

Red Snapper Group

Criminal Finance Act Policy

Title	Criminal Finance Act Policy
Department	Finance
Sector	RSG
Document Owner	Lauren Moore – Internal Audit and Accreditations Senior
Data Classification	Public
Type	Controlled
Date Adopted:	September 2020
Date of Next Review:	April 2022

Version Control – Controlled Document

Owner	Version No.	Saved As	Date	Changes Made
Lauren Moore	v1.	Criminal Finance Act Policy v1.	Sep-20	Draft created
Lauren Moore	v1.1	Criminal Finance Act Policy v1.1	Nov-20	Added scenario table and examples under tax evasion heading
Lauren Moore	v2.	Criminal Finance Act Policy v2.	Apr-21	Updated policy layout
Lauren Moore	v3.	Criminal Finance Act Policy v3.	Jan-22	Inserted cover sheet, watermark, and version control box, and formal sign off signature

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1. Criminal Finance Act Statement

Red Snapper Group trade responsibly and ethically with all our Clients and Customers. We conduct our activity with integrity, honesty, and fairness. As a business we are committed to preventing the facilitation of tax evasion and have adopted a zero-tolerance approach towards this criminal activity. Red Snapper Group do not and will not work with any company that does not share the same approach or commitment to preventing the facilitation of tax evasion.

2. Purpose and Scope

To provide guidance to employees on how to recognise and avoid tax evasion.

To set out responsibilities for employees and associated persons in observing and upholding our position on preventing the facilitation of tax evasion.

3. Responsibility

This policy applies to all associated persons working for Red Snapper Group. This includes all employees, directors, agency workers, external consultants, stakeholders, 3rd party organisations, and outsourced umbrella companies.

The Finance Director and Quality Representative have the overall responsibility of this policy and ensuring it is reviewed when potential tax evasion concerns are raised. Responsibility for implementing, monitoring, and enforcing this policy also lies with the Finance Director and the Quality Representative.

3.1 Employee Responsibility

All employees must ensure that they read, understand, and comply with this policy.

You must notify your manager or the Finance Director as soon as possible if you suspect that this policy has been breached.

4. What is tax evasion?

UK tax evasion offences mean:

- An offence of cheating the public revenue; or
- An offence under the law of any part of the United Kingdom consisting of being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax.

Tax evasion is the illegal non-payment or underpayment of tax. A facilitation offence will be committed where an individual or entity deliberately and dishonestly facilitates tax evasion.

Examples of tax evasion can include:

- Fraudulent expense claims for personal gain.
- Manipulation of worker assignment schedules outside IR35.
- Incorrect disclosure of tax reporting/ stat accounting during financial audits.

5. Scenarios

Topics	Details	Actions	Responsible Person (s)
FCSA Accredited Umbrella Companies	Consultants allowing a candidate to use a non FCSA accredited umbrella company.	<p>Information regarding the use of FCSA accredited umbrella companies will be included within guidance packs issued to agency workers prior to placements. Workers will be prepared for this requirement when it is time to choose a payment method and undertake the placement.</p> <p>Discuss payment options with candidates at offer stage and discuss which options are available, reminding them of the FCSA requirement. Provide details of preferred supplier Eden Outsource.</p> <p>All recruitment consultants are to check the FCSA website to search for the chosen umbrella company https://www.fcsa.org.uk/members/</p> <p>If an umbrella company is not accredited this must be made aware to the candidate and an alternative umbrella company chosen.</p>	Recruitment Consultants
Supplier gifts	Third Party suppliers are persuasive in getting recruitment companies to use their services. For example, they may stop by the office with treats and information packs to give to staff.	<p>All staff are to be made aware of the Anti-Bribery Policy and its contents.</p> <p>Staff are not to accept any gifts received by external suppliers/umbrella companies. When gifts are received by staff, they are to make the Director aware and a decision will be made by them to accept or give back.</p> <p>Finance and management should be constantly aware of trends in supplier usage. If for example a higher workload is going through one particular organisation from one consultant or other members of staff, this should raise concerns.</p>	All Staff
Administrative errors	Expense forms filled in by staff may be misreported. For example, staff may expense personal travel as business travel.	All expense forms are to be signed off by Management and expenses to be questioned to ensure they contain the correct information.	All staff
IR35	Recruitment consultants can present characteristics of	All recruitment consultants must obtain confirmation from Clients whether contracts are inside or outside IR35 and this should be signed off by a manager every time.	Recruitment Consultants Team Leaders

	worker placements as outside IR35, with possible intentions to allow a higher margin rate for a Client or compensating a contractor.	The correct contracts are to be sent to workers and the finance team are to double check IR35 assignments.	
Undeclared information	Members of the finance team may not declare information to management due to conflict of interest from the Finance Director.	The Finance Team are to raise any issues regarding crimes of a financial nature to the Head of HR if they involve the Accounts Manager and/or Finance Director.	Finance Team

6. Summary of Criminal Finance Act 2017

The Criminal Finances Act 2017 came into force on September 30th 2017. Section 3 of the Act has introduced a new 'corporate criminal offence of failure to prevent the facilitation of tax evasion'.

The new offence will be committed where a relevant body fails to prevent an associated person criminally facilitating the evasion of tax, whether the tax evaded is owed in the UK or in a foreign country.

If a relevant body can demonstrate that it has put in place a system of reasonable procedures that identifies and mitigates its tax evasion facilitation risks, then prosecution is unlikely as it will be able to raise a defence.

7. Breach of Policy

Employees who breach this policy and take part in fraudulent activity may face disciplinary action, which may result in dismissal for gross misconduct.

The business may terminate our relationship with any other associated persons who breach this policy.

8. Associated policies

- Fraud Prevention Policy
- Anti-Bribery Policy
- Whistleblowing Policy
- Disciplinary Policy

9. Disclosure/Whistleblowing procedure

If you are aware of or suspect that there may be any sort of malpractice occurring relating to the facilitation of tax evasion, we strongly encourage you to let your Senior Manager or Finance Director

know. The relevant person can be contacted by telephone or by email. We will investigate all concerns that are raised, even if they are raised anonymously. The company will ensure that you do not suffer any disadvantage in the workplace as a result of speaking out about your concerns.

The Senior Manager or Director you inform of your concern will investigate this. In appropriate cases, the person you contact may appoint others, including the police or the company's auditors (or any other regulating body) to investigate these concerns.

The exact nature of the investigation will depend on the nature of the concern raised. In all cases the company will do the following:

- Take detailed notes of the concern raised.
- Investigate the concern in conjunction with HR/Finance Director relevant to the subject matter of the complaint. As stated previously, the investigation may be referred to external bodies in appropriate cases.
- Respect your confidentiality as far as possible.
- Give you feedback as to the conclusion of the investigation and where possible, tell you what action, if any, has been taken by the Company.
- Ensure that any employee who raises a genuine belief that malpractice is occurring does not suffer any disadvantage as a result.

It should also be recognised that anyone who:

- Victimises or harasses other employees, or others working for the Company, as a result of raising a concern under this Policy, or
- Deters or attempts to deter employees or others from genuinely raising concerns under this Policy, will be subject to disciplinary action.

As part of any investigation, all employees and others working for the Company should be aware that monitoring of e-mail and other IT systems might occur in accordance with the Company's IT/Internet/ Email Policy.

10. Review

This policy will be reviewed by the Finance Director on an annual basis to ensure it is updated and the information is factually correct.

11. Formal Sign Off

This Policy has been formally reviewed and signed off by top management:



Martin Jerrold
Managing Director
Red Snapper Group