



# **Anti-Fraud, Corruption and Bribery Policy including Gifts and Hospitality Policy**

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Mater-Christi.com**

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## Anti-Fraud Policy

### **Introduction**

The Trust is determined to demonstrate that it will not tolerate fraud, corruption, bribery or abuse of position for personal gain, wherever it may be found, in any area of school activity.

The Trust considers that all instances of fraud, corruption, bribery and other dishonesty endanger the achievement of the Trust's policies and objectives as they divert its limited resources from the provision of education. There is a clear recognition that the abuse of the Trust's resources, assets and services undermines the Trust's reputation and also threatens its sound financial standing.

This policy and procedure defines the expected conduct of all staff engaged within the Trust, whether in paid or voluntary employment, in relation to deterring and/or detecting fraud, corruption and bribery, and who to report it to. It includes clear guidelines on what is acceptable in terms of gifts and hospitality and how these matters are declared.

### **Policy Statement**

The Trust aims to be an honest and ethical organisation and as such is opposed to fraud, corruption and bribery and seeks to eliminate these by the way it conducts Trust business. In order to minimise the risk and impact of fraud, the Trust's objectives are to create a culture which deters fraudulent activity, encourages its prevention and promotes its detection and reporting.

This policy sets out the Trust's intended culture and stance on fraud, corruption and bribery, and gifts and hospitality, with clear definitions, reporting guidelines and responsibilities.

### **Scope of Policy**

This policy applies to all members of staff at all levels/grades, including members, trustees, governors, senior managers, directors, consultants, agency staff, volunteers or any other person associated with the Trust. It covers permanent, fixed term and temporary employees.

### **Responsibilities**

#### ***Audit Committee***

The committee oversees internal controls, internal assurance and external audit across the Trust. It will monitor the implementation of this policy and review its provisions to ensure the Trust has a robust approach to preventing fraud, bribery and corruption.

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### ***Accounting Officer***

The Trust's Accounting Officer is accountable to the board for the effective implementation of this policy and ensuring matters of potential fraud, bribery or corruption are investigated and reported as appropriate.

### ***Head Teachers***

The Head Teacher is responsible for developing, implementing and maintaining adequate systems of internal control within their school to prevent and detect fraud and notifying the Accounting Officer of any concerns.

## **Definitions of Fraud, Corruption and Bribery**

### ***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 by abuse of position. Irrespective of the definition applied, fraud is always deceitful, immoral, and intentional and creates a financial gain for one party and/or a loss for another.

Gains and losses do not have to be direct. A gain to a related party or company through intentional abuse of position, albeit not directly to the officer involved, is still fraudulent. In the same way, using the Trust's name to procure personal goods and services is also fraudulent; where there is deliberate abuse of position to make a gain in the form of goods and services at a discount price or to get the Trust to pay for them.

### ***Corruption***

The Trust defines the term "corruption" as offering, giving, soliciting or accepting of any inducement or reward which would influence the actions taken by the Trust, its members, trustees, governors or members of staff.

### ***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.

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- Bribery is not tolerated. 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 a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;
  - accept payment from a third party that you know or suspect 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 that it is offered or provided with an 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.
- Enter into facilitation payments which are not tolerated and are illegal. Facilitation payments are unofficial payments made to public officials in order to secure or expedite actions.

## Conduct

The Trust expects that individuals and organisations (e.g. partners, suppliers, contractors, and service providers) with which it deals will act with integrity and without thought or actions involving fraud and corruption. Where relevant, the Trust will include appropriate clauses in its contracts about the consequences of fraud, bribery and corruption. Evidence of such acts is most likely to lead to a termination of the particular contract and will normally lead to prosecution.

The Trust recognises the importance of the seven principles of public life defined by the Nolan Committee 1995, and expects all staff engaged in the Trust, and those acting as its agents, to conduct themselves accordingly. The seven principles of public life are honesty, integrity, selflessness, objectivity, openness, accountability and leadership. Through observance of these principles the Trust requires its staff and its agents to be alert to the possibility of fraud, corruption and dishonesty in all their dealings.

## Gifts and Hospitality

This policy is not meant to change the requirements of the Trust's approach to gifts and hospitality as set out within the Code of Conduct for Employees (to be developed).

These make it clear that all offers of gifts and hospitality of a value of £25 or over should be registered whether they are accepted or not. This includes gifts, hospitality, awards, prizes or any other benefit that might be seen to compromise judgment or integrity.

The Academy Trust Handbook also states that when making gifts, the Trust must ensure the value is reasonable, is within its scheme of delegation of financial powers, the decision is documented, and has due regard to propriety and regularity in the use of public funds.

## Prevention Measures

The Trust has the following measures in place to mitigate the risk to the organisation of fraud, corruption and bribery:

- A high-level commitment to implement a policy of zero-tolerance in relation to fraud, corruption, bribery or any other irregularity;
- A robust staff recruitment screening and selection process;
- Risk Management Policy and Strategy covering all fraud risks facing the Trust including cybercrime and cyber security;
- A robust and clear Code of Conduct for Employees.
- All trustees, directors, governors and staff are required to declare any offers of gifts or hospitality over a certain amount, regardless of the offer being accepted or declined.
- The Finance Policy and Procedure sets out a framework of internal control which all staff are required to follow, which is designed to prevent and detect malpractice.
- A Whistleblowing Policy which encourages staff to raise concerns about potential malpractice and protects them if they do so.
- The Disciplinary Procedure provides clear arrangements to investigate and manage allegations of misconduct against staff.
- Internal assurance and external audit processes provide monitoring and evaluation of the adequacy and appropriateness of the Trust's financial systems to the directors and members.
- Communication of the policy and associated policies and procedures to all relevant stakeholders.

## Reporting and Monitoring

All allegations of suspected fraud and irregularities are to be brought to the attention of the Chief Operating Officer, unless this individual is involved in the irregularity in which case the Chief Executive Officer, the MAT Board and the Chair of Trustees should be informed.

Anyone suspecting fraud may use the Trust's Whistleblowing Policy, which provides protection against reprisal for any such disclosure.

The Trust's Chief Operating Officer will maintain a log of all reported incidents across the Trust, which will be reported to the Audit Committee regardless of the outcome.

In accordance with the Academy Trust Handbook, the Trust must notify ESFA, as soon as possible, of any instances of fraud, theft and/or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any academy financial year. Any unusual or systematic fraud, regardless of value, will also be reported. The following information is required:

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- 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 or the RPA have offset any loss.

## Response and Investigation of Allegations

All allegations of fraud, loss, financial irregularity, corruption or bribery involving the Trust will be investigated to establish the facts in a fair and objective manner. The investigation will be conducted in accordance with legislation and in conjunction with HR advisers (if the allegation is against an employee), external advisers (including internal and external auditors) and other agencies (including the police).

Where evidence of fraud or irregularities is found, the Trust will consider taking further action which may include:

- action under the Trust's Disciplinary Procedure where an employee is involved;
- referral to the police, where appropriate, in order for them to consider taking criminal action;
- reporting any control weakness identified during the investigation, and action on how to these need to be addressed to prevent future irregularities;
- seeking compensation for all losses incurred.

## Related Policies

This policy should be read in conjunction with the following Trust policies and procedures:

- Whistleblowing Policy
- Employee Code of Conduct (to be developed)
- Disciplinary Procedures
- Finance Policy and Procedures
- Risk Management Policy and Strategy

## Other Reference Sources

Further guidance can be found:

- [Academy Trust Handbook](#)
- [Academy trust guide to reducing fraud](#)
- [Academies financial assurance](#)
- [The 7 principles of public life](#)