

ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY

Monitoring, Evaluation and Review

The policy will be promoted and implemented throughout the Trust. The Mead Educational Trust will review the policy, unless there are significant changes in the interim period.

Version:	5.0
Date created:	November 2023

3.0	September 2021	DWY	Minor names changes
4.0	September 2022	DWY	Added new section 9.2 to look at lessons learnt during emergency measures
5.0	November 2023	DWY	COO role included in the policy

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Within this policy there may be references to Principals or School Principals. Where these designations are seen it is understood that the lead manager for both the Teaching School Hub and SCITT are equally accountable

Within this policy there may be references to Business Manager/School Manager. Where this designation is seen it is understood that the financial lead for both the Teaching School Hub and SCITT are equally accountable

1 Introduction

- 1.1 Fraud, bribery, corruption, or other dishonesty, will damage the Trust's reputation. Each School within The Mead Educational Trust, and the Trust itself therefore has a duty to protect public assets; to ensure that management and other practices accord with the standards of probity expected of public sector bodies; and to ensure that the resources available to it are used only in furtherance of each School
- 1.2 The Trust has a zero-tolerance approach to all forms of fraud and financial irregularity. The Trust will not tolerate fraud or corruption by its members, trustees, employees, suppliers, contractors, partners, service users or members of the public and will take all necessary steps to investigate all allegations of fraud or corruption and pursue sanctions available in each case, including removal from office, disciplinary action, dismissal, loss recovery and/or referral to the Police and/or other agencies.
- 1.3 The Trust is committed to an effective anti-fraud and corruption strategy designed to encourage prevention, promote detection, and clarify responses through a defined plan which incorporates investigatory action. The main responsibility for preventing and detecting fraud lies with all staff but the Executive Leadership Team and Finance staff have a particularly important role to play in detecting and reporting fraud. The strategy set out in this paper is designed to cover fraud which is attempted from within each School or from outside and is based on policies covering culture, prevention, detection, and investigation and also training which is designed to frustrate any attempted fraudulent or corrupt act.
- 1.4 The strategy has been formulated in advance of any fraud risk assessments which may subsequently be undertaken. If such an exercise were to be undertaken, then the outcome may give rise to amendments to the strategy.
- 1.5 The Fraud Act 2006 created a single offence of fraud and defined this in three classes:
 - False representation.
 - Failure to disclose information where there is a legal duty to do so.
 - Abuse of position.The Act also created four new offences of:
 - Possession of articles for use in fraud.
 - Making or supplying articles for use in fraud.
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3 Policy Statement

3.1 The Trust expects all Trustees, School Councillors, employees, and those acting as its agents to conduct themselves in accordance with the seven principles of public life defined by the Nolan Committee 1995.

3.2 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 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.

4 Culture

4.1 The Trust expects all Trustees, School Councillors, employees, and those acting as its agents to act with integrity and lead by example in ensuring adherence to rules and that all procedures and practices are above reproach. The School also expects that individuals and organisations that it meets will act towards the School with integrity and without thought or actions involving fraud or corruption.

4.2 The Trust is conscious of the high degree of external awareness of its affairs by a variety of bodies and the need to act in all matters with probity and propriety. The Trust is determined that the culture and tone of the organisation is one of honesty and opposition to fraud, bribery, and corruption.

4.3 The staff and pupils of each School are an important element in its stance on fraud and corruption and they are positively encouraged to raise any concerns that they may have on these issues where they are associated with School business or activity; this includes concerns related to the provisions of the Public Interest Disclosure Act 1998. Such concerns can be raised in the knowledge that they will be treated in confidence and properly investigated. Concerns can be raised with line managers, senior management, the Chair of School Council, or the Chair of the Finance Committee. Where incidents are reported, the usual Chief Operating Officer and Chief Financial Officer will be advised and the relevant procedures will be followed. The Trust has a Whistleblowing Policy in place. Any member of staff therefore has a route to raise concerns to someone outside their direct management line where necessary. This will include instances where a senior member of School staff is suspected of fraud.

Potential new members of staff will be screened before appointment, particularly for posts with financial responsibility. For example:

- References should cover a reasonable, continuous period; and any gaps should be explained.
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- Offers of appointment to be made subject to receipt of satisfactory references and any doubts about the contents of the reference should be resolved before confirming the

7 Key Procedures and Controls

7.1 The following key procedures and controls operate within the Trust:

- The Trust has an effective Anti-Fraud, Bribery and Corruption Policy and Strategy, and maintains a culture that will not tolerate fraud, bribery, or corruption.
- The Trust complies with the requirement to undertake Section 128 checks for School

8 Raising Concerns

- 8.1 It is the responsibility of the Trustees, School Councillors, CEO, COO, CFO Principals and employees to prevent and help detect fraud, bribery and corruption. In high-risk areas specific controls aimed at preventing and detecting frauds will be in place.
- 8.2 School Councillors, CEO, COO, CFO and the Principals have a duty to inform the Board of Trustees and the Audit Committee of any potential fraud, bribes, corruption or other suspected irregularities.
- 8.3 The Trust Chief Financial Officer 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 and the School Insurers
- 8.4 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 Audit Committee.
- 8.5 It is often the alertness of employees and the Public that enables frauds to be detected. In accordance with the Whistleblowing Policy, any member of staff with any concerns about the Trust or its Schools management. However, it is recognised that this may not be possible in certain circumstances. In these cases, contact should be made with the Chair of the Trust or the Risk and Audit committee, the CEO or the Chief Financial Officer or the External Auditor.
- 8.6 All concerns, reported by whatever method, will be treated in confidence, and will be reviewed and investigated by the person deemed to be appropriate and best placed to do so. This may mean that, depending on the level, type and details of the concern raised, that concerns are investigated by the Trust, internal audit or in the case of very serious concerns, the External Auditor, or the Police.

A complete Fraud Response Plan is attached as Appendix 2

9 Monitoring and Review

- 9.1 The Audit Committee has the responsibility for implementing, monitoring and reviewing this policy. The Chief Financial Officer will make an annual report to the Audit Committee providing a summary of all issues raised and any subsequent actions taken. Any issues, which arise, which do not fall within the remit of the Audit Committee or are relevant to other areas of an School, will be brought to the attention of the relevant committees and /or individuals.
- 9.2 Lesson Learnt during emergency measures 2020-2022
 - Emergency measures taken during the coronavirus (COVID-19) pandemic may have posed an increased risk of fraud to the Trust. With the response to COVID-19 creating significant changes to our working procedures, sadly some people could have tried to take advantage of the situation to commit fraud.
 - With the implementation of emergency measures following the COVID-19 outbreak we identified an emerging increased risk of fraud in the following areas:
 - Mandate fraud or payment diversion fraud
 - Procurement fraud
 - Recruitment fraud
 - Payroll fraud
 - We started from the basis of recognising and accepting that there is an inndom ETe565((fr)13(o0>408871 0H

- Our working location changed from office base to home working, but we maintained and perhaps even reinforced the checking and validation processes around creating and approving new supplier, placing orders, processing invoices and making payments. Segregation of duties was fully maintained in all aspects of our ordering and payment routines.
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11 Appendix 2 Fraud Response Plan

1. Introduction

The purpose of the Plan is to define authority levels, responsibilities for action and reporting lines in the event of a suspected fraud or irregularity. The Plan also sets out the process for staff who wish to notify any suspicions to senior management and also how senior management should respond to such notifications.

Initiating Action

Suspicion of fraud or irregularity can be discovered in a number of ways but in all cases it is important that staff feel able to report their concerns and are also aware of the means by which they are able to do so. Suspected fraud may emanate from several sources including:

- a) Requirement of all School staff to report suspected fraud or irregularity to the School Business Manager;
- b) Public interest disclosures procedure ("whistle blower's charter");
- c) The carrying out of planned audit activity;
- d) The carrying out of proper procedures.

All actual or suspected incidents should be reported without delay to the Trust Chief Financial Officer or in his/her absence to the School Business Manager/School Manager. The Chief Financial Officer and Business Manager/School Manager advise the CEO of the incident(s) and a meeting of a minimum of three officers from the Finance Committee will be held within 24 hours to decide on the action to be taken. In the event of one of the officers in the Finance Group being accused of fraud, a Governor can be appointed to replace that officer on the Group.

The CEO will advise the Chair of the Governing Body of the incident(s) and the action to be taken by the Finance Committee. The action taken will normally result in an independent investigation being commissioned through the special engagement of the

Recovery of Losses

Where a fraud investigation is undertaken the School will view the recovery of any losses sustained as a major objective. The Chief Financial Officer will ensure that in all fraud investigations the amount of any loss will be quantified and repayment of any such losses will be sought in all cases.

Where it appears the loss may be substantial (i.e. £5,000 or more) legal advice will be obtained without delay about the need to freeze the suspect's assets through the courts, pending the conclusion of the investigation. Legal advice will also be taken about the prospects for recovering losses through the civil

