

Anti-Fraud and Corruption Policy

Equalities Statement

Over recent years, schools and academies have (in line with other institutions and public bodies) been working towards an improved understanding of the diverse nature of their communities. Much of the work is in response to new legislation that places an increased duty on schools, academies and other settings to tackle radicalisation and to establish a positive ethos of British Values. Legislation requires schools and academies both to eliminate direct or indirect discrimination, victimisation or harassment and to promote equalities for students, staff and others who use their facilities.

In our Trust we work to ensure that there is equality of opportunity for all members of our community who hold a range of protected characteristics as defined by the Equality Act 2010, as well as having regard to other factors which have the potential to cause inequality, such as, socio-economic factors.

Document Management

Date Approved:	November 2017
Next review date:	November 2020
Approved by:	Audit and Risk Committee
Responsible for review:	Chief Operating Officer

Summary

This policy and procedure defines the expected conduct of all staff engaged at Swale Academies Trust (the 'Trust'), whether in paid or voluntary employment, in relation to deterring and/or detecting fraud and corruption, and who to report it to.

Reference is made to other Academy policies where appropriate.

Introduction:

Swale Academies Trust is committed to ensuring that it acts with integrity and has high standards of personal conduct. Everyone involved with the Trust has a responsibility in respect of preventing and detecting fraud. All staff, governors and directors have a role to play.

Recognising a potential fraud and being able to report it is just as important as the measures to prevent and detect.

It is the duty of all employees, governors and directors of Swale Academies Trust to take reasonable steps to limit the possibility of corrupt practices, and it is the responsibility of the Internal and External Auditors to review the adequacy of the measures taken by the Trust to test compliance and to draw attention to any weaknesses or omissions.

Any investigation carried out in relation to alleged irregularities is linked to the Trust's Disciplinary policy.

Definitions:

Fraud

Fraud is a range of abuse and malpractice that is covered by the Fraud Act 2006.

Fraud can be defined as an abuse of knowledge or financial position that is done deliberately to create a financial gain for the perpetrator or for a related person or entity and/or cause a loss to another. It can take place in many ways; withholding information, deliberately misleading, misrepresenting a situation to others or abuse of position. Irrespective of the definition applied, fraud is always deceitful, immoral, intentional and creates a financial gain for one party and/or a loss for another.

Using the Trust's name to procure personal goods and services is fraudulent; where there is deliberate abuse of position to make a gain in the form of goods and services at a discounted price or to get the Trust to pay for them.

Corruption

Corruption will normally involve the above with some bribe, threat or reward being involved.

Bribery

There are four key offences under the Bribery Act 2010

- bribery of another person
- accepting a bribe
- bribing a foreign official
- failing to prevent bribery

Bribery is not tolerated and it is unacceptable to:

- give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given
- give, promise to give, or offer payment, gift or hospitality to a government official, agent or representative to 'facilitate' or expedite a routine procedure
- accept payment from a third party if you know or suspect it is offered with the expectation that it will obtain a business advantage for them
- accept a gift or hospitality from a third party if you know or suspect it is offered with the expectation that a business advantage will be provided by us in return
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy

Reference should also be made to the Trust Gifts and Hospitality Policy

Facilitation Payments

Facilitation payments are unofficial payments made to public officials in order to secure or expedite actions. Facilitation payments are not tolerated and are illegal.

Examples of what could constitute fraud -

- theft of cash
- non-receipt of income
- travelling and subsistence claims for non-existent journeys/events
- travelling and subsistence claims inflated
- manipulating documentation to increase salaries/wages received, e.g. false overtime claims

- payment of invoices for goods received by an individual rather than the Trust
- failure to observe, or breaches of, regulations and/or other associated legislation laid down by the Trust
- unauthorised borrowing of equipment
- breaches of confidentiality regarding information
- failure to declare a direct pecuniary or otherwise conflicting interest
- concealing a generous gift or reward
- unfairly influencing the award of a contract
- creation of false documents
- deception
- using position for personal reward

The above list is not exhaustive and fraud and corruption can take many different paths. If in any doubt about whether a matter is an irregularity or not, clarification must be sought from the Chief Operating Officer (COO) or Head of Finance.

Policy Statement:

The Trust aims to be an honest and ethical institution. As such, it is opposed to fraud and seeks to eliminate fraud by the way it conducts Trust business. This document sets out the Trust's policy and procedures for dealing with the risk of significant fraud or corruption. In order to minimise the risk and impact of fraud, the Trust's objectives are, firstly, to create a culture which deters fraudulent activity, encourages its prevention and promotes its detection and reporting and, secondly, to identify and document its response to cases of fraud and corrupt practices.

This policy, in line with the Trust's corporate values of integrity, consistency, impartiality, fairness and best practice, provides both staff and management with mutually understood guidelines for the administration of this procedure.

The scope of this procedure extends to all Trust employees, permanent, voluntary and fixed term.

Time limits specified in this document may be extended by mutual agreement.

If requested, employees may be accompanied by a recognised trade union representative or workplace colleague, not involved in any part of the process, at any interviews.

Roles and Responsibilities:

Staff, Directors and Governors

Swale Academies Trust has adopted the following measures to demonstrate its commitment to anti-fraud and corruption:

- Board of Directors, Audit & Risk Committee, Executive Boards for both Primary and Secondary and Local Governing Bodies meet regularly
- a requirement for all directors, staff and governors to declare business interests and not contribute to business related to that interest
- a requirement for staff and governors to disclose pecuniary interests
- clear recruitment policies and procedures.

Staff, directors and governors have a duty to report another director, member of staff or governor whose conduct is reasonably believed to represent a failure to comply with the above.

Internal Auditor

The Internal Auditor has specific responsibility for overseeing the financial arrangements on behalf of the Board of Directors.

The main duties of the Internal Auditor are to provide the directors with on-going independent assurance that:

- the financial responsibilities of the directors are being properly discharged
- the resources are being managed in an efficient, economical and effective manner
- sound systems of financial control are being maintained
- financial considerations are fully taken into account in reaching decisions.

Chief Operating Officer (COO)

The COO has a responsibility for ensuring that effective systems of internal controls are maintained and will safeguard the resources of Swale Academies Trust.

In respect of fraud it is therefore the responsibility of the COO to ensure internal controls prevent and detect any frauds promptly. This includes:

- proper procedures and financial systems;
- effective management of financial records;
- management of the Trust's financial position.

External Audit

The Trust's Annual Report and Financial Statements include an Independent Auditors' Report. This report includes a view as to whether the financial statements give a true and fair view and whether proper accounting records have been kept by the Trust throughout the financial year. In addition, it reports on compliance with the accounting requirements of the relevant Companies Act and confirms compliance with the financial reporting and annual

accounting requirements issued by the Dept of Education (DfE) and Education and Skills Funding Agency (ESFA).

Reporting a Suspected Fraud:

The primary contact for all allegations of suspected fraud and irregularities will normally be the COO, unless they are suspected of involvement; in which case the Chief Executive Officer (CEO) will be the primary contact. The primary contact will initiate action under the Trust’s fraud response plan, Appendix 1.

Please refer to the Trust Whistleblowing Policy for further guidance.

Prosecution

The Trust will normally report to the police any cases of suspected fraud and irregularity, any exceptions to this must be agreed by the CEO and reported to the Board of Directors.

Confidentiality and Safeguards

The Trust recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the alleged malpractice. The Trust will not tolerate harassment or victimisation and will do what it lawfully can to protect an individual when a concern is raised in good faith.

This does not mean that if the person raising the concern is already the subject of a disciplinary, redundancy or other procedure, that those procedures will be halted as a result of the concern being reported.

Review and approval of Anti-Fraud Policy

This Policy will be reviewed by the Audit and Risk Committee on a 3-yearly cycle.

Policy reviewed and approved:	
Next review:	