



Anti-Fraud & Corruption Policy

Ref: F003

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Prosperre Learning Trust

is a Multi Academy Trust

Registered in England and Wales number 10872612

Registered Office: Firbank Road, Manchester, M23 2YS

The Prosperre Learning Trust has a number of Trust-wide policies which are adopted by all schools/academies in the Trust to ensure an equitable and consistent delivery of provision.

The Trust Board has responsibility for the operational of all schools/academies and the outcomes of all students however responsibility is delegated to the Local Governing Body of each school via the Scheme of Delegation.

Within our policies reference to:

- Governing Body / Governors relates to the members of the Local Governing Body representing the Trust Board.
- School includes a reference to school, academy or free school unless otherwise stated.
- Headteacher includes a reference to Headteacher, Principal or Head of School of a school, academy or free school.

1. INTRODUCTION:

- 1.1. This policy and procedure defines the expected conduct of all staff engaged across the Trust, whether in paid or voluntary employment, in relation to deterring and/or detecting fraud and corruption, and who to report it to.
- 1.2. The 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, Trustees and Governors have a role to play. The Trust also recognises the role of others in alerting them to areas where there is suspicion of fraud.
- 1.3. Recognising a potential fraud and being able to report it is just as important as the measures to prevent and detect.
- 1.4. It is the duty of all employees, Trustees and Governors to take reasonable steps to limit the possibility of corrupt practices through the development of an anti-fraud culture, 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.
- 1.5. Any investigation carried out in relation to alleged irregularities is governed by the Trust's Disciplinary procedure.

2. AIMS AND SCOPE OF THE POLICY:

- 2.1. The Trust is committed to preventing fraud and corruption. To help achieve this objective there is a clear network of systems and procedures in place for the prevention, detection and investigation of fraud and corruption. This Anti-Fraud and Corruption policy attempts to consolidate those in one document and should be read in conjunction with other Trust and School policies.
- 2.2. The Trust aims to be an honest and ethical organisation. As such, it is opposed to fraud and seeks to eliminate fraud by the way it conducts its 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.
- 2.3. This policy, in line with the Trust's values of Honesty, Openness, Social responsibility, Caring for others, Self-help, Self-responsibility, Democracy, Equality, Equity and Solidarity, provides both staff and management with mutually understood guidelines for the administration of this procedure.
- 2.4. The scope of this procedure extends to all Trust employees, permanent, voluntary and fixed term as well as all Trustees and Governors.
- 2.5. The Trust has taken the following steps to communicate expectations to staff:
 - The development and publication of a formal statement of its expectations on standards of personal conduct, propriety and accountability;
 - The development and publication of a formal statement of the procedures to be followed by employees who have a suspicion of, or concern about, possible or actual malpractice within the Trust.

- 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 work colleague, not involved in any part of the process, at any interviews.

3. DEFINITIONS:

3.1. Fraud:

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 in fact intentional deceit and for this reason, it cannot include negligence. Fraud incorporates theft, larceny, embezzlement, fraudulent conversion, false pretences, forgery, corrupt practices and falsification of accounts.

3.2. Corruption:

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, its staff, Trustees or Governors. Reference should also be made to the Gifts, Hospitality and Bribery Policy in this regard.

3.3. Examples of what could constitute fraud and corruption are:

- 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.

3.4. 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 Headteacher, the Trust Finance Team or the Chief Operating Officer. Similarly, if there is concern or doubt about any aspect of a matter, which involves an irregularity, or an ongoing investigation into a suspected irregularity, the best approach is to seek advice from the Headteacher, the Trust Finance Team or the Chief Operating Officer.

4. **ROLES AND RESPONSIBILITIES:**

4.1. **Staff, Trustees and Governors:**

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

- All staff are made aware of the Trust and School policies for employees;
- Risk & Audit Committee meets regularly;
- A requirement for all staff with purchasing power (i.e. budget holders), Trustees and Governors to declare prejudicial interests and not contribute to business related to that interest;
- A requirement for all staff with purchasing power (i.e. budget holders), Trustees and Governors to disclose personal interests;
- All staff, Trustees and Governors are made aware of the understanding on the acceptance of gifts and hospitality;
- Clear recruitment policies and procedures.

4.2. Staff, Trustees and Governors also have a duty to report another member of staff, Trustee or Governor whose conduct is reasonably believed to represent a failure to comply with the above.

4.3. **Accounting Officer:**

The Accounting Officer has specific responsibility for overseeing the financial arrangements on behalf of the Trustees. The main duties of the Accounting Officer are to provide the Trustees with on-going independent assurance that:

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

4.4. **Chief Operating Officer:**

The Chief Operating Officer, supported by the Trust's Finance Team, has a responsibility for ensuring that effective systems of internal controls are maintained and will safeguard the resources of the Trust. In respect of fraud, it is therefore the responsibility of the Trust's Finance Team 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 / School's financial position.

4.5. **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 Department for Education.

4.6. Internal Audit:

The Trust's internal audit programme will be determined by the Risk and Audit Committee and will focus on key areas of risk/potential fraud. The Risk and Audit Committee will receive a regular report from the internal audit function informing them of the compliance with procedures and policies to minimise the risk of fraud within the financial systems.

5. Reporting a Suspected Fraud:

5.1. All allegations of suspected fraud and irregularities are to be brought to the attention of the Chief Operating Officer and also referred to the relevant school Headteacher, unless both of these individuals are involved in the irregularity in which case the Chair of Governors/Trust Board should be informed. Please refer to the Trust Policy on Whistle blowing for further guidance.

6. Response to Allegations:

- 6.1. The Chief Operating Officer will have responsibility for co-ordinating the initial response. In doing this he/she will consult with appropriate Human Resource advisors regarding potential employment issues. The Chief Operating Officer will also seek legal advice from the Trust's legal team on both employment and litigation issues before taking any further action.
- 6.2. The Chief Operating Officer will ascertain whether the suspicions aroused have substance. Where it is believed that the allegations can be substantiated any individuals involved will be dealt with through the Trust's agreed Disciplinary Policy. In every case, and as soon as possible after the initial investigation, they will notify the Chair of the Trust Resources Committee. Even if there is no evidence to support the allegation, the matter must be reported.
- 6.3. Once any Disciplinary Process has been completed, or at an appropriate point in the Disciplinary procedure the Risk & Audit Committee will oversee a procedural investigation into the matter to determine if existing procedures can be modified to eliminate the possibility of a similar incident being repeated in the future. The findings of this investigation must be reported to the Chair of Trustees.
- 6.4. The Chief Operating Officer is required to notify the Trust Board of any serious financial irregularities. This action will be taken at the first opportunity following the completion of the initial investigations and will involve keeping the Chair of the Trust Board fully informed between formal meetings of any developments relating to serious control weaknesses, fraud or major accounting breakdowns.
- 6.5. The Trust Board must notify the Education and Skills Funding Agency (ESFA), as soon as possible, of any instances of fraud, theft and/or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any financial year. Unusual or systematic fraud, regardless of value, must also be reported. The following information is required:
- The full details of the event(s) with dates
 - The financial value of the loss
 - Measures taken by the trust to prevent recurrence

- Whether the matter was referred to the police (and if not why)
- Whether insurance cover or the risk protection arrangement have offset any loss

6.6. If evidence of fraud is forthcoming then the Trust Board will consider whether to refer the matter to the police.

7. Confidentiality and Safeguards:

- 7.1. 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. 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. Any such disclosure will be dealt with under the Trust's Whistleblowing Policy.
- 7.2. 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.
- 7.3. There is a need to ensure that the process is not misused. For further guidance, refer to the Trust Disciplinary, Grievance and Capability policies.