

## **Anti-Fraud, Corruption and Bribery Policy**

### **Aim of the Trust**

One community. Many ideas. Everyone's future.

We aim to provide an exceptional education for every child in the Trust through an ethos of collaboration and high aspirations and through the principles of quality learning using curiosity, exploration and discovery.

### **This policy is linked to:**

Whistleblowing Policy

### **Principles**

The purpose of this policy is to confirm the Trust's commitment against fraud. The fulfilment of this Anti-fraud, Corruption and Bribery Policy will assist in the delivery of more effective risk management.

The Langley Academy Trust is determined to demonstrate through this policy that it has a 'zero tolerance' towards fraud, bribery, corruption or abuse of position for personal gain, wherever it may be found, in any area of the Trust's activity.

The Trust considers that all instances of fraud, corruption and other dishonesty endanger the achievement of the Trust's policies and objectives as they divert its limited resources from the provision of education. There is a clear recognition that the abuse of the Trust's resources, assets and services undermines the Trust's reputation and also threatens its sound financial standing.

### **Purpose**

The purpose of this policy statement is to set out for trustees, governors and employees, the Trust's position on fraud, bribery and corruption and how it will prevent, report and investigate fraud, bribery and corruption.

- This policy statement - Defines fraud, corruption and bribery.
- Identifies the scope of the applicability of the policy.
- Sets out the Trust's intended culture & stance against fraud, corruption and bribery.
- Identifies how to raise concerns and to report malpractice.
- Sets out responsibilities for countering fraud

## **Definitions**

### **Fraud**

Fraud is a range of abuse and malpractice that is covered by the Fraud Act 2006.

Fraud can be defined as an abuse of knowledge or financial position that is done deliberately to create a financial gain for the perpetrator or for a related person or entity and / or cause a loss to another. It can take place in many ways; withholding information, deliberately misleading, misrepresenting a situation to others or by abuse of position. Irrespective of the definition applied, fraud is always deceitful, immoral, and intentional and creates a financial gain for one party and / or a loss for another.

Gains and losses do not have to be direct. A gain to a related party or company through intentional abuse of position, albeit not directly to the officer involved, is still fraudulent. In the same way, using the Trust's name to procure personal goods and services is also fraudulent; where there is deliberate abuse of position to make a gain in the form of goods and services at a discount price or to get the Trust to pay for them.

A person is guilty of fraud if they are in breach of any of the sections listed in subsection (2) of the Act which provide for different ways of committing the offence.

The sections are:

- section 2 (fraud by false representation),
- section 3 (fraud by failing to disclose information), and
- Section 4 (fraud by abuse of position).

### **Corruption**

Corruption is dishonest or fraudulent conduct, normally committed by someone in power and will normally involve the above a bribe, threat or reward..

### **Bribery**

The Bribery Act 2010

There are four key offences under the Act:

- bribery of another person (section 1)
- accepting a bribe (section 2)
- bribing a foreign official (section 6)
- failing to prevent bribery (section 7) The Bribery Act 2010

Bribery is not tolerated. It is unacceptable to:

- give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- 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 you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy;

## **Facilitation Payments**

Facilitation payments are unofficial payments made to public officials in order to secure or expedite actions. Facilitation payments are not tolerated and are illegal.

## **Gifts and Hospitality**

This policy is not meant to change the requirements of the Trust's approach to gifts and hospitality as set out within its policies and procedures. These make it clear that all offers of gifts and hospitality of a value of £25 or over should be registered whether they are accepted or not.

## **Conflicts of Interest**

Conflicts of interest increase the risk of fraud, therefore all members of the Trust Board, local governing bodies, subcommittees, employees must ensure they follow Trust policy in relation to completing the register of interest and report the conflict of interest to their manager.

## **Scope of the policy**

The Policy Statement applies to all members of the Trust Board, local governing bodies and subcommittees, and all employees (full time, part time, temporary and casual, consultants and contractors) who work for the Trust. Failure to comply could result in disciplinary action, including dismissal.

The policy requires all those receiving funds from the Langley Academy Trust or representing the Langley Academy Trust, including its suppliers, grant recipients, contractors and agents, to act in accordance with the policy.

The Trust expects that individuals and organisations (e.g. partners, suppliers, contractors, and service providers) with which it deals will act with integrity and without thought or actions involving fraud and corruption. Where relevant, the Trust will include appropriate clauses in its contracts about the consequences of fraud, bribery and corruption. Evidence of such acts is most likely to lead to a termination of the particular contract and will normally lead to prosecution.

The Trust recognises the importance of the seven principles of public life defined by the Nolan Committee 1995, and expects all trustees, governors, employees and those acting as its agents to conduct themselves according to them. The seven principles are worthy of being read by all;

- **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.

Through observance of these principles the Trust requires the governors, employees and its agents to be alert to the possibility of fraud, corruption and dishonesty in all their dealings.

The Trust also requires that those employees responsible for its systems and procedures should design and operate systems and procedures which endeavour to minimise losses due to fraud, corruption, and other dishonest action and abuse.

### **Culture and stance against fraud and corruption**

The Langley Academy Trust is determined that the culture and tone of the organisation will be one of honesty and opposition to fraud and corruption of any kind.

The Trust expects that the Trust Board and its employees at all levels will lead by example in ensuring adherence to legal requirements, financial rules, codes of conduct and prescribed procedures and practices.

The Trust implements and maintains systems of accountability and control to ensure that its resources are properly applied in the way it intended. These systems include, as far as is practical, adequate internal controls to encourage an anti-fraud culture, prevent and detect fraud, bribery and corruption and reduce the risk through risk management and assurance processes and audit arrangements.

### **Raising concerns**

Trustees and employees are an important element in the Trust's defense against fraud and corruption; they are expected to raise any concerns that they may have on these issues where they are associated with the Trust's activities and to immediately report any incidents or suspicions of fraud, bribery or corruption.

The Trust's senior leadership and trustees will be robust in dealing with financial malpractice of any kind.

Governors and employees of the Trust should follow the guidance issued in the **Trust's Whistleblowing Policy** and associated procedure.

All concerns reported, by whatever method will be treated in confidence and will be reviewed and investigated by a member of staff deemed to be appropriate and best placed to do so. This may mean that, depending on the level, type and details of the concerns you raise, that your concerns are investigated by members of the Trust's senior leadership team, Trustees or in the case of very serious concerns, the Police.

The Trust will maintain a system for recording all reports of actual or suspected fraud, bribery or corruption; the action taken; and any outcomes of any investigation. It will use this information to inform its review of the risks and the effectiveness of its controls.

### **Reviewing the policy**

The Langley Academy Trust will review this policy each year and any significant amendments proposed to the Trust Board. The Trust's arrangements for the deterrence, prevention and detection of fraud will be regularly reviewed by those officers charged with responsibility for the policy.

**Review Date: November 2018**

**Ratification Date: November 2018**

**Author: Finance Director**

**Date of Next Review November 2021**