



Fraud Policy Statement

Last Review and Update: February 2026

Next Review: February 2027

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1. Introduction

- 1.1 The University is committed to an effective anti-fraud and corruption strategy designed to encourage prevention, promote detection and clarify responses through a defined plan which incorporates investigatory action. This Fraud Policy covers all activities of the University and its subsidiary & associated undertakings.
- 1.2 The main responsibility for preventing and detecting fraud lies with management. However, it is the responsibility of all staff to remain alert and vigilant to the possibility that the University may be a victim of fraud, irregularity or unacceptable activity.
- 1.3 The aftermath of fraud is costly, time consuming, disruptive and unpleasant. The University's approach is therefore to place emphasis on prevention of fraud by informing all staff of their obligations to protect the University from loss.
- 1.4 The University's Financial Regulation set out the University's controls to minimise the risk of the above occurring <http://admin.exeter.ac.uk/finance/publications/rfr/index.shtml> however it is the responsibility of all staff to be aware of their obligations to ensure that fraud does not happen.
- 1.5 In line with our commitment to uphold the highest standards of integrity and transparency, the Company recognises the importance of compliance with the **Economic Crime and Corporate Transparency Act 2023**. This legislation strengthens the UK's framework for preventing and addressing economic crime, including fraud, money laundering, and false or misleading corporate disclosures. It places enhanced obligations on companies to maintain accurate and transparent corporate information, ensure robust identity verification of directors and beneficial owners, and adopt effective procedures to prevent the facilitation of economic crime. The Company supports these objectives and will take all necessary steps to ensure compliance, including maintaining accurate records, conducting appropriate due diligence, and promoting a culture of transparency and accountability across all business activities.

2. Definition of Fraud

- 2.1 For the purposes of the University's policy fraud is defined as the use of deception with the intention of:

- gaining an advantage, personally and for family or friends; or
- causing loss (financial and otherwise) to the University or one of its subsidiary & associated undertakings.

- 2.2 The main type of irregularity are:

- theft this may include the removal or misuse of funds, assets or cash;
- false accounting, meaning
 - dishonestly destroying, altering or hiding any document or record with a view to personal gain (or gain for someone else)
 - or with the intent to cause loss to the University
 - or supplying information which is or may be false;

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- abuse of position including authority, resources or information either for personal gain or to cause loss to the University.

2.3 Some examples of fraud include the following:

- stealing or misuse of cash from cash boxes, cash registers, and takings from trading outlets, vending machines, or from other funds
- theft of stock including theft of stationery for private use
- fraudulent encashment of payable orders or cheques
- misuse of other assets including misuse of information and intellectual property, for example:
 - unauthorised use of University property
 - vehicles
 - computers
 - other equipment
- purchasing or purchase ledger fraud, examples are:
 - setting up accounts & approving/paying bogus suppliers
 - approving/paying for goods not received
 - approving/paying inflated prices for goods and services
 - accepting any bribe
- travel and subsistence claims overstated or falsely claimed. This may include advances not recovered or forging of counter-signatories
- accepting pay for time not worked examples being:
 - false claim for hours worked
 - failing to work full contracted hours
 - false overtime claims
 - falsification of sickness self-certification
- computer Fraud (e.g. altering or substituting records, duplicating or creating bogus records, or destroying or hiding records).

3. Warning Signs

3.1 Whilst by no means being proof on their own, the examples below may indicate fraud, and should therefore put managers, staff and students on the alert:

Internal

- altered documents (correcting fluid, different pen or handwriting)
- claim form details not readily checkable
- changes in normal patterns of cash takings or travel claim details
- erratic or difficult to read text or with details missing
- delay in completion or submission of claims forms
- lack of vouchers or receipts in support of expense or other claims
- staff seemingly living beyond their means
- staff under constant financial or other stress
- staff choosing not to take annual leave (and so preventing others becoming involved in their work), especially if solely responsible for a 'risk' area
- complaints from public or staff
- always working late
- refusal of promotion

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External
<ul style="list-style-type: none">• emails-<ul style="list-style-type: none">➤ email has been sent to numerous, random, recipients➤ contains a request to click a link➤ request for personal information➤ received from a senior member of staff requesting an urgent payment
<ul style="list-style-type: none">➤ spelling mistakes and/or awkward use of language➤ text of email is contained within an image• letters received from suppliers/customers requesting a change of bank details –<ul style="list-style-type: none">➤ ensure the email has originated from the supplier/customer by contacting them on a number held on the University financial system.• phone calls-<ul style="list-style-type: none">➤ banks will never ask you to –➤ disclose any digit of your PIN➤ download remote access software➤ move money to a safe/new account➤ enter your Smart-card to log in to Bankline

4. Dealing with concerns

4.1 Fraud takes many forms, both internal and external, and it is hard to be definitive in how to best approach a situation. Should you suspect a fraud has been committed then:

You must:

- Report the situation to your manager promptly who will attempt to confirm your suspicions discreetly. There may be alternative explanations for the situation. If it is a potential fraud your line manager will inform the Chief Financial Officer immediately
- Preserve confidentiality. Only discuss suspicions with your manager or people they refer you to
- Seek immediate advice from a member of your senior management team if you suspect your line manager is committing fraud
- Raise concerns to someone outside your direct management line where a senior member of university staff is suspected of fraud. Relevant phone numbers are as follows:
 - Chief Financial Officer and Exec Director of FICS (Dave Stacey) – 07429 252473
 - Internal Audit Partner (Matthew Elmer)- 07738 311296
 - Chair of Audit Committee (Tim Weller) – (via Executive Suite) 01392 723002

You must not:

- Keep quiet and hope the problem will go away;
- Confront the individual with your suspicions;
- Contact the police directly as that is the responsibility of the Chief Financial Officer
- Discuss with anyone else other staff including family and friends. Any alleged fraud must remain confidential at all times and not become the subject of gossip or broadcast on social media

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- Collect evidence without first seeking specialist advice
- 4.2 Concerns can be raised in the knowledge that they will be treated on confidence and properly investigated. The University is fully committed to dealing with any concerns confidentially, swiftly and thoroughly.
- 4.3 In addition to concerns raised by staff and students, members of the public and others coming into contact with the University are encouraged to report concerns through the above channels.
- 4.4 Where concerns or allegations are made by staff and are subsequently proved to be malicious and unfounded then such abuses will be viewed as a serious disciplinary matter.

5. Prevention and Detection

5.1 The University recognises the importance of prevention in its anti-fraud strategy and has in place various measures including denial of opportunity, effective leadership and management, auditing and employee screening.

5.2 All financial systems and financial procedures take into account the need for internal checks and internal control and staff are required to receive training in the operation of all systems. The possible misuse of information technology is prevented through the management of physical access to terminals and with electronic access restrictions.

5.3 Staff recruitment is required to be in accordance with approved University procedures laid down by Council. References are routinely taken up and candidates are required to provide evidence of their qualifications, Potential recruits are also required to declare any connections with existing University Officers or members of staff.

5.4 During induction new staff should:

- familiarise themselves with the Finance web pages especially the financial regulations;
- ensure they complete (as appropriate to role and grade) both the Bribery Act 2010 and information awareness online courses which can be found here: <http://www.exeter.ac.uk/staff/development/>
- ensure they are aware of the implications of receiving gifts and hospitality: <http://www.exeter.ac.uk/staff/employment/codesofconduct/bribery/gifts/>
- additionally look at the courses offered by Finance Services which help support the obligations of all staff in protecting the University from loss

5.5 The University supports the obligations of Council, its Committees, senior managers and staff by ensuring that clear policies exist in respect of:

- Commercial ethics
- Registration and Declaration of Interests
- Receiving Gifts and Hospitality
- Code of Conduct
- Prevention of Bribery
- Whistleblowing <http://www.exeter.ac.uk/staff/employment/codesofconduct/staff/>
<http://www.exeter.ac.uk/staff/employment/codesofconduct/bribery/>
<http://www.exeter.ac.uk/staff/employment/codesofconduct/publicinterest/>

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- 5.6 The University's Audit Committee provides an independent and objective view of internal controls by overseeing both Internal and External Audit Services, reviewing audit reports, systems & procedures and ensuring compliance with the University's Financial Regulations and the requirements of the Higher Education Funding Council for England (HEFCE).
- 5.7 All internal management systems are designed consistently utilising wherever possible the expertise and advice of the University's Auditors. The approach includes the need for:
- segregation of duties
 - timely reconciliation of procedures,
 - random checking of transactions
 - reviews of management accounting information including exception reports
 - internal training and communications to support the above.
- 5.8 Audit activity is an important defence mechanism, and Auditors may be required to use special techniques on occasions to identify fraudulent transactions.

6. Investigations and Fraud Response Plan

- 6.1 The University recognises the unpredictability of fraud or irregularity and the disruption which it may cause once identified. It recognises the need to safeguard its staff, students, and assets, recover losses and secure evidence for legal and disciplinary processes.
- 6.2 In order to meet these objectives and to clarify its approach when fraud is suspected and/or investigations are needed, the University has a Fraud Response Plan:
- <http://www.exeter.ac.uk/finance/policies/fraudresponseplan/>
- 6.3 The Chief Financial Officer is responsible for investigating and reporting all actual or suspected incidents following the protocols set out in the Fraud Response Plan. The purpose of the Fraud Response Plan is to support the Chief Financial Officer by defining what to do in the event of a suspected fraud or irregularity.
- 6.4 In summary the Fraud Response Plan addresses:

- initiating action
- prevention of further loss
- establishing and securing evidence
- significant fraud
- recovery of losses
- references for employees disciplined or prosecuted for fraud
- reporting to Chairs of Council and Audit Committee
- special Investigation

7. Policy Review

- 7.1 The Fraud policy and Fraud Response plan will be reviewed annually by the Chief Financial Officer and each use to ensure that they remain fit for purpose.
- 7.2 Before being implemented and proposed amendments must be first approved by Audit Committee.