6 Steps to Prevent Fraud Under the Failure to Prevent (FTP) Fraud Offence

Fraud is a growing threat to businesses, and the UK government is taking action. The Failure to Prevent Fraud Offence (FTP Fraud Offence), effective 1 September 2025, holds organisations accountable for fraud committed by their associates. By implementing reasonable procedures, businesses can protect themselves and foster trust.

As the regulatory landscape evolves, organisations must adopt proactive measures to stay ahead of risks and ensure compliance. With FTP Fraud Offence non-compliance exposing organisations to criminal liability, it's no wonder **74% of UK CFOs are concerned about new regulations and compliance laws.**

HIGH CONCERN

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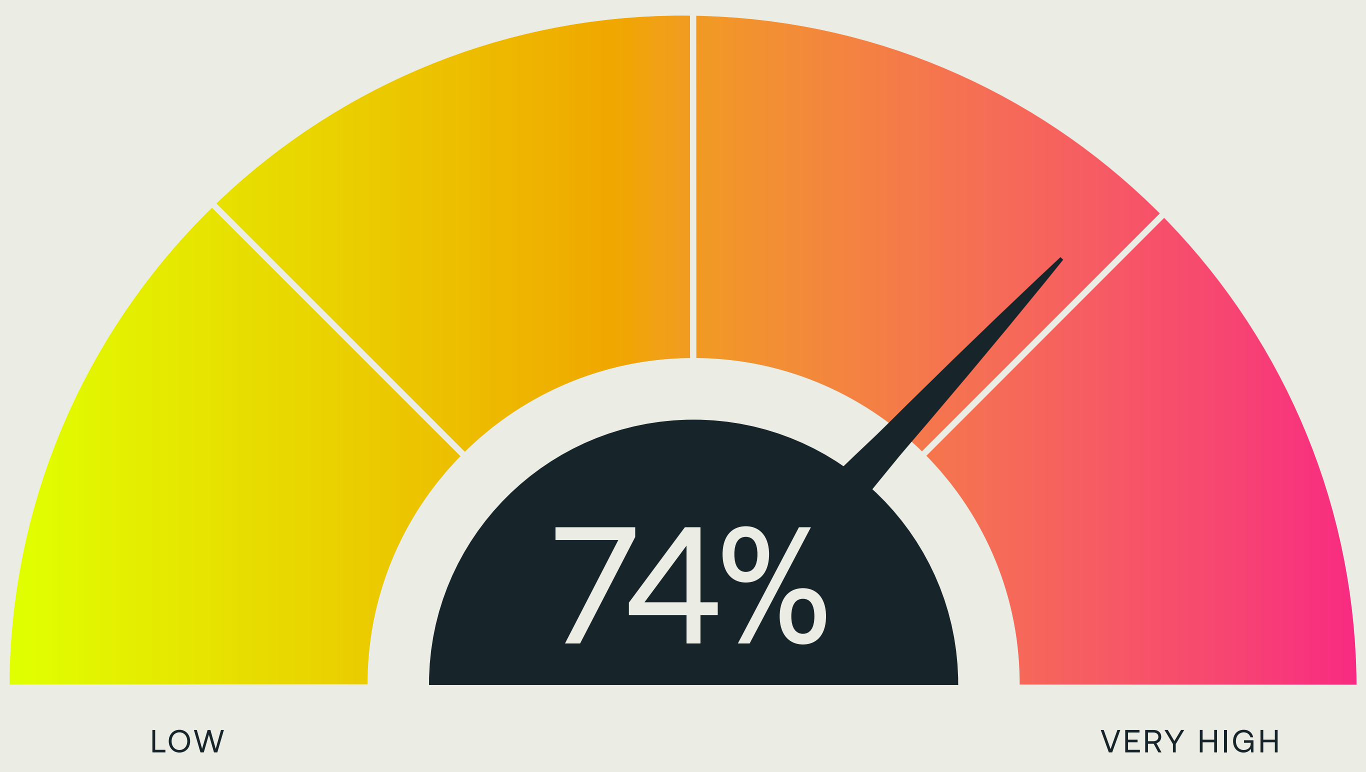

Source: Kyriba CFO Survey

To help businesses navigate these challenges, the UK government has outlined **six key principles for preventing fraud** under the new FTP Fraud Offence:

Top-level Commitment

Senior leadership must demonstrate a clear commitment to fraud prevention, setting the tone for a culture of integrity and accountability.

Dynamic Risk Assessments

Conduct regular, documented, and dynamic risk assessments to identify and address potential fraud risks within the organisation.

Risk-aligned Procedures

Implement fraud prevention measures that are proportionate to the specific risks the organisation faces, ensuring they are tailored and effective.

Strategic Due Diligence

Take a risk-based approach to due diligence for service providers, employees, and other associated persons to mitigate potential fraud risks.

Communication & Training

Clearly communicate fraud prevention policies internally and externally, and provide regular training to employees and associates. Establish robust whistleblowing mechanisms.

Monitoring & Review

Regularly monitor and review the effectiveness of fraud prevention procedures, ensuring they remain relevant and effective as risks evolve.

Learn more about how to prepare your business for the future of fraud prevention →

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