



CARMEL EDUCATION TRUST

ANTI-FRAUD, CORRUPTION & BRIBERY POLICY

Document Management:

Date Policy Approved:	18 June 2014
Date Reviewed:	June 2017
Next Review Date:	June 2020
Version:	2.0
Approving Body:	Board of Directors
Policy Category:	Staffing

ANTI-FRAUD, CORRUPTION AND BRIBERY POLICY

Purpose

The purpose of this policy is to confirm Carmel Education Trust's commitment against fraud.

The fulfillment of this Anti-fraud, Corruption and Bribery Policy will assist in the delivery of more effective risk management, on which the Trust has produced its own separate policy.

Introduction

Carmel Education Trust is determined to demonstrate that it will not tolerate fraud, corruption or abuse of position for personal gain, wherever it may be found, in any area of Trust 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.

The purpose of this Policy Statement is to set out for governors and employees, the Trust's main objectives for countering fraud 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.

Corruption

Corruption will normally involve the above with some bribe, threat or reward being involved.

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)

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

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 the Code of Conduct for Directors, the Code of Conduct for Employees and the Constitution of Local Governing Bodies. 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.

Scope of Policy

The Policy Statement applies to all Directors, members of local governing bodies, and all employees (full time, part time, temporary and casual) who work for the Trust.

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 Directors, 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 Directors, 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 & stance against fraud & corruption

Carmel Education 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 Board of Directors, local governing bodies and 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 detect not only significant errors but also importantly, fraud and corruption.

The Trust's Resources Committee is responsible for overseeing internal control and financial management.

Raising Concerns

Directors, governors 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 College's activities.

The Trust's senior management and Directors, will be robust in dealing with financial malpractice of any kind.

Directors, Governors and employees of the Trust should follow the guidance issued in the Trust's Whistleblowing Policy.

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 senior Trust managers, Directors or in the case of very serious concerns, the Police.

The Trust is obliged to report to the ESFA, as soon as is operationally practical, all instances of fraud that are over £5,000 in value (individually or cumulatively) in any financial year or are 'systematic or unusual' in nature regardless of their value.

Responsibility for this Policy

The Chief Executive Officer in conjunction with the Trust Business Manager, has overall responsibility for the maintenance and operation of this policy. From time to time they will review and report on this policy.

This policy will be regularly reviewed and any significant amendments proposed to the Board of Directors. 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.