



# **ANTI-FRAUD AND CORRUPTION**

## **1. INTRODUCTION**

1.1 This document is a statement of the position held by the Trust on fraud and corruption. It is intended to form a policy framework for Directors and Employees in order that they might be aware of the position held by the Trust and how to deal with incidents should they occur. Whilst the need for a policy framework is hopefully self-evident, it is equally important to emphasise the faith the Trust places in the integrity and honesty of all its staff.

## **2. POLICY**

2.1 The Trust is against any form of fraud or corruption, whether attempted on or within the Trust. It is committed to an anti-fraud policy that is intended to deter, prevent and detect fraud and corruption.

2.2 All Directors and staff are expected to be aware of standards of conduct and the procedures designed to reduce the risk of fraud and corruption occurring.

2.3 All Directors and staff shall be responsible for their own conduct, and for maintaining internal check and control within all procedures in operation at an appropriate level.

## **3. OBJECTIVES**

3.1 The objectives of the anti-fraud policy are to:

- Give a clear and unambiguous statement of the Trust's position on fraud and corruption;
- Minimise the risk to the Trust's assets and good name;
- Reinforce, even further, the culture of integrity and accountability of Directors and staff and all those the Trust does business with;
- Cause procedures to be implemented that seek to prevent, discourage and detect fraud and corruption; and
- Raise awareness of the increasing risk of fraud being perpetrated against public bodies.

## **4. STRATEGY**

4.1 In order to deter, prevent and detect fraud, the Trust requires its employees to set up and use appropriate procedures. These procedures will fall under the following headings:

- Culture (Section 5)
- Prevention (Section 6)
- Detection (Section 7)
- Investigation (Section 8)
- Discipline and Prosecution (Section 9)
- Training (Section 10)
- Data Protection (Section 11).
- Trust's Equal Opportunity Policy (Section 12)



- Police and Criminal Evidence Act Code of Conduct (Section 13)



## **5. CULTURE**

5.1 The Trust is determined that the culture and tone of the organisation is one of honesty, openness, and opposition to fraud and corruption.

5.2 There is an expectation and requirement that all individuals and organisations associated in whatever way with the Trust will act with integrity and that Trust staff, at all levels, will lead by example in these matters.

5.3 The Trust's staff are an important element in its stance on fraud and corruption and are positively encouraged to raise any concerns that they may have on these issues where they are associated with the Trust's activity. This they can do in the knowledge that such concerns will be treated in confidence and properly investigated. If necessary a route, other than a normal line manager, may be used to raise such concerns. Examples of such routes are:

- Directors
- Responsible Officer
- Accounting Officer
- Director of Finance
- Diocese of Hereford Educational Trust

5.4 Members of the public should also be encouraged to report concerns through any of the above routes.

5.5 Senior management in schools are responsible for following up any allegation of fraud or corruption received and will do so through clearly defined procedures and:

- Deal promptly with the matter
- Record all evidence received
- Ensure that evidence is sound and adequately supported
- Ensure security of all evidence collected.
- Notify the Responsible Officer
- Notify the Trust's insurers through the accounting officer or Directors
- Implement Academy and Trust disciplinary procedures where appropriate

5.6 Senior management must notify the Responsible/Accounting Officer of all instances of suspected fraud/malpractice; they are expected to deal swiftly and firmly with those who defraud the Trust or who are corrupt. The Trust must be considered as robust in dealing with financial malpractice.

5.7 There is, of course, a need to ensure that any investigation process is not misused and, therefore, any abuse such as raising unfounded malicious allegations may be dealt with as a disciplinary matter.

## **6. PREVENTION**

### **6.1 Staff + Trustees**

a) The Trust recognises that a key preventative measure in the fight against fraud and corruption is the taking of effective steps at the recruitment stage to establish, as far as possible, the previous record of potential staff and trustees,



in terms of their propriety and integrity. In this regard temporary and contract staff should be treated in the same manner as permanent staff.

b) Staff and trustee recruitment is required, therefore, to be in accordance with procedures laid down by the Director in particular, obtaining written references regarding known honesty and integrity of potential staff before employment offers are made.

c) Staff and trustees are expected to follow any Code of Conduct related to the Membership of their Professional Institutes and also to abide by the Trust's Code of Conduct, which sets out the Trust's requirements on Personal Conduct.

d) The Trust has in place a Disciplinary Procedure.

e) The role that appropriate staff are expected to play in the Trust's framework of internal control.

## **6.2 Directors**

**Directors are required to operate within the:  
-Trust's Code of Conduct**

## **6.3 Systems and Procedures**

a) The Trust's Articles of Association has rules and regulations in place that require staff, when dealing with the Trust's affairs, to act in accordance with best practice.

b) The Directors have a statutory responsibility to ensure the proper arrangements of the Trust's financial affairs.

c) The Trust has developed, and is committed to continuing with, systems and procedures that incorporate efficient and effective internal controls and which include adequate separation of duties wherever possible. It is required that managers ensure that such controls, including those in a computerised environment, are properly maintained. The Trust's Responsible/Accounting Officer will independently monitor their existence and appropriateness.

d) The Finance Officer will ensure that financial regulations are kept up to date and made available to all staff.

e) The Director will ensure that the rules for the regulation of contracts is made available to all relevant staff.

## **7. DETECTION**

7.1 All employees shall ensure that internal control is implemented and maintained and will report any matters where internal control has failed.



7.2 The Responsible Officer shall, as required, inspect all systems to give assurance to Directors and Accounting Officer that internal control is adequate and operating satisfactorily.

7.3 Directors and staff of the Trust are required by its financial policies and procedures to report all suspected irregularities.

7.4 The Trust will inform The Secretary of State as required by the Funding Agreement of any evidence of fraud.

## **8. INVESTIGATIONS**

8.1 The Directors will ensure there is a procedure that can be implemented to ensure that evidence is correctly obtained, stored and recorded.

8.2 Depending on the nature and anticipated extent of the allegations, the Directors and Responsible Officer will normally work closely with management and other agencies such as the police to ensure that all allegations and evidence is properly investigated and reported upon.

## **9. DISCIPLINE AND PROSECUTION**

9.1 The Trust's Disciplinary Procedures will be used where the outcome of any investigation indicates improper behaviour.

9.2 The Trust will inform the police when financial impropriety is discovered. Referral to the police is a matter for the Board of Directors.

## **10. TRAINING**

10.1 The Trust recognises that the continuing success of its Anti-Fraud and Corruption Strategy and its general credibility will depend largely on the effectiveness of programmed training and responsiveness of staff throughout the organisation.

10.2 To facilitate this, the Finance Officer will provide training particularly for staff involved in internal control systems to ensure that they are aware of their responsibilities and duties in this respect.

10.3 The possibility of disciplinary action against staff who ignore such training and guidance should be made clear.

## **11. DATA PROTECTION**

11.1 The Directors will ensure that the Trust is correctly registered under the Data Protection Act.



## **12. THE TRUST'S EQUAL OPPORTUNITY POLICY**

12.1 All investigations, internal procedures and codes of conduct will comply with and take account of the Trust's Equal Opportunity Policy.

## **13. POLICE AND CRIMINAL EVIDENCE ACT**

13.1 When undertaking Fraud investigations, Trust investigators will observe the Police and Criminal Evidence Act code of conduct, ensure that the person being investigated is advised of their rights and that evidence is obtained in accordance with the Act. The code of conduct will also be observed when taking statements.

## **14. MONITORING**

14.1 The Audit Committee will review this policy on a regular basis to ensure it is current.