Anti-Fraud & Corruption Policy

Reviewed on	2024/25, Term 6	Review frequency	Annual
Next review due	2025/26, Term 6	Template Yes / No	N
Owner	CEO	Approved by	Board of Trustees

1. History of Policy Changes

Date	Page	Change	Origin of Change
Jun 25		Removed reference to time limits being extended under “Scope”	Annual Review
		Changed all references of “ESFA” to “DfE” following the subsumption of the ESFA’s responsibilities to the DfE	
	5	Added that “appropriate” staff are required to declare and disclose business and personal interests under “Roles & Responsibilities”	
	6	Updated “Response to Allegations” section to include Deputy CEO responsibilities	

2. Contents

3. Introduction

"Hamwic Education Trust (HET) believe that all pupils should receive a high quality, enriching, learning experience in a safe and inclusive environment, which promotes excellence through a broad curriculum that prepares them for their future and opens doors to a diverse array of opportunities as well as that all pupils and adults within HET flourish as individuals and together." This policy defines the expected conduct of all staff engaged within Hamwic Education Trust and its academies (the Trust), whether in paid or voluntary employment, in relation to deterring and/or detecting fraud & corruption, including lines of reporting.

The Trust is committed to ensuring that it acts with integrity and has high standards of personal conduct. All staff involved with the Trust have a responsibility in respect of preventing and detecting fraud. The Trust also recognises the role of others in alerting them to areas where there is a suspicion of fraud.

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

It is the duty of all staff to take reasonable steps to limit the possibility of corrupt practices, and it is the responsibility of auditors to review the adequacy of the measures taken by the Trust to test compliance and to draw attention to any weaknesses or omissions.

All staff must also ensure that they proactively take action to protect themselves and others from the unwarranted suspicion of fraud.

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

4. Scope

"This policy is for all employees working within a HET school or establishment (which for ease of reference are referred to throughout this document as 'schools') or the HET Managed Service (MS) Team.

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 its business. This document sets out the Trust's policy & procedures for dealing with the risk of fraud or corruption. In order to minimise the risk and impact of fraud, the Trust's objectives are;

- To create a culture which deters fraudulent activities, encourages its prevention and promotes its detection & reporting and;
- To identify & document its response to cases of fraud and corrupt practices.

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

5. Definitions

'Fraud' is a general term covering theft, deliberate misuse/misappropriation of assets or anything that leads to a financial advantage to the perpetrator or others upon whose behalf they act, even if these "others" are in ignorance of the fraud. Fraud is 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.

'Corruption' is defined as the offering, giving, soliciting or acceptance of an inducement/reward which may influence the actions taken by the Trust or its staff.

Categories of Fraud or Corruption:

The following broad categories cover the main areas covered by this document:

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 & external to the Trust, which is carried out to conceal the misappropriation of assets or otherwise for gain;

Bribery & Corruption **–** involves the offering or the acceptance of a reward, for performing an act, or for failing to act, which leads to gain for the person offering the inducement;

Failure to observe **–** involves breaches to schemes of delegation, financial regulations or Trust procedures which in some circumstances can constitute an irregularity, with potentially significant financial consequences.

Examples of what could constitute fraud & corruption are:

- Theft of cash;
- Non-receipt of income;
- Substitution of personal cheques for cash;
- Travelling & subsistence claims for non-existent journeys/events;
- Inflating travel & subsistence claims;
- Manipulation of documents relating to salaries, including 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 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 positions for personal rewards.

The above list is not exhaustive; fraud & corruption can take many different paths. If in any doubt about whether a matter is irregular of not, clarification must be sought from the Chief Financial Officer (CFO).

6. Roles & Responsibilities

Staff & Trustees/Local Governors

- All staff are to be made aware of the Trust Code of Conduct for Employees;
- All appropriate Staff and Trustees/Local Governors must declare prejudicial interests and not contribute to business related to that interest;
- All appropriate Staff and Trustees/Local Governors must disclose personal interests;
- All Staff and Trustees/Local Governors are to be made aware of the expectations on the acceptance of gifts & hospitality;
- Clear recruitment policies and procedures are to be implemented.
- All Staff and Trustees/Local Governors have a duty to report another member of Staff and Trustees/Local Governor whose conduct is reasonably believed to represent a failure to comply with the above.
- Staff and Trustees/Local Governors must recognise circumstances where they may be exposed to the unwarranted suspicion of fraud and take reasonable measures to reduce that risk.
- All Staff and Trustees/Local Governors must report any instances of suspected fraud to the CFO as soon as they arise.

Board of Trustees and Audit & Risk Committee

The Audit & Risk Committee (A&RC) of the Trust have the responsibility of overseeing the risk of fraud on behalf of the Board of Trustees.

The main duties of the A&RC are to provide the Board of Trustees with on-going assurance that:

- The financial responsibilities of the Board of Trustees are being properly discharged;
- Sound systems of financial control are being maintained;

External Audit

The Trust's Annual Report and Financial Statement include an Independent Auditor's report. This report includes a view as to whether the financial statements give a true & fair view and whether proper accounting records have been kept by the Trust throughout the year. In addition, it reports on compliance with the accounting requirements of the Companies Act and confirms compliance with the financial reporting & annual accounting requirements issued by the Department for Education (DfE).

Chief Financial Officer

The CFO 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 the responsibility of the CFO to ensure internal controls prevent & detect any frauds promptly. This includes:

- Proper procedures and financial systems;
- Effective management of financial records;
- Management of the Trust's financial position.

7. Policy/Process

Reporting a Suspected Fraud:

All allegations of suspected fraud or irregularity are to the brought to the attention of the CFO and also referred to the Academy's School Leader, unless this individual is involved in the irregularity, in which case the Deputy Chief Executive Officer (DCEO) should be informed.

Please refer to the Trust's Whistleblowing Policy for further guidance.

Response to Allegations:

The CFO will ascertain whether or not the suspicions aroused have substance. They will, if appropriate, conduct a preliminary investigation to gather factual information and reach an initial view as to whether further action is required. The findings, conclusions and any recommendations arising from this preliminary investigation will be reported to the CEO and DCEO. If the CFO is implicated or suspected of financial irregularities the initial investigation will be carried out by the DCEO.

The DCEO will have initial responsibility for co-ordinating the Trust's response. In doing this, they will consult with HR advisors regarding potential employment issues. The DCEO will also seek legal advice from the Trust's solicitors on both employment and litigation issues before taking any further action.

The CEO is required to notify the Board of Trustees of any serious financial irregularities. This action will be taken at the first opportunity following the completion of the initial investigation(s) and will involve keeping the Chair of the Board of Trustees fully informed between Board meetings of any developments relating to serious control weaknesses, fraud or major accounting breakdowns.

If evidence of fraud is forthcoming, then the Board of Trustees will inform the DfE as required by the Trust's Funding Agreement and the Academy Trust Handbook and will consider whether or not to refer the matter to the police.

Confidentiality and Safeguards:

The Trust recognises that the decision to report a concern can be a difficult one to make. 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.

8. Monitoring & Review

This policy will be reviewed annually by the Audit & Risk Committee for recommendation to BoT.