



**The Levels Academy Trust**

**Raising Aspirations, Realising Potential TOGETHER**

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

**Date adopted: 6 December 2018**

**Signature:** \_\_\_\_\_

**Review date: December 2019**

The Levels Academy comprises four schools, namely:

Hambridge Primary School (including Little Levels Pre-School)

Huish Episcopi Primary School

Middlezoy Primary School

Othery Village School (including Hatchlings Pre-School)

This policy has been reviewed to cover each of the above schools.

## **Introduction**

The Levels Academy is committed to ensuring that it acts with integrity and has high standards. Everyone involved with The Levels Academy has a responsibility in respect of preventing and detecting fraud, corruption or bribery. All staff and governors have a role to play. The Levels Academy also recognises the role of others in alerting them to areas where there is suspicion of fraud.

The Levels Academy has many measures to ensure proper administration and prevent and detect fraud and corruption. Recognising potential fraud, corruption or bribery, and being able to report it is just as important as the measures to prevent and detect.

## **Definitions**

### **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.

### **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 The Levels Academy, its staff, Members, Trust Board and local governing bodies.

It is the duty of The Levels Academy and its employees Trust Board to take reasonable steps to limit the possibility of corrupt practices, and;

It is the responsibility of Internal Audit to review the adequacy of the measure taken by The Levels Academy, to test compliance and to draw attention to any weaknesses or omissions.

### **Bribery**

The Bribery Act 2010 came into force on 1 July 2011. It covers bribery and corruption in business activities in the UK and overseas. Under the Bribery Act 2010, a bribe is a financial or other type of advantage offered with the intention of inducing or rewarding improper performance of a function or activity, or knowledge or belief that accepting such a reward would constitute the improper performance of such a function or activity.

- A criminal offence will be committed under the Act if:

- An employee or associated person acting for, or on behalf of the Academy, offers, promises, gives, requests, receives or agrees to receive bribes.
- An employee or associated person acting for, or on behalf of the Academy, offers, promises or gives a bribe to a public official with the intention of influencing that official in the performance of his/her duties.
- And, in either case, the Academy does not have the defence that it has adequate procedures in place to prevent bribery.

## **The Principal Roles**

### **Staff and Trust Board**

To the public, The Levels Academy can be judged by the conduct of its Staff and Trust Board. The Levels Academy has adopted the following measures to demonstrate its commitment:

- All Staff, Members, Trust Board and local governor are made aware of the Local Authority Code of Conduct for Employees;
- A Trust Board Business Committee;
- A requirement for all those involved in the Academy to declare prejudicial interests and not contribute to business related to that interest;
- A requirement for staff, Members, the Trust Board and local governing bodies to disclose personal interests;
- All staff, governors, the Trust Board and Members are made aware of the understanding on the acceptance of gifts and hospitality;
- Clear recruitment policies and procedures;
- A code of conduct for employees;
- A staff handbook;

Staff, local governors, the Trust Board and Members also have a duty to report another colleague whose conduct is reasonably believed to represent a failure to comply with the above.

### **CEO and Finance Officers**

The CEO and Finance Officers have a responsibility for ensuring that internal controls at each school will ensure proper administration and safeguard the resources of The Levels Academy.

In respect of fraud it is therefore the responsibility of the CEO to ensure internal controls prevent and detect any frauds promptly. This includes:

- Proper procedures and financial systems;
- Effective management and financial information;
- Completion of The Levels Academy's annual statement of internal control (SIC)

### **Internal Audit by the Trust Business Committee**

The Business Committee visit regularly (6 times per year) and have a clear remit to undertake work to prevent and detect potentially fraudulent acts. This is in line with best practice. This work concentrates on areas of highest risk but also on areas which, although small are subject to fraud.

The EFA has a unique role in taking responsibility for;

- Investigating fraud;
- Establishing the extent of any fraud;
- Correcting accounting records if necessary;
- Recommending improvements in internal control;
- Advising on action to take to resolve the matter arising.

### **The Principal Anti-Fraud Measures**

The Levels Academy has taken a number of measures that should prevent or detect any attempted or actual fraud. No system of control can prevent all cases, and The Levels Academy must minimise the risks to which it is exposed. At the highest level The Levels Academy will:

- Regularly review and improve key internal control systems;
- Regularly review measures to minimise the risk of fraud;
- Involve staff in such reviews;
- Adopt formal procedures to investigate fraud when it is suspected and where detected, strengthen controls to prevent reoccurrence;
- Provide mechanisms for employees to voice their genuine concerns'
- Have no hesitation in referring cases of suspected financial irregularity to the attention of the Police and the EFA;
- Work closely with the Police and the other appropriate agencies to combat fraud.

The Levels Academy has already introduced corporate standards that should ensure proper administration. These include:

- Staff Contracts and Annual Review of;
- Contract standing orders;
- Codes for Conduct for Governors and Staff;
- Measures to implement new legislation correctly;
- A clearly defined role for the Business Committee;
- Clear roles for the Trust Board of The Levels Academy;
- Training administration issues;
- Disciplinary Procedures; and Complaints Procedures.

These measures, and others, provide a framework supported by detailed procedure manuals for all key functions of The Levels Academy. Other key principle internal controls that are adopted include wherever possible:

- Adequate separation of duties;

- Proper authorisation procedures;
- A proper audit trail;
- Independent monitoring and checking;
- Training of employees in their duties;
- Appropriate supervision;
- Effective managements structures and organisation;
- Physical controls over highly portable assets;
- Effective IT and other security measures;
- A proper accounting and budgetary control system;
- Effective Internal Audit review systems.

Responsibility for effective implementation of these principles on internal control rests with the Chair of the Business Committee in conjunction with the Finance Manager and involves every member of The Levels Academy.

### **Unacceptable practice**

It is not acceptable for employees to:

- Give, promise or offer a payment, gift or hospitality, with the expectation or hope that an advantage for The Levels Academy schools will be received or to reward an advantage already received.
- Give, promise 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 if they know or suspect that it is offered with an expectation of a business advantage in return.
- Threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy.
- Engage in any activity that may lead to a breach of this policy.

### **Acceptable practice**

This policy does not prohibit normal and appropriate hospitality (either given or received), if the following requirements are met:

- It is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in exchange for favours or benefits.
- It is given in The Levels Academy Trust or The Levels Academy Trust School's name, not in the individual's.
- It complies with local law.
- It does not include cash or a cash equivalent i.e. vouchers, gift certificates.
- It is appropriate in the circumstances i.e. the giving of small gifts at Christmas time.
- The type and value of the gift is reasonable given the reason the gift is offered.
- It is given openly, not secretly.

Gifts should not be offered to, or accepted from, government officials or representatives without the prior approval of the School CEO or Head of School. The advice of The Levels Academy Trust is to, in all circumstances, consider whether the gift or hospitality is reasonable and justified and to consider the intention behind the gift.

### **Charitable donations**

Charitable donations are considered to be part of the Academy's wider purpose. The Academy schools may also support fundraising events involving employees. The Academy schools only makes charitable donations that are legal and ethical. No donation must be offered or made in the Academy School's name without the prior approval of the CEO or Head of School.

### **Reporting a Suspected Fraud corruption or bribery**

The Levels Academy requires suspected fraud and irregularities to be referred to the CEO or Head of Schools, unless this individual is involved in the irregularity in which case the Chair of the Board of Directors should be informed.

All reported irregularities will be thoroughly investigated, with due regard to the provisions of the Human Rights Act 1998, Data Protection Act 2018, the Regulation of Investigatory Powers Act 2000 and The Levels Academy's Equal Opportunities Policy.

At each school steps that would normally be taken are:

- If an employee suspect a fraud, corruption or bribery has occurred (or is likely to) they should report this to their Line Manager who must inform their CEO or Head of School, unless the suspicion relates to the Line Manager. In this instance to employee should report to the CEO, Head of School or Chair of Governors of that school.
- The CEO or Head of School will inform Chair of Governors unless the suspicion relates to the Chair of Governors when the CEO or Head of School will contact the Board of Directors without consultation with the Chair of Governors;
- If an employee suspects fraud, corruption or bribery occurred (or is likely to) and believe that their Line Manager, CEO or Head of School and Chair of Governors may be involved, then they can report any concerns direct to the Board of Directors or Members.
- If suspicions stem from an Internal Audit assignment, the Chair of the Business Committee, will inform the CEO or Head of School and Chair of Governors of the school involved or Board of Directors;
- Members of the public can report any concerns, either to the CEO or Head of School of the school, Chair of Governors of the school, the Trust Board, the Members, The Levels Academy external auditor or via the Complaints Procedure;
- The Chair of the Business Committee will decide on the level of any investigation. If necessary the Chair of the Business Committee will involve the Chief Executive Officer and the Members. The Business Committee will carry out any investigation, reporting to the Board of Directors.

- If investigations indicate a criminal offence may have occurred, the Chair of the Business Committee will decide, in consultation with the Chief Executive Officer and Trust Board or Members, to handle the matter according to The Levels Academy's Disciplinary Procedures and involve the Police and the EFA;
- The Academy will invoke disciplinary procedures where any employee is found guilty of bribery and this may result in a finding of gross misconduct and immediate dismissal. The Academy may terminate the contracts of any associated persons, including consultants or other workers acting for, or on behalf of the Academy, who are found to have breached this policy.
- Recommendations to improve controls and prevent any reoccurrence will be made by the Business Committee who will decide on the implementation of the recommendations.
- The Levels Academy Trust must notify the EFA as soon as is operationally practicable based on its particular circumstance of any circumstances of any fraud, theft and/or irregularity exceeding £5k individually or £5k cumulatively in any academic or financial year. Any unusual or systemic fraud regardless of value must also be reported.

## **General**

Employees are vital to the successful implementation of measures against fraud corruption or bribery. The Levels Academy therefore; considers that employees have a duty to report any legitimate concerns they may have and must do so as outlined above.

If it is subsequently established that an employee knowingly withholds information of a concern or allegation it may be dealt with as a disciplinary matter in itself.

The Public Interest Disclosure Act 1998 (a copy of which can be found at [www.opsi.gov.uk](http://www.opsi.gov.uk) ) provides employees with statutory protection when disclosing such information.

If possible concerns are better raised in writing, you need to set out the background, provide names, dates and places and reasons for bringing the matter to the attention of The Levels Academy.

However, if an individual feels unable to put their concern into writing, arrangements can be made to meet with an appropriate officer to discuss the concerns. All concerns should be reported following the procedure set out in the Academy's Whistleblowing Policy. All reports of bribery will be investigated thoroughly and in a timely manner by the appropriate member of the senior leadership team and in the strictest confidence.

Employees are required to assist in any investigation into possible or suspected bribery. Employees who raise concerns in good faith will be supported by the Academy and the Academy will ensure that they are not subjected to any detrimental treatment as a consequence of their report. Any instances of detrimental treatment

against an employee for reporting a suspicion will be treated as a disciplinary offence.

### **Confidentiality and Safeguards**

The Levels Academy 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. The Levels Academy will not tolerate harassment of victimisation and will do what it lawfully can to protect an individual when a concern is raised in good faith.

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.

All concerns will be treated in the strictest confidence. The Levels Academy will do its best to protect the identity of individuals who raise concerns and do not want their name to be revealed. However, it must be appreciated that during an investigation, a statement may be required as part of the evidence gathering process, particularly if the Police or the EFA become involved. In order to take effective action, The Levels Academy will need proper evidence that maybe required to stand up to examination in Courts or Tribunals.

This Policy Statement encourages individuals to put a name to allegations whenever possible, as concerns expressed anonymously are much less powerful, but will be considered at the discretion of The Levels Academy in terms of;

- Seriousness of the issues raised;
- The credibility of the concern;
- The likelihood of confirming the allegation from attributed sources.

Whilst The Levels Academy will always do its best to protect individuals, it is more difficult to protect an individual from harassment, intimidation or other detrimental conduct where an allegation or disclosure is made anonymously.

There is a need to ensure that the process is not misused. Therefore, any abuse, such as raising malicious allegations may also be dealt with as a disciplinary matter. All such reports must be genuine and honest as, to be otherwise, would go against the principle of integrity.

This should not deter employees from raising legitimate and genuine concerns, (even if subsequently unfounded but made with good intent) as, in doing so they will be supported in every possible way.

All genuine concerns reported will be treated in confidence and fully investigated. If a suspicion is reported and results in a prosecution or disciplinary hearing, employees involvement, as a witness, in this process may be necessary, unless other substantial reliable evidence is available. Employees taking such a route will be notified quickly and any action taken.

The Levels Academy accepts that the person reporting the suspicion needs to be assured that the matter is being properly addressed. Therefore, where possible, and subject to legal constraints (including Freedom of Information Act and Data Protection Act) feedback regarding the outcome of the investigation will be provided.

Employees must also report other abuses which may be of concern including unethical behaviour, falsification of records, sexual discrimination or harassment, abuse of drugs or alcohol, bullying and non-compliance with Health and Safety.

### **Record keeping**

The Levels Academy schools keep financial records and has appropriate internal controls to provide evidence for the business reasons for making payments to third parties. Employees must make the CEO or Head of School aware of all hospitality or gifts received or offered over the value of £20, these will be subject to managerial review.

All invoices, accounts and related documents should be prepared and maintained with the highest accuracy and completeness. No accounts may be kept "off-book".

### **Monitoring and review**

The Levels Academy Trust has delegated the monitoring of this policy to the Trust Board

The policy will be reviewed annually.