- act quickly and carefully and follow the procedures and guidance set out in the Fraud Response Plan and Counter Fraud and Bribery Policy;
- provide as much information as is readily available such as; names, dates, times, transactions, invoice numbers etc. without removing any documentation or discussing with the suspected perpetrator;
- make a note of your concerns, recording all relevant details, such as; the nature of your concern, the names of the parties you believe to be involved, details of any telephone or other conversations with names, dates, times and any witnesses; timeliness is important to ensure a better recollection of events or information; and
- retain any evidence you may have; the quality of evidence is crucial. The more direct and tangible the evidence, the better the chances of an effective investigation.

DON'T:

- be afraid of raising your concerns. The Civil Service Code and the Public Interest Disclosure Act provide protection for employees who raise reasonably held concerns through the appropriate channels;
- convey your concerns to anyone other than authorised persons, there may be a perfectly reasonable explanation for the events that give rise to your suspicion. Spreading unsubstantiated concerns may harm innocent persons; and
- approach the suspected perpetrators or try to investigate the matter yourself. There are special rules relating to the gathering of evidence for use in criminal and other legal matters. Any attempt to gather evidence by persons who are unfamiliar with these rules may prejudice the case. It is important to ensure that evidence is not contaminated, lost or destroyed.

Responding to immediate threats

9. Action should be taken to remove or mitigate the risk of ongoing fraud or by consulting with the relevant departments and taking the appropriate action which may include:

- suspending payments;
- safeguarding files and any other potential evidence.
- moving staff to another post or suspending then to facilitate the ongoing investigation (suspension should not be regarded as disciplinary action, nor should it imply guilt); or
- changing a financial procedure

Establishing the Facts and Investigating Fraud

10. All allegations and reports of fraud, bribery or dishonesty will be investigated by an appropriate accredited counter fraud investigator within the UKRI Counter Fraud Team. In the absence of any suitable resource within UKRI; the Head of Risk and Counter Fraud, in consultation with the Director of Risk and Assurance will consider any additional resource requirements and if appropriate, will contact GIAA or BEIS to request assistance from other government agencies.

11. The objective of any investigation is to prove or disprove suspicions or allegations of fraud by thoroughly evaluating all material evidence and establishing the facts.

12. Suspicion of fraud does not infer guilt. As such, all suspected fraud will be investigated fairly in an independent, open-minded and professional manner with the aim of protecting the interests of both UKRI and the suspected individual(s).

13. The following action will be taken on receipt of a fraud allegation;

    - the referral will be allocated to an appropriate Counter Fraud Manager for an initial review and details of the case will be recorded on the Counter Fraud Team Case Management System;

    - where there is enough evidence to warrant an investigation by the Counter Fraud Team, the Counter Fraud Manager will ensure that an Initial Case Report is issued to the relevant department leads within 5 working days of receiving the allegation. The Initial Case Report will detail the allegations and any initial enquiries or actions to be taken to minimise the risk of further losses. The Initial Case Report will also detail actions to be undertaken by the Counter Fraud Team;

    - where there is insufficient evidence to warrant a fraud investigation, the Counter Fraud Manager will refer the matter back to the relevant department with appropriate recommendations which may include additional project monitoring, due diligence and assurance activities or HR investigations;

    - on cases retained by the Counter Fraud Team, the Counter Fraud Manager will work with the appropriate internal or external colleagues and will review the available evidence (e.g. emails, reports, grant forms) and any relevant open source data. The Counter Fraud Manager may also carry out informal interviews as part of a preliminary investigation and where appropriate, conduct interviews under caution in compliance with the Police and Criminal Evidence Act (PACE) if the investigation is likely to lead to criminal action;

    - during the course of the investigation; the Counter Fraud Team will provide case updates to the relevant department/executive leads by way of Interim Case Reports or Operational Working Group meetings;

    - where appropriate, the Counter Fraud Team will also provide updates to the UKRI Chief Executive's Office and other relevant parties in the form of Briefing Notes; and

    - where allegations and reports of fraud, bribery or dishonesty relate to UKRI staff, the investigation will comply with the UKRI Disciplinary Policy with the rights of the individual reporting the suspected fraud protected in accordance with the UKRI Whistleblowing Policy and UKRI Code of Conduct Policy. Any investigation which involves criminal offences must take priority over any disciplinary investigation. The Counter Fraud Team will notify and provide regular updates to HR. Employees who are subject to investigation will be supported by HR and will have access to the Employee Assistance Programme (EAP).

14. Evidence in investigations of alleged fraud and bribery should be secured in a legally admissible format, i.e.:

- evidence must be carefully preserved
- where possible, evidence should not be handled, and no marks should be made on original documents
- a record should be kept of anyone handling evidence; and
- when dealing with staff under suspicion of fraud or bribery prompt action must be taken.

Referrals to Law Enforcement Agencies

15. Any decision to notify the police, Action Fraud or any other law enforcement agencies will be made by the UKRI Director of Risk and Assurance in consultation with the Head of Risk and Counter Fraud. The decision on whether to pursue criminal action will be judged on the merits of each case in terms of evidence and burden of proof. Particular consideration will also be given as to whether criminal proceedings should be undertaken in order to protect both UKRI and public interests. Each case will be considered on its own merits, in accordance with the expert advice obtained with a view to minimising losses (both monetary and otherwise) to UKRI.
16. For more complex frauds the UKRI Chief Financial Officer may decide how to proceed, following consultation with the Head of Risk and Counter Fraud and Director of Risk and Assurance.
17. The Counter Fraud Team will liaise with the police and other law enforcement agencies on behalf of UKRI in relation to any fraud investigations and will consult with or notify the UKRI Legal Team or Human Resources as appropriate.
18. Police investigations may take precedence over any internal investigation or disciplinary process. All staff must co-operate fully with any police investigation and must not disclose that any police or other law enforcement investigation is taking place without the agreement of the Counter Fraud Team.

Recovery Action

19. UKRI will seek to recover losses in all cases where a fraud has been proven. The Counter Fraud Team will ensure that details are supplied to support any recovery action.
20. Where an employee is dismissed following a finding of fraud, a claim for recovery of losses against UKRI will be offset against any monies or future benefits due to the employee.

Conclusion and Lessons Learned

21. Following all fraud investigations, a final case report will be produced detailing the findings and conclusion of the case. The final case report will include the following information:

- background as to how the investigation arose;
- what action was taken in response to the allegations;
- the conduct of the investigation;
- the facts that came to light and the supporting evidence;
- recommendations on action against any party where the allegation was proven;

- recommendations on recovery action; and
- recommendations and/or action for management to reduce further exposures and to minimise any recurrence which may include improvements to controls and processes, to be considered as part of lessons learned.

22. Any recommendations made by the Counter Fraud Team should be reviewed and actioned as soon as possible.

23. The UKRI manager responsible for the department in which the fraud was identified will, at an appropriate time, consider the results of the investigation and assess whether there is a weakness in UKRI's systems of internal control which needs to be addressed.

Communications

24. As detailed above, the Counter Fraud Team will provide case updates to the relevant department/executive leads and where appropriate the UKRI Chief Executive's Office by way of Case Reports, Briefing Notes and any Operational Working Group meetings.

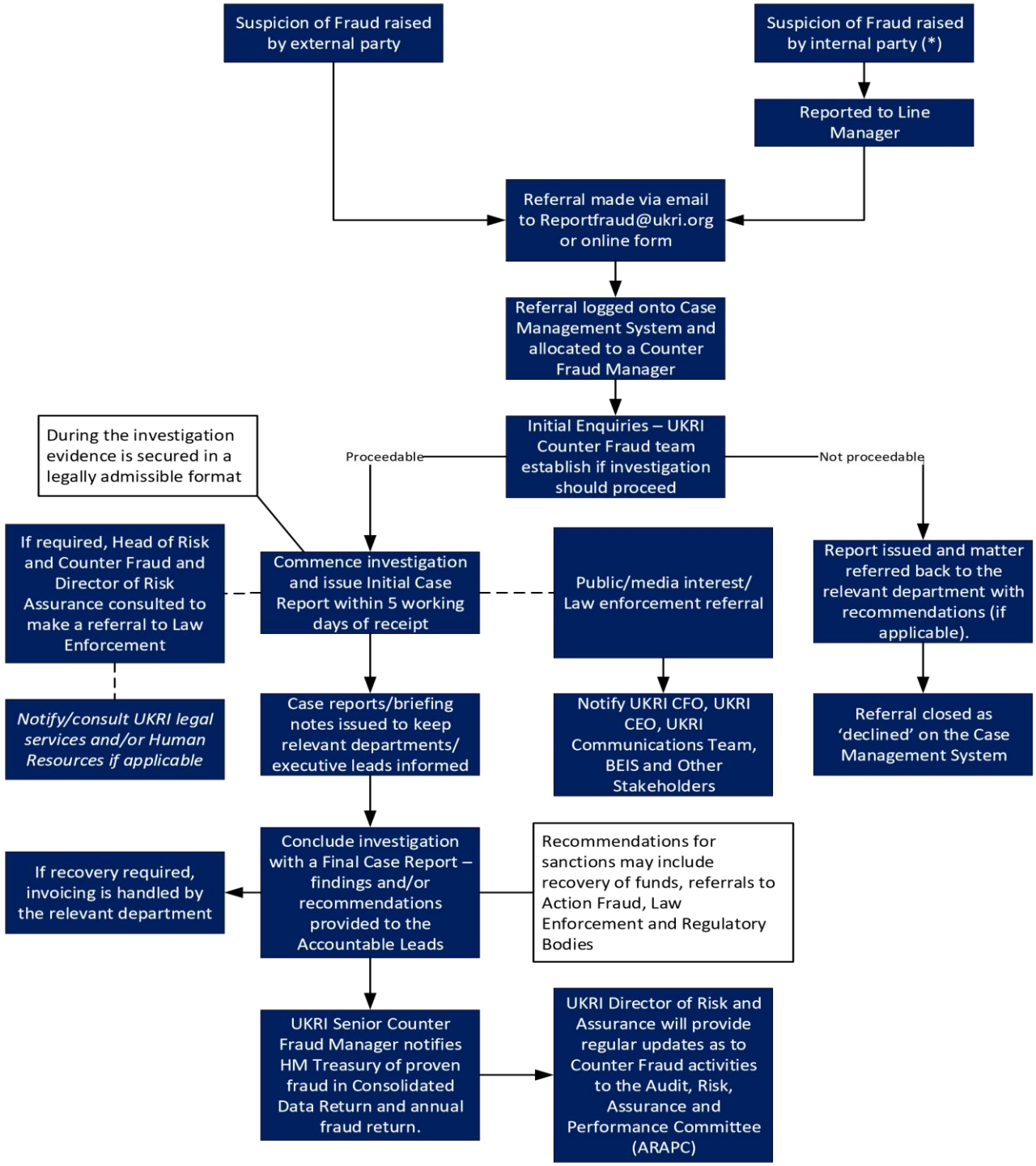
25. The UKRI Counter Fraud Team will notify the UKRI Communications Team of any cases which may result in public or media interest and the UKRI Communications Team will be responsible for dealing with any enquiries from the press and other media.

26. The UKRI Senior Counter Fraud Manager is required to notify BEIS of any fraud or bribery suffered by UKRI which may result in public or media interest and/or law enforcement involvement.

27. The UKRI Senior Counter Fraud Manager is also required to notify HM Treasury of any proven fraud in the Consolidated Data Return (CDR) and the annual fraud return.

28. The UKRI Director of Risk and Assurance will provide regular updates as to Counter Fraud activities to the Audit, Risk, Assurance & Performance Committee (ARAPC).

Appendix 3: Fraud and Bribery Response Plan



(*) If not comfortable going to their Line Manager they can refer directly to Senior Counter Fraud Manager, Head of Risk and Counter Fraud or Director of Risk and Assurance

Appendix 4: Proactive Counter Fraud Activities

1. The UKRI Counter Fraud Team will undertake a number of activities in order to identify and detect areas of fraud and bribery across the organisation. This will include:

    - governance led data analytics and Fraud Risk Assessments to assess risks and analyse trends
    - risk based audit plan by the Government Internal Audit Agency (GIAA). As approved by the Audit, Risk, Assurance and Performance Committee
    - participation of Cabinet Office Random sampling exercise
    - participation in the National Fraud Initiative (NFI)
    - local proactive exercises involving specific targeting of know fraud risks i.e. testing of travel and subsistence claims and check of company's house records against the UKRI Register of Interests, and
    - there will be a range of proactive activities identified and agreed by the People, Finance and Organisation Committee (PFO) to reflect the current fraud landscape.

Appendix 5: Roles and Responsibilities

1. Roles and Responsibilities

The HM Treasury handbook, Managing Public Money, sets out the general roles and responsibilities for people working in the public sector in relation to fraud. These roles will be established at UKRI as follows:

Chief Executive Officer

1.1. The Chief Executive Officer is responsible for establishing and maintaining a sound system of internal control that supports the achievement of UKRI policies, aims and objectives. The system of internal control is designed to respond to and manage the whole range of risks that UKRI faces. The system of internal control is based on an ongoing process designed to identify the principal risks, to evaluate the nature and extent of those risks and to manage them effectively. Managing fraud risk will be seen in the context of the management of this wider range of risks.

UKRI Board

1.2. The UKRI Board has appointed the Chief Financial Officer (CFO) as the fraud champion who is responsible for supporting the counter fraud strategy and for ensuring that fraud, bribery and corruption are viewed as a high priority in the development of UKRI.

People Finance and Organisation Committee (PFO)

1.3. The PFO committee is chaired by the Chief Finance Officer and considers: common operational, financial and people frameworks and policies across UKRI; day-to-day operational management and oversight of the overall governance and assurance framework; oversight and reporting of expenditure; managing and monitoring of staff capability; and capacity, operational and financial issues.

Audit, Risk, Assurance & Performance Committee (ARAPC)

1.4. ARAPC will review the adequacy of the policies and procedures for all work related to counter fraud and bribery. ARAPC will receive regular reports and ensure appropriate action in significant matters of fraudulent conduct and financial irregularity; and they will monitor both the progress and the implementation of recommendations in support of counter fraud.

Chief Finance Officer

1.5. The overall responsibility for managing the risk of fraud is at Executive Committee level and has been delegated to the Chief Finance Officer. Responsibilities include:

- ensuring that UKRI is compliant or is working towards compliance with the Cabinet Office Counter Fraud Functional Standards; and
- reporting significant incidents of fraud to the Chief Executive Officer reporting to HM Treasury in accordance with Managing Public Money

Chief Operating Officers

1.6. The Chief Operating Officers for each of the Councils will be responsible for:

- ensuring the principles of protecting public money are upheld;
- encouraging a positive fraud culture within their organisation; and
- ensuring that were fraud or wrongdoing has occurred a lesson learnt exercise is completed to identify failures in controls and processes. There must be a clear plan to reduce the risk of exposure to future fraud;

Appendix 5: Roles and Responsibilities

Council Counter Fraud Champions

1.7. As described above the CFO is the overall champion at board level. Each of the Councils Chief Operating Officer or equivalent will act as the Councils Counter Fraud Champion for:

- liaison with the UKRI Counter Fraud Team;
- facilitating fraud initiatives and discussions within UKRI and external bodies;
- distribution of fraud awareness material, and
- distribution of fraud alerts.

For the purpose of this policy senior manager is defined as a member of staff who has supervisory responsibility of other employees.

Director of Risk and Assurance

1.8. The Director of Risk and Assurance is responsible for:

- ensuring, alongside the Head of Risk and Counter Fraud, that UKRI is compliant or is working towards compliance with best practices on fraud management in line with government standards;
- supporting the CFO in delivering their fraud responsibilities; and
- liaising with ARAPC on fraud related matters.

Head of Risk and Counter Fraud

1.9. The Head of Risk and Counter Fraud is the professional lead for risk management in UKRI and is responsible for:

- developing and maintaining a fraud risk assessment and undertaking a regular review of the fraud risks associated with each of the key organisational objectives;
- establishing and maintaining an effective anti-fraud policy and fraud response plan, commensurate to the level of fraud risk identified in the fraud risk assessment;
- designing an effective control environment to prevent fraud commensurate with the fraud risk assessment;
- providing appropriate expert advice and challenge on the risk to the Board, CEO and Managers across UKRI;
- establishing appropriate mechanisms for:
    - reporting suspected fraud
    - referring instances of fraud and bribery to BEIS and other relevant partners and bodies, and
    - co-ordinating assurances about the effectiveness of anti-fraud policies to support the Governance Statement.
- ensuring that all staff are aware of the organisation's anti-fraud policy and know what their responsibilities are in relation to combating fraud;
- developing skill and experience competency frameworks, and

- ensuring that appropriate anti-fraud training and development opportunities are available to appropriate staff in order to meet the defined competency levels.

UKRI Counter Fraud Team

1.10. Responses and investigations to allegations of fraud will be led by the Senior Counter Fraud Manager within the Risk and Counter Fraud function. The Senior Counter Fraud Manager is responsible for:

- the development, administration, dissemination and application of this policy;
- completing a fraud risk assessment;
- maintaining the Fraud Investigation Register (case management system);
- training and awareness;
- production of any outputs required under the Cabinet Office Fraud and Error initiative;
- the investigation of all allegations of fraud, bribery and corruption;
- representing UKRI on the Cabinet Office Counter Fraud Network, and
- representing UKRI on the BEIS Counter Fraud Network.

Line managers

1.11. Line managers have a key role in combating fraud and bribery through:

- being aware of the potential risk to fraud, bribery and/or corruption within their sphere of operations and responsibility
- ensuring that an adequate system of internal control exists within their areas of responsibility
- ensuring that all procedures and policies in place to guard against fraud and bribery are followed
- ensuring that controls are being complied with and their systems continue to operate effectively, and
- implementing new controls to reduce the risk of similar fraud occurring where frauds or bribery have taken place.

All staff

1.12. All staff are responsible for safe-guarding public funds/ managing public money which involves:

- familiarising themselves with related regularity and propriety requirements, including:
  - o the UKRI Conflicts of Interest Policy
  - o the UKRI Gifts Hospitality and Policy, and
  - o the UKRI Whistleblowing Policy.
- complying with all procedures and policies in place to guard against fraud and bribery

- acting with propriety in the use of official resources and the handling and use of public funds whether they are involved with cash or payments systems, receipts or dealing with suppliers
- conducting themselves in accordance with the UKRI's Code of Conduct
- being alert to the possibility that unusual events or transactions could be indicators of fraud or bribery
- reporting details immediately through the appropriate channel if they suspect that a fraud or bribery has been committed or see any suspicious acts or events
- cooperating fully with whoever is conducting internal checks or reviews or fraud investigations, and

Government Internal Audit Agency (GIAA)

1.13. GIAA (Internal Audit) are responsible for:

- delivering an opinion to the Chief Executive Officer on the adequacy of arrangements for managing the risk of fraud and ensuring that the organisation promotes an anti-fraud culture;
- assisting in the deterrence and prevention of fraud by examining and evaluating the effectiveness of control commensurate with the extent of the potential exposure/risk in the various segments of UKRI operations;
- ensuring that management has reviewed its risk exposures and identified the possibility of fraud as a business risk; and
- assisting management in conducting fraud investigations.

Appendix 6: Points of Contact

Siobhan Peters	UKRI Chief Finance Officer	Siobhan.peters@ukri.org
Neil Phimister	UKRI Director of Risk and Assurance	Neil.phimister@ukri.org
Carole Walker	UKRI Head of Risk and Counter Fraud	Carole.walker@ukri.org
Fraud Line	Alternative method of reporting	reportfraud@ukri.org
UKRI Whistleblowing Policy	Alternative method of reporting	whistleblowing@ukri.org
Action Fraud	Reporting body of fraud referrals	http://www.actionfraud.police.uk/contact-us

Annex 2: Summary of Changes to UKRI Counter Fraud and Bribery Policy (2021)

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Author	Brendan Harper, Investigations Manager UKRI
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Author	Lorraine Shishimai, UKRI Counter Fraud Manager