



Coastal Learning PARTNERSHIP

Anti-Fraud and Corruption Policy

This policy has undergone an Equalities Impact Assessment in line with the requirements of the Public Sector Equality Duty

Committee:	Resources
Policy Ratified:	29 January 2020
Review Date:	February 2023

Additional School Procedure – N/A	
Committee:	
Procedure Adopted:	
Review Date:	

Contents

1. Introduction	3
2. Definitions	3
3. Policy Statement	5
4. Gifts and Hospitality	5
5. Roles and Responsibilities	6
6. Legislation and guidance	7
7. Reporting Concerns	8
8. Confidentiality	9
9. Links with other policies	9

Appendix 1

Gifts and Hospitality Register

1. Introduction

- 1.1 Coastal Learning Partnership (CLP) is committed to ensuring that it acts with integrity and has high standards of personal conduct. Everyone involved with the Partnership has a responsibility in respect of preventing and detecting fraud. All staff, governors, trustees and members have a role to play. The Partnership 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 staff, governors, trustees and members at CLP to take reasonable steps to limit the possibility of corrupt practices, and it is the responsibility of the Responsible Officer and Internal/External Auditors to review the adequacy of the measures taken by the Partnership 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 Partnership'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 CLP, its staff 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.

Further details regarding the treatment of gifts and hospitality is provided in Section 4 of this policy.

- 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 or external to the Partnership, which is carried out to conceal the misappropriation of assets or otherwise for gain;
- **Bribery and corruption (Gifts & Hospitality – see section 4)**- 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 or a gain for others on whose behalf the person is acting, even if the ‘others’ are in ignorance of the bribe;
- **Failure to observe**, or breaches of, Scheme of Delegation and Financial Regulations; Partnership’s Procedures 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 Partnership;
- failure to observe, or breaches of, regulations and/or other associated legislation laid down by the Partnership;
- unauthorised borrowing of equipment;
- breaches of confidentiality regarding information;
- failure to declare a direct pecuniary or otherwise conflicting interest;
- concealing a disproportionately 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 Head of Finance.

2.6 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 Headteacher or the Head of Finance.

3. Policy Statement

3.1 The Policy Statement applies to all staff, governors, trustees and members of CLP (full time, part time, temporary and casual).

3.2 CLP recognises the importance of the seven principles of public life defined by the Nolan Committee 1995, and expects all staff, governors, trustees and members (either permanent or voluntary) to conduct themselves according to them. The seven principles are; ·

- **Honesty** - Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
- **Integrity** - Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
- **Selflessness** - Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.
- **Objectivity** - In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
- **Openness** - Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
- **Accountability** - Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
- **Leadership** - Holders of public office should promote and support these principles by leadership and example.

3.3 The Partnership 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 Partnership business. This document sets out the Partnership'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 Partnership'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.

3.4 This policy, in line with the Partnership'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.

4. **Gifts and Hospitality**

4.1 Staff must not accept bribes, or gifts that might be thought of as bribes. Gifts that may be worth more than £25 must be declared and recorded on the gifts and hospitality register. In the event that a member of staff is given a combined gift (for example a teacher receiving a larger gift which is the result of all families in his/her class contributing a small sum of money which is then used by one parent to purchase a gift on behalf of everyone), the gifts and hospitality register should be signed if it appears that the value of the gift is greater than the equivalent of £25 per person giving the gift, or a total of £100 or more.

4.2 Staff may usually accept gifts if the following requirements are met. If the gift:

- Does not appear to have been made with the intention of influencing the staff member in any way (for example, to bring benefit or advantage to the children of the family giving

the gift, or to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits);

- Does not include cash (gift certificates or vouchers are acceptable within the limits defined by the gifts and hospitality register);
- Is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. For example, it is customary for small gifts to be given at Christmas and for families to choose to give their child's teacher a gift at the end of the school year;
- Is given openly, not secretly; and
- Complies with any applicable law

4.3 Staff should never offer gifts to the pupils in their schools or their families, unless the member of staff has a personal relationship with the family which pre-dates their professional relationship. For example, a member of staff has lived next door to a family for several years; subsequently, the 'neighbours' start at the member of staff's place of work – it is acceptable that the previous personal relationship continues, although the staff member must ensure full professionalism within school and must now allow their personal relationship with the family to influence their professional judgement and actions.

4.4 Gifts from staff to pupils are not acceptable unless they are of minor value and equitable to all children in the class.

4.5 Advice on the acceptance or rejection of gifts should be sought from the Headteacher or other member of the senior leadership team.

4.6 It is the responsibility of each school to maintain a log of gifts received at each school (see Appendix 1). All logs will be regularly reviewed by the Head of Finance.

5. Roles and Responsibilities

5.1 Staff, Governors, Trustees and Members

CLP has adopted the following measures to demonstrate its commitment to anti-fraud and corruption:

- Resources Committee and Full Partnership Board meet regularly where instances of fraud or near-misses would be escalated and discussed;
- A requirement for all staff, governors, trustees and members to declare prejudicial interests and not contribute to business related to that interest;
- A requirement for staff, governors, trustees and members to disclose personal interests;
- All staff, governors, trustees and members are made aware of the understanding on the acceptance of gifts and hospitality;
- 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.

5.2 Responsible Officer/Internal Auditor

The Responsible Officer/Internal Auditor has specific responsibility for overseeing the financial arrangements on behalf of the trustees.

The main duties are to provide the trustees with 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.

5.3 Head of Finance

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

In respect of fraud it is therefore the responsibility of the Head of Finance 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 Partnership's financial position.

5.4 External Audit

The Partnership'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 Partnership 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 of Education.

6. Legislation and guidance

The [Academies Financial Handbook](#) guidance on fraud is:

- Academy trusts must be aware of the risk of fraud, theft and/or irregularity occurring and, as far as possible, address this risk in their internal control and assurance arrangements by putting in place proportionate controls. Trusts must take appropriate action where fraud, theft and/or irregularity is suspected or identified.
- The Partnership must notify ESFA, as soon as is operationally practical based on its particular circumstances, of any instances of fraud, theft and/or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any academy financial year. Any unusual or systematic fraud, regardless of value, must also be reported. The following information is required:
 - full details of the event(s) with dates
 - the financial value of the loss
 - measures taken by the Partnership to prevent recurrence
 - whether the matter was referred to the police (and why if not)
 - whether insurance cover or the risk protection arrangement have offset any loss

- ESFA will not tolerate fraud. It reserves the right to conduct or commission its own investigation into actual or potential fraud, theft or irregularity in any academy trust, either as the result of a formal notification from the Partnership itself or as the result of other information received. ESFA may involve other authorities, including the police, as appropriate. ESFA will publish reports about its investigations and about financial management and governance reviews at academy trusts in line with its own policy on publishing information.
- ESFA also publishes guidance on reducing the risk of financial irregularities. Trusts should refer to this information, and to the findings from ESFA's investigation reports, as part of its risk management approach.

7. Reporting Concerns

- 7.1 All actual or suspected incidents of fraud, corruption or bribery in a school should be reported without delay to the Headteacher who must report immediately to the Head of Finance of CLP.
- 7.2 If the Head of Finance is not available on the day the incident is reported, or if there are concerns about reporting to the Head of Finance, the incident should be reported immediately to the Chief Executive Officer of the Partnership. If the Chief Executive Officer is not available on the day or there are concerns about reporting to the person holding that role, the incident should be immediately reported to the Chair of Trustees.
- 7.3 When employees report suspected fraud it is important that their suspicions are treated seriously and that all details provided by the reporting employee are recorded accurately and in a timely manner.
- 7.4 They should be signed by the reporting employee to confirm understanding. It is essential that staff are put at ease, since the decision to report the suspected fraud may be traumatic for the individual concerned. Those reporting fraud should be assured that all information will be dealt with in the strictest confidence and that anonymity will be preserved if requested in the first instance, however anonymity may not be able to be preserved if it is incompatible with a full and fair investigation.
- 7.5 The Head of Finance will ensure that a log is maintained of all reported incidents at the school which will be reported to the Trustees. Any incidents above £5000 will be reported to the ESFA.
- 7.6 A decision will then be made as to who is best placed to investigate any concerns raised. The investigating officer also has the responsibility to report all findings to the Resources Committee.
- 7.7 The Resources Committee will determine the outcome of the investigation:
- They will, if appropriate, conduct further investigations to gather factual information and reach a view as to whether further action is required
 - They will determine whether the findings, conclusions and any recommendations arising from the initial investigation warrant further exploration, and they will determine whether any outside agencies should be involved (police, auditors).

7.8 If evidence of fraud is forthcoming, then the Trustees will inform the Education and Skills Funding Agency (ESFA) as required by the Funding Agreement and also the police in accordance with same thresholds and guidance used for the ESFA. If the police have not, and will not be involved, they will then be required to determine if any further action needs to be taken.

8. Confidentiality

8.1 CLP 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. CLP 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.

8.2 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.

9. Links with other policies

9.1 This Anti-Fraud and Corruption policy is linked with:

- Code of Conduct policy
- Whistleblowing Policy
- Disciplinary Policy

Appendix one: gifts and hospitality register

Date	Name	Description of gift/hospitality, including approximate value	Party offering gift/hospitality	Accepted/rejected	Approved by