Corporate Criminal Offence Policy

Prevention of the facilitation of tax evasion

Keystage Education LTD | Version 1.0 | Reviewed August 2026 | Next review August 2027

Keystage Education LTD has a zero-tolerance approach to tax evasion and to the criminal facilitation of tax evasion by anyone acting for or on our behalf.

The offence

Under sections 45 and 46 of the Criminal Finances Act 2017 a company commits a criminal offence if a person associated with it criminally facilitates tax evasion, even where senior management had no knowledge of it. The offence carries an unlimited fine and applies to companies of every size.

The only defence is to have reasonable prevention procedures in place. This policy, and the due diligence and training behind it, are those procedures.

Why this matters to a recruitment business

Labour supply chains are the textbook risk. Where a worker is paid through an umbrella company that is operating a disguised remuneration scheme or under-declaring PAYE, every business in that chain is exposed. From 6 April 2026 recruitment businesses can also be jointly and severally liable for unpaid PAYE and National Insurance on payments made through umbrella companies. Our approved umbrella list exists for both reasons.

Who this applies to

All directors, employees, consultants and contractors, and any associated person acting for or on our behalf — including umbrella companies, payroll providers, agents and introducers.

What is prohibited

- Aiding, abetting, counselling or procuring tax evasion by a worker, a client, a supplier or anyone else.

- Engaging or continuing to use an umbrella company or payroll provider that we know or suspect is not operating PAYE correctly.
- Turning a blind eye to an arrangement that produces unusually high take-home pay, or to payments described as loans, grants, annuities, advances or anything other than salary.
- Facilitating false self-employment, or misclassifying a worker to reduce tax.
- Accepting or offering a payment or incentive from a supplier for directing workers to them, without transparent disclosure.
- Falsifying or backdating timesheets, invoices or records.

Our prevention procedures

- Risk assessment. We assess our exposure to the facilitation of tax evasion at least annually, focusing on the umbrella supply chain, and record the outcome.
- Approved supplier list. Workers may only be paid through an umbrella company we have approved. Due diligence covers ownership, accreditation, pay practices, deductions and the Key Information Document issued to workers.
- Ongoing monitoring. The approved list is reviewed at least annually, and immediately where a concern arises. We may withhold payment and end an assignment where we have reasonable grounds to believe a provider is non-compliant.
- Contract terms. Our terms with candidates, clients and suppliers require compliance with tax law and give us the right to audit and terminate.
- Worker communication. Every worker is told in the Key Information Document and the Handbook how their pay is calculated, and warned about disguised remuneration.
- Training. Staff are trained at induction and annually on the warning signs.
- Reporting route. A clear, protected route for raising concerns.
- Record keeping. We retain due diligence records for six years as evidence of reasonable procedures.

Warning signs to report

- take-home pay that is materially higher than the assignment rate would allow;
- any part of pay described as a loan, grant, annuity, capital advance or credit facility;
- a worker asked to sign a second contract they do not understand;
- payments routed through an offshore entity;
- a provider unwilling to explain its deductions or provide a Key Information Document;
- pressure from a client or provider to use a particular umbrella company not on our list.

Reporting

Report any concern immediately to the Director, Abdullah Iqrar, at abdullah@keystage-education.co.uk or 0208 057 9509, or through our Whistleblowing Policy. Concerns are protected disclosures under the Public

Interest Disclosure Act 1998 and nobody raising one in good faith will suffer any detriment. Where evidence of facilitation is found, we will consider self-reporting to HMRC, which is treated as a significant mitigating factor.

Consequences

Breach of this policy is gross misconduct and may result in dismissal or removal from our register. For suppliers it is grounds for immediate termination.