

POLICY / PROCEDURE TITLE		DATE OF APPROVAL
Anti-Fraud Policy		July 2025
APPROVED BY	VERSION NO.	VALID UNTIL
Corporation	1	July 2028

<b>OWNER</b>	Director of Business Assurance & Risk		
<b>GROUP EXECUTIVE LEAD</b>	Chief Finance Officer		
<b>DOCUMENT TYPE</b>	Policy <input checked="" type="checkbox"/>	Group Procedure <input type="checkbox"/>	Local Procedure <input type="checkbox"/>
<b>PURPOSE</b>	This policy sets out NCG's zero-tolerance stance on fraud and makes all associated persons of NCG aware of the risks of fraud, their responsibilities in preventing, detecting, and responding to fraudulent activities.		
<b>APPLICABLE TO</b>	All NCG employees, as well as consultants, vendors, agency workers, contractors, subcontractors, partners, service users, trainees/students, volunteers, any other third parties who have a business relationship and/or all associated persons who perform services for or on behalf of NCG.		
<b>EQUALITY ANALYSIS COMPLETED [POLICIES ONLY]</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
<b>KEY THINGS TO KNOW ABOUT THIS POLICY</b>	<ol style="list-style-type: none"> <li>1. All employees and associated persons (both internal and external to NCG) have a responsibility to act in line with the law and to act at all times with honesty and integrity.</li> <li>2. NCG has a zero-tolerance stance on fraud and is committed to maintaining a culture that deters fraudulent or corrupt activity, encourages its preventions and promotes its detection and reporting.</li> <li>3. This policy is designed to comply with relevant legislation including the Fraud Act 2006 and the Economic Crime and Corporate Transparency Act 2023.</li> </ol>		
<b>EXPECTED OUTCOME</b>	Readers are expected to understand the organisational position on fraud, know their responsibilities in relation to the policy and comply with the terms of the policy at all times.		

MISCELLANEOUS	
<b>LINKED DOCUMENTS</b>	<ul style="list-style-type: none"> <li>• Whistleblowing and Disclosure Policy</li> <li>• Anti-Money Laundering Policy</li> </ul>

	<ul style="list-style-type: none"><li>• Anti- Bribery and Corruption Policy</li><li>• Gifts and Hospitality (including Conflicts of Interest) Policy</li><li>• Financial Regulations</li><li>• Code Of Conduct Policy</li><li>• NCG Disciplinary Policy</li></ul>
<b>KEYWORDS</b>	<ul style="list-style-type: none"><li>• The Fraud Act 2006</li><li>• The Economic Crime and Corporate Transparency Act 2023.</li><li>• Fraud</li></ul>

## Equality Impact Assessment

EQUALITY IMPACT ASSESSMENT			
	Yes	No	Explanatory Note if required
EIA 1 - Does the proposed policy/procedure align with the intention of the NCG Mission and EDIB Intent Statement in Section 2?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The answer to this must be YES
EIA 2 - Does the proposed policy/procedure in any way impact unfairly on any protected characteristics below?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
Disability / Difficulty	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
Gender Reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
Marriage and Civil Partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
Religion or Belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
Sex	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
Sexual Orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
EIA3 - Does the proposed policy/processes contain any language/terms/references/ phrasing that could cause offence to any specific groups of people or individuals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
EIA4 - Does the policy/process discriminate or victimise any groups or individuals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
EIA 5 - Does this policy/process positively discriminate against any group of people, or individuals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this must be NO
EIA 5 - Does this policy/process include any positive action to support underrepresented groups of people, or individuals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The answer to this could be yes or no as positive action is lawful. However, an explanation must be provided for clarity.
EIA 6 - How do you know that the above is correct?	This policy has been reviewed by the Policy Review Council, Audit and Risk Committee and Corporation Board.		

## 1. GENERAL POLICY STATEMENT

NCG values its reputation for ethical behaviour and recognises that any involvement in fraud is illegal and will reflect adversely on its hard-earned image and reputation. Thus, NCG expects any person or company (public or private) associated with NCG to act with integrity and without any actions that may be considered an offence within the meaning of the Fraud Act 2006 and Economic Crime and Corporate Transparency Act 2023 (ECCTA 2023).

The prevention, detection and reporting of fraud, corrupt acts and bribery is the responsibility of everyone associated with NCG.

NCG requires any potential breaches of this policy including attempted and suspected fraudulent acts, to be reported under NCG reporting processes without undue delay (see section 7, below). Any member of staff who fails to notify of a fraud or is found to have known or suspected fraud has occurred but has not followed the correct reporting procedures could be subject to disciplinary action.

## 2. KEY DEFINITIONS

<b>Fraud</b>	The Fraud Act 2006 defines fraud as the making of a false representation, failing to disclose information where there is legal duty to do so or the abuse of position, with an intention to make a gain, cause a loss, or expose another to the risk of loss. References to "Fraud" made in this policy includes fraudulent activity intended to benefit NCG or its associated persons as well as fraud committed against NCG.
<b>'Associated person' or an 'associate'</b>	Defined by the Economic Crime and Corporate Transparency Act 2023 as a person who is an employee or an agent of the relevant organisation, or a person who otherwise performs services for or on behalf of the organisation. A subsidiary of the relevant organisation may also be an associated person, if it acts corporately. However, an individual employee of a subsidiary is not an associated person of the parent organisation unless they commit fraud intending to benefit the parent organisation.

### 3. INTRODUCTION

NCG is committed to the highest standards of integrity, probity and ethics in all its dealings - wherever they may take place and in whatever context. Fraud is both illegal and unethical and brings with it the potential for criminal liability and severe penalties - at both NCG and individual levels. The legislation is extensive and, crucially, NCG's anti-fraud responsibilities do not end at the office door or campus boundary. Those responsibilities extend to any associated person, representative, agent, subsidiary, partnership or body engaged on NCG business, including those within and outside of the UK.

For the avoidance of doubt, NCG has a **zero-tolerance** approach to fraud and serious action will be taken against anyone found to be involved in such acts including dismissal under NCG's disciplinary processes. For associated persons, breach of this policy may result in contractual, legal and / or other sanction(s).

This policy is designed to:

- To ensure that NCG complies with relevant legislation including but not limited to the Fraud Act 2006, Economic Crime and Corporate Transparency Act 2023 (ECCTA).
- Apply to all associated persons including but not limited to staff, trainees/students, agency workers, consultants, volunteers, governors, associates, partners, sub-contractors, customers, service users, and any and/or any other parties who have a business relationship with NCG.
- Clearly communicate NCG's zero-tolerance stance on fraud.
- Make all stakeholders aware of the risks and their responsibilities regarding safeguarding the proper use of NCG's finances, resources, and assets against fraudulent or corrupt acts.
- Foster a culture that deters fraudulent activity, including the prevention, detection and reporting of fraud to help reduce instances of fraudulent acts perpetrated against NCG or to benefit individuals and/or NCG.

#### 4. LEGISLATION

**The Fraud Act 2006** establishes the offence of fraud and outlines three primary ways it can be committed which are:

- **Fraud by false representation:** dishonestly making a representation that is untrue or misleading with intent to make a gain for themselves or another, to cause loss to another or expose another to risk of loss.
- **Fraud by failing to disclose information:** failing to disclose information when legally required to do so, dishonestly intending by that failure, to make a gain or cause a loss.
- **Fraud by abuse of position:** Abusing a position of authority or trust within the organisation where one is expected to safeguard or not to act against, the financial interests of the organisation with an intention to make a gain or cause a loss.

The list of offences as listed out in the Fraud Act 2006 can be found here: [Fraud Act 2006 | The Crown Prosecution Service](#)

**ECCTA** builds on the legal framework established by the Fraud Act 2006, providing additional tools and measures to tackle economic crime. Whilst the Fraud Act 2006 focuses on individual fraudulent actions, ECCTA extends this responsibility to organisations, ensuring they implement effective fraud prevention procedures.

In September 2025 ECCTA established a new offence, the Failure to Prevent (“FTP”) fraud offence which holds organisations including NCG accountable for fraud committed by their employees, agents, subsidiaries or other “associated persons”, with the intention of benefitting the organisation or their clients. Under the new Act, organisations can face unlimited fines for failing to implement reasonable fraud prevention procedures designed to stop fraud occurring. The offence applies:

- When an associated person of an organisation commits a fraud that is **intended** to benefit (either directly or indirectly) the organisation or its clients. Therefore, an organisation does not need to have actually received any benefit from the fraud for the offence to apply.

- It can apply where a fraudster's primary motivation was to benefit themselves, but their actions will also benefit the organisation.
- It is not necessary for the directors or senior managers of the organisation to have been directly involved in the fraud.

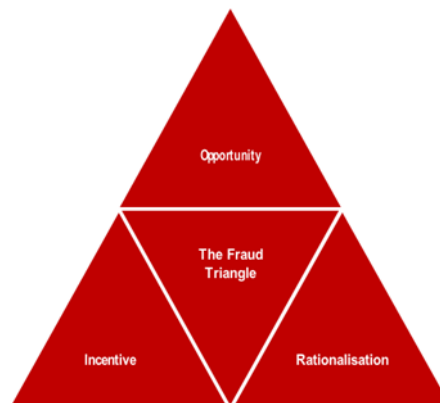
## 5. FRAUD RISKS

It should be stressed that, in common with other Education Institutions, NCG faces a range of fraud risks throughout its activities, operations and geographies. These risks include, but are not limited to, risk exposure in relation to admissions, examinations, fees, awards, procurement, financial records, financial transactions, and recruitment.

### 5.1. Mitigation

There is a statutory defense against the Fraud Act 2006 and ECCTA 2023, if NCG can demonstrate that it had in place reasonable, appropriate, and adequate procedures designed to prevent fraud.

The Fraud Triangle below shows the three key drivers behind an individual's decision to commit fraud: opportunity, incentive and rationalisation:



NCG's anti-fraud procedures are intended to directly mitigate its risk of fraud by impacting each of the elements outlined above:

- By changing the organisational environment and culture. This includes demonstrating a top-level commitment to preventing fraud by promoting a culture that prioritises integrity, honesty and ethics.
- By implementing and monitoring the effectiveness of internal controls to ensure the efficient and effective operation of NCG, safeguard assets, maintain accurate financial reporting, and promote

compliance with laws and regulations.

- Ensuring stakeholder performance is in line with NCG values and strategic priorities. This includes ensuring performance of associated persons is not assessed by financial metrics.

## **5.2. Risk Management**

Effective risk management lies at the very heart of this policy. Risk management is a crucial element of NCG's overall governance process. As required by ECCTA, NCG has undertaken and maintains a risk assessment to facilitate the identification of the specific areas where NCG does, or could, face fraud risks and allows mitigation plans, actions and protections to be put in place.

Global custom and practice in business can be deeply rooted in the attitudes, cultures and economic prosperity of a particular region, any of which can change at any time. Moreover, UK norms may not be applicable in some parts of the world where NCG has interests; for example, the definition of 'foreign public official' may be technically significantly different in those countries where there is extensive nationalisation.

Whilst NCG's high risks will undoubtedly change over time, the areas of continuing fraud high risk that will require enhanced levels of due diligence and caution will almost certainly include:

- Agents and Intermediaries, particularly those who operate in jurisdictions where fraud is prevalent or endemic.
- Joint Ventures, partners, subcontracts and consultancies, where NCG could be held liable for any fraud committed by a third party with whom NCG is associated by means of an agreement.
- All aspects of procurement of services (particularly) and goods undertaken by NCG.

## **5.3. Internal Control**

NCG's policy and aim to fully comply with UK legislation in relation to fraud, ensuring it minimise risk of such events taking place. NCG does this in several ways including but limited to:



- Implementing policies and procedures to govern how we operate and reduce risk. This includes the implementation of NCG's Financial Regulations, Anti-Money Laundering Policy, and Whistleblowing and Disclosure Policy.
- Mandating all staff complete fraud training at induction and refreshed on a cyclical basis thereafter.
- Undertaking pre-employment checks and vetting checks before the commencement of employment.
- Undertaking risk-based due diligence before entering joint ventures, partnerships, and subcontracts.
- The use of relevant fraud prevention terms and conditions in agreements with relevant associated persons.
- Monitoring the effectiveness of and compliance against internal controls through internal audits and other assurance activities. This includes monitoring the implementation of audit actions to ensure identified risks are mitigated/ managed.
- Ensuring sufficient oversight and segregation of duties in key processes to prevent the opportunity for fraud and maintaining the integrity of financial reporting.

## **6. ROLES AND RESPONSIBILITIES**

The responsibility for the prevention and detection of fraud rests with those charged with the governance of the organisation. As with any governance process, a framework to prevent fraud is most effective when led strategically from the top; fostering a culture within the organisation in which fraud is never acceptable.

### Chief Executive Officer (CEO)

- It is the responsibility of the CEO as the Accounting Officer to ensure that NCG's systems both administrative and financial incorporate effective internal controls with the object of minimising the risk of accidental errors and preventing fraud and misappropriation of assets.

- The CEO is responsible for maintaining a sound system of internal control that supports the achievement of NCG's policies, aims and objectives, whilst safeguarding the public funds and assets.

#### Corporation and Senior Management

- Communication and endorsement of NCG's stance on preventing fraud, bribery and corruption, including approval of this policy.
- Ensuring that there is clear governance across the organisation in respect of the fraud prevention framework.
- Commitment to allocating budget for training and resourcing to support the implementation of a fraud prevention framework.
- Leading by example and fostering an open culture, where stakeholders feel empowered to speak up if they encounter fraudulent practices.
- Reviewing and approving the fraud risk assessment.
- Ensuring that appropriate management information is collected and shared to enable senior managers to understand the risks and the effectiveness of fraud prevention procedures.

#### Audit and Risk Committee

- Oversee the Group's policies on fraud and irregularity, and ensure the proper, proportionate and independent investigation of all allegations and instances of fraud and irregularity.
- Ensure that the external auditors (and internal auditors where appointed) have been informed where required.
- Ensure that all significant cases of fraud or suspected fraud or irregularity are reported to the appropriate funding body where required.
- Ensure investigation of all instances of fraud are reported to the Committee and appropriate follow up action has been planned / actioned.
- Review and approve the Fraud Risk Assessment.

#### All Employees and Associated Persons

- Implementing and complying with this policy and ensuring that their interests, activities and behaviours do not conflict with these obligations.

- Remaining alert and vigilant to the risk of fraud.
- Protecting the assets and reputation of NCG.
- Applying the internal controls, and the rules and regulations that are designed to deter, prevent and detect fraud, bribery and corruption.
- Reporting any areas of concern in which controls are not being uniformly applied or are not effective in preventing fraud, bribery and corruption.
- Promptly reporting all legitimate concerns about suspected fraud and irregularity in line with this policy.
- Providing support on investigations as and when required.
- Should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, their friends, or for NCG (including its associated persons).
- Have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
- Promoting and supporting the seven Nolan Principles as set out in the guidelines for public life in the UK by leadership and example.

## **7. REPORTING CONCERNS AND SUSPICIONS**

All employees and others associated with NCG are required to promptly report any concerns that they may have regarding potential breaches of this policy, including incidents relating to external agencies and third parties. This includes any instances where you may be the victim of attempted fraud and fraud against NCG as well as fraud intended to benefit NCG or its associated persons.

**Concerns should be reported to [complaints@ncgrp.co.uk](mailto:complaints@ncgrp.co.uk) (please note, this mailbox is accessed and monitored by the Governance Team) or in writing to:**

**Director of Governance  
NCG  
Rye Hill Campus  
Scotswood Road**

## **Newcastle upon Tyne**

### **NE4 7SA.**

NCG has a comprehensive Whistleblowing and Disclosure Policy that is an integral, but physically separate, part of this document. The Whistleblowing and Disclosure Policy can be located on the NCG website: [Policies and Procedures | NCG](#)

NCG is fully committed to ensuring that there is a safe and confidential method of reporting any suspected wrongdoing to nominated officers. NCG's Whistleblowing and Disclosure Policy also permits employees, and anyone contractually associated with NCG, to raise concerns of malpractice in NCG, and those involving partners or competitors.

Any allegations of misconduct under this policy within the jurisdiction will be taken very seriously. If appropriate, action may be taken under NCG's disciplinary processes and, where it is considered that a criminal offence has occurred, the police may be informed.

## **8. INVESTIGATING CONCERNS**

### **8.1. Investigation**

Any breach of this policy, allegation and suspicion will be investigated by the Chief Finance Officer who will ensure all details of the suspected incident have been recorded and verified with the individual who has made the report.

An appropriate investigating officer will be assigned by the Chief Finance Officer, ensuring an independent investigation is carried out. Where appropriate, the Chief Finance Officer may determine that an external investigator is appointed to secure independence or ensure the investigation is undertaken by an individual with the relevant experience.

Depending on the nature and severity of the incident, the Chief Finance Officer will consider whether ahead of an investigation, the suspected or proven allegation should be reported to the Police, and/or other external parties, such as the DfE or OfS.

The investigation will seek to establish:

- Whether or not there are prima facie grounds for the concerns. This means ascertaining whether evidence or arguments appear sufficient to support a legal claim or charge without requiring further investigation or contradictory evidence.
- Whether fraud has occurred.
- The people involved and the means by which the incident was allowed to occur (if applicable) highlighting any control and/or operating weaknesses within the systems.
- The remedial actions required and taken to mitigate the loss and risk and prevent reoccurrence. This includes the recovery of any losses.
- All possible facts ascertained relating to the alleged incident.
- The value and extent of any loss or adverse impact to NCG.
- Details of any regulations, policies or procedures that were breached.
- The actions taken to-date regarding the individual(s) concerned.
- The timeliness and effectiveness of responses.
- Any lessons learned during the investigation.

It is important to note that the investigating officer/ team will have full access to all NCG staff and will be entitled to their full co-operation. Any failure by colleagues to co-operate fully with an investigation may constitute grounds for disciplinary action.

## **8.2. Reporting**

The outcome of the investigation will be documented and reported to the Chief Finance Officer, Chief Executive Officer and to the Audit and Risk Committee.

If based on the evidence, no fraud is proven, then the Chief Financial Officer is responsible for informing all relevant parties.

If based on the evidence, a fraud is proven, then the Chief Finance Officer is responsible for:

- Ensuring that action is taken in line with NCG's formal disciplinary procedures.

- Ensuring that the incident is reported, where necessary, to external bodies such as the Police (if not previously reported during the course of the investigation), Action Fraud, auditors, DfE and the OfS.
- Ensuring that action is taken to recover any losses.

### **8.3. Fraud Register**

The Chief Finance Officer will ensure a register of fraud is maintained to record suspected and proven incidents. The register will record:

- The date the incident was reported.
- A description of the incident.
- The outcome of any investigation (whether or not fraud was proven or not proven).
- The cost and/or adverse impact on NCG.
- Details of any external body involvement and communications.
- Date reported to the Audit and Risk Committee.
- Actions taken to improve the control environment and mitigate risk.

The above register will be reviewed regularly to inform the assessment of risk and the fraud prevention framework.

## **9. STATEMENT ON IMPLEMENTATION**

Upon approval, this policy will be uploaded to the policy portal and communicated to staff via The Business Round-Up.

All employees will be required to complete mandatory fraud training and refresh training on a cyclical basis thereafter to ensure the policy is implemented.

## **10. STATEMENT ON EQUALITY AND DIVERSITY**

NCG is committed to providing equality of opportunity. Further details of our aims and objectives are outlined in our [Equality Diversity Inclusion and Belonging Strategy](#).

This policy has been assessed to identify any potential for adverse or positive impact on specific groups of people protected by the Equality Act 2010 and does not discriminate either directly or indirectly. In applying this policy, we have

considered eliminating unlawful discrimination, promoting equality of opportunity and promoting good relations between people from diverse groups.

## **11. STATEMENT ON FREEDOM OF SPEECH**

NCG is committed to upholding the principles of freedom of speech as enshrined in UK law. This policy is designed to ensure that all members of our college community, including students, staff, and visitors, can express their views and ideas freely and without fear of censorship or reprisal, provided that such expressions are within the law.

We affirm that this policy does not, in any way, diminish or undermine the rights of individuals under existing Freedom of Speech legislation.

## **12. STATEMENT ON CONSULTATION**

This policy has been reviewed in consultation with the Policy Review Council, Audit and Risk Committee and Corporation Board.

<b>VERSION CONTROL</b>				
<b>Version No.</b>	<b>Documentation Section/Page No.</b>	<b>Description of Change and Rationale</b>	<b>Author/Reviewer</b>	<b>Date Revised</b>
1	N/A - New policy	N/A - New policy	Director Business Assurance and Risk	