

Charity Fraud Awareness Week 2025



TOGETHER AGAINST CHARITY FRAUD



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Introduction

Fraud is deception carried out for personal gain, usually for money, but can also involve the abuse of a position of trust.

Every charity, NGO and not-for-profit is susceptible to fraud and cybercrime by criminals exploiting the current global crisis.

Charities need to be aware of the risks and take steps to keep their money, people and data safe, and TIAA is proud to support Charity Fraud Awareness Week, now in its 10th year.

From a TIAA perspective, all organisations are at risk of fraud, and our experience shows that they will be targeted where key control weaknesses are identified. At times when organisations have unfilled vacancies, where positions are filled by temporary employees, or where existing employees may be struggling with financial or emotional wellbeing, fraud awareness and vigilance is even more important to ensure your employees and leaders are aware of the risks and can take steps to keep your money, people and data safe.

This edition of Fraud Stop includes guidance on the new ‘failure to prevent fraud’ offence, a round-up of court cases in the charity sector and avoiding charity scams.



Failure to Prevent Fraud Offence

The new ‘failure to prevent fraud’ offence, which was introduced as part of the Economic Crime and Corporate Transparency Act (ECCTA) 2023 came into effect on the 1 September 2025.

Under the offence, an organisation may be criminally liable where an employee, agent, subsidiary, or other “associated person,” commits a fraud intending to benefit the organisation and the organisation did not have reasonable fraud prevention procedures in place. In certain circumstances, the offence will also apply where the fraud offence is committed with the intention of benefitting a client of the organisation. It does not need to be demonstrated that directors or senior managers ordered or knew about the fraud.

The offence sits alongside existing law; for example, the person who committed the fraud may be prosecuted individually for that fraud, while the organisation may be prosecuted for failing to prevent it.

The offence will make it easier to hold organisations to account for fraud committed by employees, or other associated persons, which may benefit the organisation, or, in certain circumstances, their clients. The offence will also encourage more organisations to implement or improve prevention procedures, driving a major shift in corporate culture to help prevent fraud.

ECCTA introduced amendments to the identification doctrine for economic crimes. The identification doctrine is the means by which an organisation can be found criminally liable for the actions of an individual. Under ECCTA, a company or partnership commits an economic crime offence where the offence is committed with the involvement of a “senior manager.” This expands the group of individuals who can trigger liability for the organisation. This makes

charging decisions for prosecutors, and subsequent prosecution of companies, and partnerships more straightforward.

It is recommended that organisations review their fraud prevention procedures, be able to demonstrate that reasonable procedures for the prevention of fraud are in place and ensure that fraud prevention procedures are informed by the six principles that underpin the fraud prevention framework. Although the offence only applies to large organisations, the principles represent good practice and may be helpful for smaller organisations as well.

- **Top level commitment**
- **Risk assessment**
- **Proportionate prevention procedures**
- **Due diligence**
- **Communication (including training)**
- **Monitoring and review**

TIAA’s Fraud Health Check can provide an assessment of how prepared your organisation is for this new offence and provide practical advice which aligns with the government’s guidance, on further actions required to ensure compliance.– see the last page for contact details.

Cases in Court

Siblings sentenced for charity fraud

A brother and sister were sentenced on 9 January 2025, with the sister jailed and the brother receiving a suspended sentence.

The sister was convicted of money laundering and six counts of theft, amounting to £50,000. This followed her theft of money that had been donated to the charity. She has been jailed for 2 years and 8 months.

Along with her brother she was also found guilty of knowingly or recklessly providing false or misleading information to the Charity Commission, under section 60 of the Charities Act 2011, in an attempt to cover up the theft.

The brother was given a four-month sentence, suspended for 18 months, with 80 hours of community service.

The siblings ran the charity, which was formed in 2016. An application was made in 2016 to the Charity Commission for it to become a registered charity but closed when information requested by the Commission was not given.

The charity received donations during fundraising events, but the sister transferred funds from the charity's bank account to her own account and then paid off her personal debts and loans as well as sending money to others including family members. The former bank worker had over 50 personal bank accounts.

The Charity Commission launched a statutory inquiry into funds held by, and raised in connection with, the charity in October 2018, after local police passed on concerns relating to charitable funds raised in the name of the organisation.

The Commission provided evidence to support the police in their investigation and written and oral evidence to the court which helped secure the convictions.



Cancer charity fraudster jailed for stealing £226K

A charity representative who defrauded a cancer charity of more than £226,000 has been jailed for more than four years after being found guilty in March 2025 of failing to transfer £226,557.02 in donations to the charity while she was a representative.

The court previously heard how donations sent by hundreds of bereaved families through funeral undertakers should have been transferred from the local charity bank account to the cancer charity head office.

The fraud was uncovered in 2021 when a bereaved relative asked why their donation had not been acknowledged and, when police investigated in November that year, only 47p remained in the account.

The charity representative had denied fraud by false representation and abuse of position whilst working for the cancer charity between January 2012 and November 2021.

However, whilst she admitted taking £6,000, she said this was because she was suffering health issues and was in an abusive relationship at the time.

But the judge, following a Newton hearing - held when the facts of the case are disputed - decided that she had failed to transfer the full amount of £226,557.02 to the charity.

The fraudster was sentenced to 54 months on 22 August 2025 at Crown Court for one of the counts - fraud by false representation. Time already spent in custody will count towards her sentence.

Recovery of monies will be considered in accordance with the Proceeds of Crime Act 2002.

The Judge ordered her to pay compensation of £5,418 for the false expenses claims and £7,187 for the cost of the investigation to the NHS.



Charity trustee jailed for £100K expenses fiddle

An animal charity trustee, who funded his “lavish lifestyle” by swindling the charity out of over £100,000 during a five-year expenses scam, received four years and two months in prison on 14 January 2025. He was convicted of one count of fraud by abuse of position between 1 January 2012 and 21 December 2017.

The fraudster enjoyed hundreds of nights in hotels he was not entitled to, plus free taxi journeys, billing all the expenses to the charity.

He swindled £91,300 from a local branch of the charity on Premier Inn stays, plus over £10,000 in taxi journeys, using the charity’s bank cards, with no right or permission to do so, despite maintaining that he had not acted dishonestly.

The police were initially alerted by the chair of the charity’s local branch, and he was removed from his charity post in September 2018 and later questioned by police officers.

He blamed a “dodgy neighbour” who had at least one spell in prison for his stays in the Premier Inn, but the prosecutor said he never called the police about any issues with his neighbour.

Food bank director spends £3K of charity money on takeaways and shopping

The director of a food bank has admitted to helping herself to almost £3,000 from the charity she was running to spend on shopping, travel and takeaways.

The fraudster pleaded guilty to fraud at the magistrates court on 3 July 2025 and was subsequently sentenced to eight months in jail.

She took £2,945.80 from the local charity between 8 August 2023 and 3 January 2025. A report had been made to Action Fraud by the treasurer in January 2025 when suspicions were raised due to the fraudster’s lack of transparency about the charity’s finances.

The charity, although not registered, is primarily a food bank but also provides white goods, furniture and toiletries to those in need. The fraudster had help set up the charity in lockdown after receiving a food parcel which she then shared with others.



Avoiding common charity scams

Which? – the UK’s consumer champion – has provided guidance on the four common charity scams and how to avoid them, especially as fraudsters look to exploit the festive season and take advantage of generosity.

Doorstep fundraising fraud

Door-to-door fundraisers need a permit from the local authority to collect cash or sign you up for regular donations. The fundraiser must have ID that shows what charity they are collecting for and provide a phone number to contact the charity directly. Many legitimate charities no longer fundraise door to door because it is not usually an effective way to raise funds and can be intimidating for some residents. Anyone knocking on your door asking for cash for any reason should be treated with caution.

Street collection cons

People collecting for charity in public places, such as on the high street, must have a license – with the exception of some charities in Scotland. Street fundraisers also need a permit from the local authority to collect donations in public places. Fundraisers stationed inside supermarkets or other shops or premises do not always need a permit, but they do need permission from the venue to collect money for charity and should ideally be carrying a charity ID.

Cold calls and phishing scams

Be wary of any unsolicited emails or messages asking for immediate donations. If it is a cause you are interested in helping, find out more about the charity and visit its official website to find out how to donate securely.

Fake social media appeals

It can be hard to tell when adverts are scams, but generic causes and a lack of information about the day-to-day work of the charity can be a sign it may not be genuine. If you are not sure, research the charity further online and contact it directly to ask how you can donate or help.

Further information at: [Four common charity scams and how to avoid them - Which?](#)



Disclaimer:

The content of this document is intended to give general information only. Its contents should not, therefore, be regarded as constituting specific advice, and should not be relied on as such.

If you would like investigation support or assistance on completing fraud risk work including reviewing fraud prevention procedures for the failure to prevent fraud offence, completion of a fraud risk assessment or fraud awareness training, please contact;

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