



Learn-AT
Learning ~ Fellowship

Anti-Fraud and Corruption Policy

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Please note that this policy supersedes and replaces any equivalent policies or sections of policies. This policy is non contractual and can therefore be amended without consultation. Before you use this policy, please check you have the latest version using the footer reference and Learn-AT Policy Index.

This policy applies to all Learn Academies Trust schools and should be read in conjunction with the latest associated guidance issued by Learn-AT.

1. Policy Application and purpose

- 1.1. The Trust has a zero tolerance culture to fraud. This policy and procedure defines the expected conduct of all staff engaged with schools of the Trust, whether in paid or voluntary employment or governance, in relation to actively deterring and/or detecting fraud and corruption and what to do if this is suspected in any respect.
- 1.2. This policy and procedure defines Anti-Fraud & Corruption and Gifts & Hospitality and offers guidance for all staff, trustees and governors in the Trust. It includes clear guidelines on what is acceptable in terms of gifts, donations and hospitality and how these matters are declared.
- 1.3. The Trust is committed to ensuring that it acts with integrity and has high standards of personal conduct in line with its core principles. Everyone involved with the Trust has a responsibility in respect of preventing and detecting fraud. All staff, trustees and governors have a role to play. The Trust also recognises the role of others in the community and connected with the trust in alerting them to areas where there is suspicion of fraud.
- 1.4. Recognising a potential fraud and being able to report it is just as important as the measures to prevent and detect.
- 1.5. It is the duty of all staff, trustees and governors across the trust to take reasonable and active steps to limit the possibility of corrupt practices, and it is the responsibility of the Accounting Officer and Auditors to review the adequacy of the measures taken by the Trust to test compliance and to draw attention to any weaknesses or omissions.
- 1.6. 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.
- 1.7. Any investigation carried out in relation to alleged irregularities is will take account of the Trust's Disciplinary Policy and procedures contained therein.
- 1.8. Fraud can also come from outside the organisation and the Trust considers the risks around cyber security as part of our wider risk strategy.

2. Definitions

Fraud

- 2.1. Fraud is a general term covering theft, deliberate misuse or misappropriation of assets or anything that leads to a financial advantage to the perpetrator or others upon whose behalf he or she acts, even if these “others” are in ignorance of the fraud. Fraud is intentional deceit and therefore does not include negligence. Fraud incorporates, but is not limited to, theft, larceny, embezzlement, fraudulent conversion, false pretences, forgery, corrupt practices and falsification of accounts.

Corruption

- 2.2. The term ‘corrupt practices’ is defined for the purpose of this code as the offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by the Trust, staff, trustees and governors.

Gifts and hospitalities

- 2.3. A Gift is any item or service, award, prize or any other benefit which is received free of charge; or personally offered at a discounted rate or on terms not available to the general public or which might be seen to compromise the personal judgment or integrity of the recipient. Hospitality is the offer of food, drink, accommodation or entertainment or the opportunity to attend any cultural or sporting event not available to the general.
- 2.4. Gifts and Hospitality related matters are specifically addressed within the Trust's Gifts and Hospitality Policy.

Irregularities

- 2.5. Irregularities fall within the following broad categories, the first three of which are criminal offences:

Theft - the dishonest taking of property belonging to another person with the intention of depriving the owner permanently of its possession;

Fraud - the intentional distortion of financial statements or other records by persons internal and external to the Academy, which is carried out to conceal the misappropriation of assets or otherwise for gain;

Bribery and corruption (Gifts & Hospitality – see above and separate Gifts and Hospitality Policy) - Involves the offering or the acceptance of a reward, for performing an act, or for failing to perform an act, which leads to gain for the person offering the inducement;

Failure to observe, or breaches of, Scheme of Delegation and Financial Regulations or Policies; Trust procedures which in some circumstances can constitute an irregularity, with potentially significant financial consequences.

2.6. Examples

- 2.7. Some examples of what could constitute fraud and corruption are:

2.7.1. theft of cash; non-receipt of income; substitution of personal cheques for cash; travelling and subsistence claims for non-existent journeys/events or 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 school; failure to observe, or breaches of, regulations and legislation; 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 a position of influence for personal reward.

2.8. The above list is not exhaustive and fraud and corruption can take many different forms. If any staff, trustees and governors are in any doubt about whether a matter is an irregularity or not they should immediately seek advice from Director of Finance and Operations or the Chief Executive Officer. Any concerns about fraud or corruption related matters should be carefully considered by the Trust.

3. Roles and responsibilities

Staff, Trustees & Governors

3.1. All Trust schools have adopted the following measures to demonstrate its commitment to anti-fraud and corruption:

- Uphold and model for others behaviours that demonstrate the Trust's Core Principles and Nolan Principles.
- Challenge any behaviours that do not align with the Nolan Principles or the Trust's core values
- Without fear or favour report any behaviour or activity that does not align to trust policies and practices.
- Maintain only professional working relationships between staff, trustees & governors and parents and do not allow 'familiarity' to cloud objectivity;
- Staff, trustees and governors will declare prejudicial interests and not contribute to business related to that interest;
- A requirement for staff, trustees and governors to disclose personal interests;
- All staff, trustees and governors are made aware of the Gifts and Hospitality Policy
- Clear recruitment policies and procedures.

3.2. Staff, trustees and governors also have a duty to report another member of staff or governor whose conduct is reasonably believed to represent a potential failure to comply with any of the above, and be vigilant where potential boundaries are being blurred.

Accounting Officer

- 3.3. The Accounting Officer has a personal responsibility to Parliament and the ESFA for the financial resources in the trust's control.
- 3.4. The Accounting Officer must assure Parliament and the public of high standards of probity in the management of public funds, particularly:
- Value for money
 - Regularity
 - Propriety
- 3.5. The Accounting Officer is responsible for assuring the board that there is compliance with legal, contractual and regulatory requirements and keeping the Trust Board informed on such matters.

Responsible Officer for Internal Audit

- 3.6. As part of its regular internal audit the trust appoints an external consultant to undertake the internal audit functions. This review of all financial controls supports the Director of Finance and Operations to monitor financial compliance and internal controls and report to the board:
- That schools are following trust policies;
 - That recommendations noted in previous reports are being actioned and acted upon swiftly;
 - On recommendations around improved control to limit vulnerability to fraud and corruption risk.

Director of Finance and Operations (DFO)

- 3.7. The DFO has a responsibility for ensuring that effective systems of internal controls are maintained and will safeguard the resources of the Trust in line with trust policies.
- 3.8. In respect of fraud it is therefore the responsibility of the DFO to ensure internal controls prevent and detect any frauds promptly. This includes:
- Proper procedures and financial systems;
 - Effective management of financial records;
 - Feeding back specifically to Headteachers about robust financial practices;
 - Management of the Trust's financial position;

External Audit

- 3.9. 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 and all schools 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 ESFA.

4. Reporting a suspected fraud or financial irregularity

- 4.1. All allegations of suspected fraud and irregularities are to be brought immediately to the attention of the Headteacher in the first instance. If this individual is implicated, then the allegation should immediately be reported to the Director of Finance and Operations or the Chief Executive Officer. If concerns arise about Director of Finance and Operations or the Chief Executive Officer then the allegation should immediately be reported to the Chair of Trustees.
- 4.2. Please refer to the Trust's Whistleblowing Policy for further guidance.

5. Response to allegations

- 5.1. The Headteacher will have responsibility for co-ordinating the initial response. In doing this the Headteacher will first consult with the Director of Finance and Operations or the Chief Executive Officer regarding potential employment issues before any action is taken.
- 5.2. Concerns from trustees or governors about any irregularity can be made directly to the Director of Finance and Operations or the Chief Executive Officer.
- 5.3. The Director of Finance and Operations or the Chief Executive Officer, and the Headteacher will ascertain whether or not the suspicions aroused have substance. In every case, and as soon as possible after the initial investigation, they will ensure a report of the matter is shared with the Chair of the Finance and Audit Committee. Even if there is no evidence to support the allegation, the matter must be reported.
- 5.4. The Finance and Audit Committee will undertake oversight of the investigation but typically delegate authority to the Director of Finance and Operations or the Chief Executive Officer to co-ordinate.
 - They will, if appropriate, conduct a preliminary investigation to gather factual information and reach an initial view as to whether further action is required.
 - They will determine whether the findings, conclusions and any recommendations arising from the preliminary investigation should be reported to the Chair of Governors.
 - If further investigations are required, they will determine which outside agencies should be involved (police, auditors, ESFA).
- 5.5. The Director of Finance and Operations or the Chief Executive Officer will decide what information may be shared with the Chair of Trustees or the Trust Board. Depending on the severity this will be on a need to know basis – particularly if there is potential for disciplinary processes to be started.
- 5.6. If evidence of fraud or serious irregularity transpires then the Director of Finance

and Operations or the Chief Executive Officer will inform the Department for Education and the ESFA and consider whether or not to refer the matter to the police.

6. Confidentiality and safeguards

- 6.1. 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.
- 6.2. 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. Equally it can't be assumed that the alleged offence is serious enough to warrant robust action or sanctions, where genuine mistakes can be rectified with training or clearer policy direction.
- 6.3. 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.
- 6.4. There is a need to ensure that the process is not misused. For further guidance refer to the Trust's Disciplinary, Grievance, Appeals and Capability policy.

7. Confidentiality & Quality Assurance

- 7.1. This policy should be read in conjunction with the Whistleblowing Policy, Finance Policies, the Gifts and Hospitality Policy and the Disciplinary policy.
- 7.2. Governors and Trustees should also refer to the Trusts' Code of Conduct for Trustees and Local Governors for additional guidance.

8. Policy Review

- 8.1. The Trust reserves the right to review this policy at any time.