



TWO RIVERS
HIGH SCHOOL



Gifts and Hospitality Policy (Including Fraud, Bribery and Corruption)

Endeavour Multi Academy Trust

Review date: Autumn Term 2021
Trust Finance Committee

Next Review: Autumn Term 2022

Policy Statement

The purpose of this policy is to set out Endeavour Multi Academy Trust's staff, LGB members and Trustees responsibilities in observing and upholding our position on fraud and bribery (including corruption) in order to protect staff, LGB members and Trustees from suspicions of dishonesty and ensure that they are free from any conflict of interest with respect to the acceptance or provision of gifts, hospitality, or any other inducement from or to suppliers of goods or services to schools. It provides information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.

The Trust requires all staff, local governors and volunteers to act honestly and with integrity at all times and to safeguard the public resources for which they are responsible. The Trust will not accept any level of fraud or bribery (including corruption). Consequently any allegation will be thoroughly investigated and dealt with appropriately. The Trust is committed to ensuring that opportunities for fraud, bribery and corruption are reduced to the lowest possible level of risk.

This policy has been agreed by the Board of Trustees

Scope

This policy applies to all Trustees and employees of the Endeavour Multi Academy Trust. The policy also applies to other individuals performing functions in relation to the Trust, such as agency workers, casuals and contractors.

Definition of Fraud

The Fraud Act 2006 defines fraud in 3 classes:

- Fraud by false representation – which the person knows to be untrue or misleading.
- Fraud by failing to disclose information – where a person fails to disclose any information to a third party when they are under a legal duty to disclose such information.
- Fraud by abuse of position – where a person occupies a position where they are expected to safeguard the financial interests of another person, and abuses that position. This includes cases where the abuse consisted of an omission rather than an overt act.

In all three classes of fraud, the person must have acted dishonestly with the intention of making a gain for themselves or anyone else or causing loss to someone or exposing another to the risk of loss.

“Representation” may be as to fact or law or as to a state of mind of the person making it or the state of mind of a third party.

“Gain” and “loss” relates only to gain or loss in money or other property (of any kind) but can be temporary or permanent. Gain includes keeping what one has as well as getting what one does not have whilst loss includes not getting what one might get as well as parting with what one has.

Fraud under the above definitions is a **criminal offence** and, if convicted, can carry a maximum sentence of 10 years imprisonment.

Definition of Bribery (including corruption)

The Bribery Act 2010 defines 4 offences:

- Offering, promising or giving a financial or other advantage for the improper exercise of functions or activities.
- Requesting or agreeing to receive or accepting a financial or other advantage.
- Bribing a foreign official who exercises a public function in order to obtain or retain business.
- Failure by a commercial organisation to prevent bribery by someone associated with it.

A bribe can be defined as the offering of money, goods or other benefits (e.g. food, drink, entertainment) to a staff member with a view to altering decision processes or outcomes in favour of the person or associate of the person offering the benefit. One of the most common forms of perceived bribery within a corporate institution is inappropriate offers of gifts, hospitality and benefits in kind from a third party.

Indirect or collateral offers of financial advantage should also be included within the definition e.g. where an offer is being made by a person other than the person who is trying to manipulate the outcome.

Bribery under the above definitions is also a **criminal offence** and, if convicted, can carry a maximum sentence of 10 years imprisonment.

Examples of Fraud or Bribery

The following list indicates possible ways in which fraud or bribery could take place although this is by no means an exhaustive list:

- Falsification of employee expense claims – e.g. claims for journeys which did not take place.

- Falsification of supplier invoices. This could involve collusion with a supplier (e.g. a relative of an employee).
- Falsification of payroll records – e.g. by the introduction of non-existent employees.
- Misappropriation of students' money by a member of staff (e.g. for a trip).
- Causing expense to the Trust that should have been borne by an individual – e.g. the private use of stationery, photocopiers etc. to an unacceptable degree.
- Bribery can be in the form of favouring one particular contractor or service provider over and above others in return for receiving personal benefit.
- Inappropriate gifts or offers of hospitality from a third party – refer to section 6 below for more details on gifts, hospitality and benefits in kind.

Gifts, Hospitality and Benefits in Kind

The Trust expects staff and members of the Local Governing Board to exercise the utmost discretion in giving and accepting gifts and hospitality when on school business. Particular care should be taken about a gift from a person or organisation that has, or is hoping to have, a contract with the school.

This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties. However, staff and local governors should be aware that the receipt of gifts or excessive hospitality may compromise you or more seriously lead to prosecutions for corruption.

Staff **must not** accept gifts, hospitality or benefits of any kind from a third party where it might be perceived that their personal integrity is being compromised, or that the school might be placed under an obligation.

Staff must not make use of their official position to further their private interests or those of others.

What is Permissible

Gifts of low intrinsic value such as promotional calendars or diaries, or small tokens of gratitude including gifts from pupils, parents and guardians can be accepted. If the value exceeds £20 approval of acceptance must be obtained from the individual's line manager.

Where approval is granted, any gift or hospitality received with an equivalent value of £20 or over must be recorded in the Register of Gifts and Hospitality kept within the Bursar's Office (refer Appendix 1).

In cases where a staff member receives a gift on behalf of The Trust/School, the gift remains the property of the Trust/School. The gift may be required for departmental display or it may, with the line manager's approval, remain in the care of the recipient. Unless otherwise agreed, the gift should be returned to the Department on or before the recipient's last working day.

Modest hospitality, provided it is reasonable in the circumstances, for example, lunches in the course of working visits, is acceptable.

Staff attendance at sporting and cultural events when paid for by suppliers, potential suppliers or consultants is **not** normally acceptable. Where it is considered that there is a benefit to the Trust in a member of staff attending a sponsored event, the attendance should be formally approved by the relevant line manager.

What is not acceptable?

It is not acceptable for staff (or someone on their behalf) to:

- 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 the member of staff knows or suspects is offered with the expectation that it will obtain a business advantage for them.
- accept a gift or hospitality from a third party if the member of staff knows or suspects that it is offered or provided with an expectation that a business advantage will be provided by The Trust/School in return.
- threaten or retaliate against another member of staff who has refused to commit a bribery offence or who has raised concerns under this policy.
- engage in any activity that might lead to a breach of this policy.

Gifts to and from Students

In the interests of safeguarding children, and to prevent staff from being open to accusation of exerting undue influence, no member of staff is permitted to give a gift to a student at any time unless this "gift" relates to a pre-approved award scheme, approved by the Leadership Team, as part of school policy.

If a gift is received from a student or the parent/s of a student and the value is £20 or over this gift is to be registered in the Register of Gifts and Hospitality (refer Appendix 1).

If a gift is received from a group of students (i.e. more than three students) and the value of the gift is £50 or over this gift is to be registered in the Register of Gifts and Hospitality (refer Appendix 1).

Your Responsibilities

Staff must ensure that they read, understand and comply with this policy.

The prevention, detection and reporting of fraud, bribery and other forms of corruption are the responsibility of all those working for or under the control of the school. All staff are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Procedure for Reporting Suspected Fraud or Bribery

Staff must notify their line manager or the Trust's Chief Finance Officer or the Headteacher as soon as possible if they believe or suspect that a conflict with this policy has occurred, or may occur in the future.

Some examples of activity that may indicate bribery or corruption are listed below. The list is not intended to be exhaustive and is for illustrative purposes only.

- You become aware that a third party engages in, or has been accused of engaging in, improper business practices.
- You learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials.
- A third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us.
- A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made.
- A third party requests an unexpected additional fee or commission to "facilitate" a service.
- A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services.
- A third party requests that a payment is made to "overlook" potential legal violations.
- A third party requests that you provide employment or some other advantage to a friend or relative.
- You receive an invoice from a third party that appears to be non-standard or customised.
- A third party insists on the use of side letters or refuses to put terms agreed in writing.

- You notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided.
- A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us.
- You are offered an unusually generous gift or offered lavish hospitality by a third party.

If staff encounters any of these red flags while working for Endeavour Multi Academy Trust they must report them promptly to their manager **OR** to the Trust's Chief Finance Officer or Headteacher using the Trust's Whistleblowing Policy.

Vigorous and prompt investigations will be carried out into all cases of actual or suspected fraud or bribery discovered or reported.

What to do if you are a victim of bribery or corruption

It is important that staff tell the Trust's Chief Finance Officer or the Headteacher as soon as possible if they are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that they are a victim of another form of unlawful activity.

Protection

The Trust is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform your line manager immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure.

This policy aims to provide avenues for staff to raise concerns where he/she has a reasonable belief that any of the following has been, or is likely to be, committed:

- a criminal offence.
- a miscarriage of justice.
- an act creating risk to health and safety.
- an act causing damage to the environment.
- a breach of any other legal obligation.
- concealment of any of the above.

It is not necessary for the employee to have proof that such an act is being, has been, or is likely to be, committed - a reasonable belief is sufficient. It is the responsibility of the Trust to ensure that an investigation takes place.

Where an employee is concerned that the nature of the disclosure is not covered in the list above, advice may be sought on the use of the appropriate policy from the Trust's Chief Executive Officer or from a trade union or professional association.

Appendix 1

REGISTER OF GIFTS

In the interests of transparency, a Register of Gifts and Hospitality is kept in the Bursar's Office.

Any member of staff who accepts an offer of a gift or hospitality over the value of £20 must ensure this is recorded in this register, specifying:

- a) Nature of gift/hospitality. In the case of a gift, it should be specified whether it is a personal gift for the recipient or a related party, such as a partner, or a corporate gift accepted by the recipient on behalf of the school.
- b) Value of gift / hospitality. If the exact cost is not known an estimate should be provided.
- c) Name of firm / individual concerned.
- d) Date gift / hospitality accepted.
- e) Name of member(s) of staff involved.

The school must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties, and therefore all staff must report all hospitality or gifts offered to the Chief Finance Officer.

Staff must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.