



Anti Fraud POLICY

Approved by Trustees: 24th march 2018

For Review: Summer 2019

Endeavour Multi Academy Anti-Fraud Policy

Summary

This policy defines the expected conduct of all staff engaged at the Academy, whether in paid or voluntary employment, in relation to deterring and/or detecting fraud and corruption, and who to report it to.

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

1. Introduction:

1.1 Endeavour Academy 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 Academy also 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 at Endeavour Multi Academy Trust to take reasonable steps to limit the possibility of corrupt practices, and it is the responsibility of the Responsible Officer and Auditors to review the adequacy of the measures taken by the Academy to test compliance and to draw attention to any weaknesses or omissions.

1.4 Any investigation carried out in relation to alleged irregularities will be carried out in accordance to the Disciplinary Policy.

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 Policy as the offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by the Endeavour Multi Academy Trust, its staff Trustees or Governors.

2.3 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, the Scheme of Delegation and Financial Regulations; Academy's Procedures which in some circumstances can constitute an irregularity, with potentially significant financial consequences.

2.4 Examples of what could constitute fraud and corruption are –

- theft of cash;
- non-receipt of income;
- substitution of personal cheques for cash; \square 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;

a, failure to observe, or breaches of, regulations and/or other associated legislation laid down by the Academy;

b, unauthorised borrowing of equipment;

c, breaches of confidentiality regarding information;

d, failure to declare a direct pecuniary or otherwise conflicting interest;

e, concealing a generous gift or reward;

f, unfairly influencing the award of a contract;

g, creation of false documents;

h, deception;

i, 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 CEO.

2.5 Similarly, 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 CFO.

3. Policy Statement:

3.1 This policy and procedure defines anti-fraud and offers guidance for all staff in the Academy.

3.2 The Academy 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 Academy business. This document sets out the Academy'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 Academy'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.

3.3 This policy, in line with the Academy's corporate values of integrity, consistency, impartiality, fairness and best practice, provides both staff and management with mutually understood guidelines for the administration of this procedure.

3.4 The scope of this procedure extends to all Academy employees, permanent, voluntary and fixed term.

3.5 Time limits specified in this document may be extended by mutual agreement.

3.6 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.

4. Roles and Responsibilities:

4.1 Staff and Governors

Endeavour Multi Academy Trust has adopted the following measures to demonstrate its commitment to anti-fraud and corruption:

1. Finance and Audit Committees meet regularly;
2. FHR Committee regularly reviews expenditure;
3. A requirement for all staff and governors to declare prejudicial interests and not contribute to business related to that interest;
4. A requirement for staff and governors to disclose personal interests;
5. All staff and governors are made aware of the understanding on the acceptance of gifts and hospitality;
6. Clear scheme of delegation is in place;
7. Clear recruitment policies and procedures.

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

4.2 Responsible Officer (Headteachers of the schools in the MAT)

The Responsible Officers have a specific responsibility for overseeing the financial arrangements on behalf of the governors.

The main duties of the Responsible Officer are to provide the governors with on-going independent assurance that:

The financial responsibilities of the governors are being properly discharged;

1. The resources are being managed in an efficient, economical and effective manner;
2. Sound systems of financial control are being maintained; and
3. Financial considerations are fully taken into account in reaching decisions.

4.3 Finance Manager (Lead Office Managers and Bursars in the MAT schools)

They have a responsibility for ensuring that effective systems of internal controls are maintained and will safeguard the resources of the Endeavour Trust.

In respect of fraud it is therefore the responsibility of them to ensure internal controls prevent and detect any frauds promptly. This includes:

1. Proper procedures and financial systems;
2. Effective management of financial records;
3. Management of the Academy's and individual schools financial position.

4.4 The FHR Committee has a responsibility for ensuring that all allegations of suspected fraud are investigated and dealt with appropriately, and that the systems of internal controls are robust enough to safeguard the resources of the Academy Schools.

4.5 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 Department for Education.

5. Reporting a Suspected Fraud:

5.1 All allegations of suspected fraud and irregularities must be brought to the attention of the Finance Manager and also referred to the CEO, unless these individuals are involved in the irregularity in which case the Chair of the FHR or Trustees should be informed.

Please refer to the Academy's Whistleblowing Policy for further guidance

FHR is the Finance and Human Resources Committee