

The Minerva Learning Trust



ANTI-FRAUD AND CORRUPTION POLICY

**Minerva Learning Trust
Bridport Primary School
Burton Bradstock CE Primary School
St Mary's CE Primary School
The Sir John Colfox Academy**

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Policy Written by

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**Ratified by
The Minerva Learning Trust Board**

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Signature of Chair

ANTI-FRAUD AND CORRUPTION POLICY

The Minerva Learning Trust (MLT) is committed to protecting the public funds entrusted to it so that the maximum amount of resources can be used for their intended purpose. The MLT has a zero tolerance culture to fraud and it is essential that the risk to the MLT of financial loss due to fraud, bribery, corruption and financial impropriety is minimised.

This policy and procedure defines the expected conduct of all staff, Trustees and governors of the MLT, whether in paid or voluntary employment, in relation to deterring and/or detecting fraud and corruption, and reporting procedures.

1. Introduction:

- 1.1 The Minerva Learning Trust is committed to ensuring that it acts with integrity and has high standards of personal conduct. Everyone involved with the Academy has a responsibility in respect of preventing and detecting fraud. All staff, Trustees and governors have a role to play. The MLT recognises the role of others in alerting them to areas where there is suspicion of fraud.
- 1.2 Recognising a potential fraud and being able to report it is just as important as the measures to prevent and detect.
- 1.3 It is the duty of all employees, Trustees and governors to take reasonable 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 MLT to test compliance and to draw attention to any weaknesses or omissions.
- 1.4 Any investigation carried out in relation to alleged irregularities is linked to the MLT's Disciplinary & Dismissals procedure.

2. Definitions:

2.1 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.

2.2 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 Minerva Learning Trust, its staff, Trustees or Governors.

2.3 Gifts and Hospitality

Any gifts, rewards and benefits that are disproportionately generous or that could be seen as an inducement to affect a business decision should be declared.

The acceptance of gifts and hospitality is a sensitive area where actions can easily be misconstrued. Therefore, employees' actions should be such that they would not be embarrassed to explain them to anyone.

2.4 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** - 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 Procedures Policy which in some circumstances can constitute an irregularity, with potentially significant financial consequences.

2.5 Examples of what could constitute fraud and corruption are -

- theft of cash;
- non-receipt of income;
- substitution of personal cheques for cash;
- 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 Academy;
- failure to observe, or breaches of, regulations and/or other associated legislation laid down by the Academy;
- 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.

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 Finance Director/Executive Principal

3. Roles and Responsibilities:

3.1 Staff, Trustees and governors of the MLT adopt the following measures to demonstrate its commitment to anti-fraud and corruption:

- The Finance and Premises (Audit) Committee meets regularly;

- A requirement for all staff and governors to 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 policy on the acceptance of gifts and hospitality;
- Clear recruitment policies and procedures.

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.

3.2 Accounting Officer

The Accounting Officer has specific responsibility for overseeing the financial arrangements on behalf of the Trust.

South West Audit Partnership are employed to carry out internal audits to provide the Accounting Officer with assurance that adequate controls are in place across the MLT and provide 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.

3.3 Finance Director

The Finance Director has a responsibility for ensuring that effective systems of internal controls are maintained and will safeguard the resources of the MAT.

In respect of fraud it is therefore the responsibility of the Finance Director 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 MLTs financial position.

3.4 External Audit

The Academy'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 Academy 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 Dept of Education.

4. Reporting a Suspected Fraud:

- 4.1 All allegations of suspected fraud and irregularities are to be brought to the attention of the Finance Director and also referred to the Executive Principal, unless this individual is involved in the irregularity in which case the Chair of Trustees should be informed.

Please refer to the Academy Whistleblowing Policy for further guidance.

5. Response to Allegations

- 5.1 When managers become aware of an alleged allegation of suspected fraud and irregularities, they should conduct a brief fact-finding investigation to establish whether the alleged incident could have taken place and whether it is appropriate to treat the matter informally or formally.
- 5.2 The process will then follow the procedures set out in the Disciplinary Procedure Policy.
- 5.3 If evidence of serious fraud is identified the Trust Board will inform the Department for Education as required by the Funding Agreement and will consider whether or not to refer the matter to the police.
- 5.4 If evidence of fraud is forthcoming then the Trust Board will inform the Department for Education as required by the Funding Agreement and will consider whether or not to invoke disciplinary procedures or refer the matter to the police.

6. Confidentiality and Safeguards

- 6.1 The MLT 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 MLT 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.
- 6.2 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.
- 6.3 There is a need to ensure that the process is not misused. For further guidance refer to the MLT's Disciplinary, Grievance and Capability policy and Whistleblowing Policy.

7. Links with other Policies:

- 9.1 The MLT 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 Anti-Corruption policy attempts to consolidate those in one document and should be read in conjunction with the following Academy policies:

- Whistle-Blowing Policy
- Financial Procedures Policy
- Disciplinary Policy
- Equal Opportunities Policy