

The Research & Evaluation Centre Anti-Fraud & Anti-Corruption Policy

The Research & Evaluation Centre
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Company Limited by Shares Incorporated in England and Wales

TO REPORT A SAFEGUARDING CONCERN, YOU CAN:

Visit: <https://therec.co.uk/misconduct>

Email: safeguarding@therec.co.uk

1 Introduction

The REC is committed to being open and accountable. By putting this anti-fraud/anti-corruption/anti-bribery policy in place The REC would like to promote the values of integrity, transparency, accountability, consistency and protection for all those working towards The REC's goals.

This document sets out The REC's Anti-Fraud & Anti-Corruption policy and applies to all areas of The REC's work. It is designed to act as an early warning system against fraud, corruption, bribery and malpractices. It outlines the process of raising concerns related to fraud, malpractices and wrongdoing when it is believed that malpractice has taken place, is taking place or likely to take place anywhere within the organisation.

2 Policy & Scope

This document sets out The REC's policy and procedure toward fighting fraud and corruption. It applies to all REC employees including, board members, trustees, interns, consultants, donors, business partners and any others with whom The REC is working with. This policy extends to cover all REC funds, assets or stock being used by an external person, such as a partner organisations, consultant, contractor, supplier or any third party by way of contract or other means.

All REC employees must be aware of the existence of this Policy. The policy must be disseminated to all employees and it will be an audit requirement to maintain records and evidence that this policy has been communicated to and understood by all employees.

The aim of this policy is to ensure that The REC:

- Fulfil its obligations as set down by regulators, bilateral and multilateral development agencies, and others
- Documents its stance against, and response to, corruption including fraud and bribery
- Complies with all applicable legislation, and to accurately reflect all transactions on The REC's books and records.

For the purpose of this policy, corruption includes bribery, extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement, trading influence, money-laundering and similar criminal activities.

This policy is not intended to be a substitute for The REC's grievance procedure and is not a channel for raising grievances relating to conditions of employment and/or personal circumstance.

2.1 Application to Oversea Partners

This Policy sets minimum standards for overseas partner organisations. Each partner will be subject to the legislation in their country of registration and regulations in host countries will likely vary. As a result donor/partner may impose standards of due diligence or reporting which lie outside the scope of this policy.

Since no single policy can document or anticipate the full range of regulations, due diligence, monitoring or reporting requirements that a partner's domestic government or donor may impose on its citizens or in their funding contracts, individual partner organisations may supplement this Policy to meet the regulatory requirements of their domestic governments. Any such supplementary requirements must be communicated to and agreed by The REC and any relevant partner(s) implementing project funds.

3. Policy Statement

The REC recognises that corruption is one of the world's largest challenges. It is corrosive on every fabric of society and has played a pivotal role in undermining the world's social, economic and environmental development. Corruption diverts resources from their intended use.

The REC is committed to an Anti-Fraud and Anti-Corruption Policy. As a company that aims to improve lives through using evidence based research, The REC does not tolerate fraud and corruption and is committed to ensuring that its systems, procedures and practices reduce the risk of occurrences to an absolute minimum.

The REC requires all employees and those associated with The REC in any capacity to act with honesty and integrity at all times, and to safeguard the assets and funds for which they are responsible. Fraud and corruption are ever-present threats to our work and so must be a concern of all members of staff wherever we work.

The REC prohibits its officers, employees and those contracted with the company from engaging in any form of corruption in relation to the Company's business and affairs. Suspected or actual cases of corruption will be promptly investigated and appropriate action taken; failure by any member of staff to follow this policy may be treated as a disciplinary matter and may result in disciplinary action, including dismissal. Staff involved in actual fraud or corruption will be reported to law enforcement. The REC will endeavour to recover, by any and all legal means, any funds lost through fraud or corruption from those responsible and will take robust action against involved third parties (including partners, contractors and agents).

The REC will use all reasonable endeavours to conduct its business and affairs so as to ensure that it does not engage in or facilitate any form of corruption. Partners and sub-contractors will be asked to sign up to the policy and procedures of The REC and demonstrate that they have adequate policies in place.

There is a REC Anti-Fraud and Corruption Strategy to drive the deterrence, prevention, detection, investigation and redress of incidents of fraud and corruption, which helps implement this policy.

Anyone who suspects a breach of this policy must seek guidance from the Compliance Officer responsible for the implementation of this policy or the Director.

4 Definition

Corruption is the abuse of power for private gain. The REC used 'corruption' as a broad term that includes acts of fraud, theft, nepotism, money laundering, bribery and other forms of financial crime.

Theft: dishonestly taking / appropriating property, belonging to another, with the intention of permanently depriving them of it.

Nepotism: Nepotism is favouritism granted to associates regardless of merit.

Improper conduct: an act which breaches an expectation of good faith, impartiality or trust.

Fraud encompasses acts of deception to dishonestly deprive another person or entity of money, property or a service. The person committing fraud must intend to make a gain for themselves or another; or cause a loss or expose another to a risk of loss (whether or not the deception was successful). There are three main types of fraud:

Fraud by false representation: Intentionally making an untrue or misleading statement to make a gain or cause a loss. This type of fraud includes the falsification of documents or records.

Fraud by failing to disclose information: Dishonestly failing to disclose information to another person when there is a duty to do so and in order to make a gain or cause a loss.

Fraud by abuse of position: Committed by a person who dishonestly abuses their position in an organisation, or position of trust, for personal or financial gain, or so that someone else suffers a loss.

Bribery is generally defined as “giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so.” It could cover seeking to influence a decision-maker by giving some kind of extra benefit to that decision maker rather than by what can legitimately be offered as part of a tender process.

This policy prohibits the paying, offering, receiving or requesting of bribes by any ‘Associated Person’ of The REC, including employees, Trustees, agents/intermediaries, partners, volunteers and contractors and suppliers. Below are definitions of what could fall under bribery.

Facilitation payments: payments made to public officials to expedite routine administrative activities where the outcome is pre-determined, or to secure a service to which one is already entitled, such as to speed up the processing of a visa or release items through customs. Any such payments are bribes and are prohibited.

Kickbacks: Kickbacks are an illegal payment intended as compensation for preferential treatment or any other type of improper services received.

Favour: bribery does not always take place in monetary or tangible form, but could be offered or received as the provision of a service, preferential treatment, inducement, loans, discounts, the awarding of a contract, advancement or trading of influence or anything else of value, in exchange for an advantage.

Gifts and hospitality: gifts (material objects) or hospitality (such as entertainment, travel, food or accommodation) offered or accepted by a person or organization could be considered a bribe if the intent is to induce or reward improper conduct. Gifts and hospitality should not be accepted from external parties or as reward for work undertaken on behalf of The REC or by virtue of employees’ affiliation with The REC. In exceptional circumstances, when gifts and hospitality are accepted, they must be declared in writing to the relevant line manager and where possible handed back to The REC in line with the procedures for the relevant Affiliate. Offers of gifts and hospitality to third parties by REC employees staff must also be declared to the relevant line manager.

Donations: charitable donations are a common method through which bribes can be made in exchange for favouring the giver, or improperly influencing the independence, conduct, activities or decision-making of The REC or its Associated Persons. Any such attempt to improperly influence the normal course of business in this way should be reported via the relevant whistleblowing channels. Donations should only be received in accordance with documented donation procedures in place in each country.

5. Our Principles:

The REC is committed to preventing corruption by implementing policies and procedures, including:

- Developing, maintaining and consistently applying effective controls to prevent corruption at all levels, and evaluating the effectiveness of those measures;
- Demonstrating top level commitment against corruption;
- Ensuring corruption risks are taken into consideration in program planning and conducting risk assessments where required;
- Conducting adequate and proportionate due diligence on third party service providers, partners and staff in line with key risks;
- Ensuring that if corruption occurs, a vigorous and prompt investigation takes place, and that reports are shared with stakeholders as appropriate;

- Reporting incidents to donors as required; and
- Publishing high level information of all completed corruption investigations and significant thefts on the publicly available website.

6. Our Procedure

Anyone suspected of giving or receiving a bribe will be investigated under The REC's code of conduct procedure. If any representative or a contractor or partner is found to have made or received a bribe, this will be reported to the relevant management for due measures to be taken. In serious instances, this may result in the termination of the relationship between The REC and the Partner organisation or contractor. If relevant, The REC might seek financial compensation.

The REC encourages everyone including partner organisations and contractors to report any requests to make a bribe. Employees are advised to present a copy of the REC's Anti-Fraud & Corruption Policy to the organisation or to explain the policy and should not agree to the bribe.

The REC will not engage in acts or omissions that offer, authorise or give anyone a bribe, or create the impression that a bribe has been offered, authorised or given.

The REC's Corruption Response Standard Operating Procedure provides a detailed explanation of how individuals and the REC responds to suspicions of corruption.

6.1 Reporting

6.1.1 Internal

Anyone who suspects REC's funds, assets or stock have been, are, or will be lost through corruption, must report it without delay to the Director: jnamadi@therec.co.uk or the Web-Form for reporting misconduct on: <https://therec.co.uk/misconduct>.

Responding to fraud & corruption suspicions

Once a suspicion of is reported, The REC will follow the response principles set out in the REC's Corruption Response Standard Operating Procedure. Investigations will be carried out where appropriate. Where concern arises that a suspicion may not have been managed correctly, the response to that suspicion will be independently reviewed.

Protection of confidential reporters

There will be no recriminations against staff who report reasonably held suspicions, and victimising or deterring staff from reporting their concerns will be treated as a disciplinary matter. It is the responsibility of all managers to take reasonable steps to protect those who report suspicions.

Aggregated data on fraud and corruption incidents and risks will be reported to the Board.

6.1.2 External

Case referral:

The REC will refer cases of corruption to law enforcement, wherever necessary and feasible to do so. Decisions not to report to law enforcement will be by exception and will be accompanied by a clear written rationale and consent of those overseeing the incident.

Reporting to donors and regulators:

The REC will follow the misconduct reporting standard operating procedures in reporting to donors and regulators. All staff must adhere to the standardised reporting procedures.

The REC also commits to externally publishing high level information regarding corruption cases investigated annually. The report will help us to monitor our progress in delivering on The REC's values and commitments.

7. Roles & Responsibilities

All REC employees including, partner organisations, Board Members and Directors, have a responsibility to reduce and bring to a minimum any potential losses to The REC due to fraud, bribery and corruption. All incidents should be reported when there is reasonable suspicion of wrongdoing.

In addition to the responsibilities of each and every member of staff for his/her own ethical and professional conduct and for compliance of our policy and procedures, team leads and managers carry the responsibility of monitoring compliance in respect to all the business matters that they are managing or supervising.

The head of Compliance has overall responsibility for facilitating and monitoring the effective implementation of this policy within REC. The REC will set up performance indicators and put in place monitoring systems to measure its performance at implementing this policy.

The REC will ensure that all employees are aware of the existence of this policy.

8 Monitoring and Review

The REC's Anti-Fraud and Anti-Corruption Policy will be reviewed yearly and amended as necessary, or earlier in accordance with any forthcoming legislation.

NRIDB monitors and reviews procedures designed to prevent bribery and it makes improvements where necessary. Employees are encouraged to pass on suggestions or recommendations for the revision of any aspect of the policy to the Head of Compliance.

Version Control

Version	Summary of Change	Approved by	Approval Date	Revision Date
1	New Policy	HR	01 Oct 2024	01 Oct 2025