



BEACON EDUCATION
AMBITION RESPECT EXCELLENCE

Anti-fraud & Corruption Policy

Document Title	Anti-fraud & Corruption Policy		
Version Number	2.0		
Status	Pending FAR approval		
Publication Date	Mar 2023		
Statement Owner/Author	Trust Finance Manager		
Related Policies/Procedures	Finance Policy Gifts & Hospitality Whistleblowing Reserves (in development) Investment (in development)		
Review Date	Mar 2024		
Approved/Ratified by	FAR	Date:	22 nd March 2023
Distribution	All Trust colleagues		

Summary

This policy defines the expected conduct of all staff engaged at Beacon Education MAT (BE), whether in paid or voluntary employment, in relation to deterring and/or detecting fraud and corruption, and who to report it to. Going forwards, “staff” is intended to include Members, Trustees & AIB.

It includes clear guidelines on what is acceptable in terms of gifts and hospitality and how these matters are declared.

Also, reference is made to other BE policies where appropriate.

1. Introduction

1. BE 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 have a role to play. The Trust also recognises the role of others in alerting them to areas where there is suspicion of fraud. Appendix A gives definitions of fraud, corruption and Gifts and Hospitality.
2. Recognising a potential fraud and being able to report it is just as important as the measures to prevent and detect.
3. It is the duty of all Staff 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 Trust to test compliance and to draw attention to any weaknesses or omissions.
4. Any investigation carried out in relation to alleged irregularities is linked to the BE Disciplinary Procedure.

2. Policy Statement

1. This policy defines Anti-Fraud and Corruption and offers guidance for all staff in the Trust. It should be considered in conjunction with the Gifts & Hospitality policy
2. BE recognises the requirements detailed within the Academy Trust Handbook, specifically the “Basic Control Principles” relating to internal control, risk management and assurance processes.
3. BE 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 Trust 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.
4. This policy, in line with BE’s corporate values of selflessness, integrity, objectivity, accountability, openness, honesty and leadership, provides both staff and management with mutually understood guidelines for the administration of this procedure.

5. The scope of this procedure extends to all BE Staff; permanent, voluntary, casual and fixed term.
6. Time limits specified in this document may be extended by mutual agreement.
7. 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 at Academy level or if it relates to them (the Headteacher) to the COO. For concerns relating to Central Team activity this should be referred in the first instance to the COO or if the irregularity related to the COO to the CEO. Concerns relating to the CEO should be referred to the Chair of the Trust.
8. 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. Gifts and Hospitality

1. Please refer to the separate Gifts & Hospitality policy for specific guidance on what sort of gift, and what level of hospitality, is acceptable.

4. Roles and Responsibilities

1. Staff, Directors and AIB members
 - BE has adopted the following measures to demonstrate its commitment to anti-fraud and corruption:
 - Finance, Audit and Risk Committee meets regularly.
 - A requirement for all Staff to declare prejudicial interests and not contribute to business related to that interest.
 - A requirement for all Staff to disclose personal interests.
 - All Staff are made aware of the understanding on the acceptance of gifts and hospitality.
 - Clear recruitment policies and procedures.
 - Anti-fraud awareness training to enable the business support function to identify potentially fraudulent activities.

Staff also have a duty to report another member of staff whose conduct is reasonably believed to represent a failure to comply with the above.

2. Responsible Officer
 - The Responsible Officer has specific responsibility for overseeing the financial arrangements on behalf of the Directors. Within Beacon Education this position is allocated to the COO.
 - The main duties of the Responsible Officer are to provide the Directors with on-going independent assurance that:
 - The financial responsibilities of the Directors 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. Trust Finance Manager
 - The Trust Finance Manager has responsibility for ensuring that effective systems of internal controls are maintained and will safeguard the resources of BE.
 - In respect of fraud, it is therefore the responsibility of the Trust Finance Manger 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 financial position.
 - Anti-fraud awareness training.

5. Internal Scrutiny

1. As per the Academy Trust Handbook, all Trust's must have a programme of internal scrutiny to provide independent assurance to the board that it's financial and non-financial controls and risk management procedures are operating effectively.
2. For 22-23 BE have again bought in the services of Somerset County Council Education Finance team to carry out this process, the final report is presented to FAR committee and outstanding actions tracked through to completion

6. External Audit

1. BE'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.

7. Reporting a Suspected Fraud

1. All allegations of suspected fraud and irregularities are to be brought to the attention of the Headteacher (Academy) and COO (Central Team), unless this individual is involved in the irregularity in which case the Chair of the Trust Board and CEO respectively should be informed.
2. Please refer to the BE Whistleblowing Policy for further guidance.

8. Responses to Allegations

1. The Headteacher/COO will have initial responsibility for coordinating the response. In doing this, he/she will consult with the HR Lead regarding potential employment issues. The Headteacher/COO may also see legal advice from BE's solicitors on both employment and litigation issues before taking any further action.
2. The Headteacher/COO will ascertain whether or not the suspicions aroused have substance. In every case, and as soon as possible after the initial investigation, they will pass the matter on to the Finance, Audit and Risk Committee (FAR). Even if there is no evidence to support the allegation, the matter must be reported.

3. FAR will delegate the management of the investigation:
 - They will, if appropriate, conduct a preliminary investigation to gather information and reach an initial view as to whether further action is required.
 - They will determine whether the findings, conclusions and any recommendations arising from the preliminary investigation should be reported to the CEO.
 - If further investigations are required, they will determine which outside agencies should be involved (police, auditors).
4. The Headteacher/COO is required to notify Finance, Audit and Risk Committee 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 FAR fully informed between committee meetings of any developments relating to serious control weaknesses, fraud or major accounting breakdowns.
5. If evidence of fraud is forthcoming, then the Trust Board/CEO will inform the Department for Education as required by the Funding Agreement and will consider whether to refer the matter to the police.

9. Confidentiality and Safeguards

1. BE 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.
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.
3. There is a need to ensure that the process is not misused. For further guidance refer to the Trust's Disciplinary, Grievance and Capability policies.

Appendix A – Definitions

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.

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 Trust staff, Directors or PCG Members.

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 inflated or for non- existent journeys/events.
- 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 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.

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 COO, Trust Finance Manager or Academy Headteacher.