



**PENK VALLEY  
ACADEMY TRUST**

*Learning  
Together*

## ***Fraud Policy***

**Adopted by Trustees:**

**Signed:**

*Mark Roberts*

**Date:**

Autumn 2024

**This policy is reviewed bi-annually by the Finance, Resources & Risk Committee.**

**Next Review  
date:**

Autumn 2026



## POLICY INFORMATION

<b>Date of last review:</b>	Autumn 2024	<b>Review period:</b>	Bi-Annually
<b>Date ratified by Trustees:</b>	Autumn 2024	<b>Trustee committee responsible:</b>	Finance, Resources & Risk
<b>Policy owner:</b>	Chief Finance Officer	<b>Executive team member responsible:</b>	Chief Finance Officer

## Reviews/revisions

Review date	Changes made	By whom
June 2024	New Policy replacing Integrity Policy – in keeping with recommendation from Internal Scrutiny Audit	CFO
September 2024	Additional paragraph referring to the Whistleblowing Policy and reference to the new Finance, Resources & Risk Committee	CFO

## Equality and GDPR

All Penk Valley Academy Trust policies should be read in conjunction with our Equal Opportunities and GDPR policies.

### Statement of principle – Equality

We will take all possible steps to ensure that this policy does not discriminate, either directly or indirectly against any individual or group of individuals. When compiling, monitoring and reviewing the policy we will consider the likely impact on the promotion of all aspects of equality as described in the Equality Act 2010.

### Statement of principle – GDPR

Penk Valley Academy Trust recognises the serious issues that can occur as a consequence in failing to protect an individual adult’s or child’s personal and sensitive data. These include emotional distress, physical safety, child protection, loss of assets, fraud and other criminal acts.

Penk Valley Academy Trust is therefore committed to the protection of all personal and sensitive data for which it holds responsibility as the Data Controller and the handling of such data in line with the data protection principles and the Data Protection Act (DPA)/GDPR.

**Penk Valley Academy Trust** will be referred to as **PVAT** for the remainder of the document which includes all schools who are members of PVAT, business operations and centralised services.

## **FRAUD POLICY**

### **Introduction**

The Trust aims to be an honest and ethical organisation and requires all staff, governors and trustees to act honestly and with integrity at all times to safeguard the public resources for which they are responsible. As such, it is opposed to fraud and seeks to eliminate fraud by the way it conducts Trust business. No precise legal definition of fraud exists but many of the offences referred to as fraud are covered by the Theft Acts of 1968, 1978 and 2006. The term is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. It applies to all areas of the Trust's business and activities. Fraud usually describes depriving someone of something by deceit. It might be straight theft, misuse of funds or other resources. It can also describe more complicated crimes like false accounting and the supply of false information and cybercrime. In legal terms all of these activities are theft.

This document sets out the Trust's policy for dealing with the risk of significant fraud or corruption. In order to minimise the risk and impact of fraud, the Trust'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 which is contained in a separate document.

In order to achieve these objectives, the Trust has taken the following steps:

1. A comprehensive Staff and Trustee Code of Conduct are issued and signed annually
2. The Trust has a Whistleblowing Policy in place; which is reviewed annually, sooner if necessary
3. The establishment of adequate and effective systems of internal financial and management control (and a clear requirement to comply with them), a Finance, Resources & Risk Committee and an independent internal audit function with an ongoing responsibility to review and report on these systems
4. The development and publication of a formal statement of the procedures to be followed by employees who have a suspicion of, or concern about, possible or actual malpractice within the Trust and a fraud response plan which sets out the Trust's policies and procedures to be invoked following the reporting of possible fraud or the discovery of actual fraud.

These four steps are described in greater detail in the following sections.

### **Personal Conduct**

The Trust aims to promote an organisational culture which encourages the prevention of fraud by raising awareness of the need for high standards of personal conduct. To help ensure that all employees are fully aware of the Trust's expectations regarding standards of personal conduct, appropriate guidance is provided by the following key statements:

- These regulations are binding on all officers, members of staff, students and constituent parts of the Trust. Refusal to observe them will be grounds for disciplinary action.
- In disbursing and accounting for all funds, the Trust must demonstrate that it is adopting high standards of financial probity. Implicit within this regime is the requirement that officers and employees of the Trust must conduct financial affairs in an ethical manner at all time.

- All members of staff and members of Trust committees are responsible for disclosing any personal, financial or beneficial interest in any transaction with respect to the Trust or its related companies, minority interest companies and trading areas, via a Pecuniary Interest form, annually.
- Any person who is responsible for placing an order with a supplier (whether a contractor or not) with whom they have a personal interest must disclose this to their Line Manager, Headteacher and CEO and update the appropriate pecuniary interest form.
- Officers or employees of the Trust shall never use their office or employment for personal gain and must at all times act in good faith with regard to the Trust's interests.
- Budget Holders are expected to adhere to PVATs Financial procedures at all times and to use their best efforts to prevent misuse or misappropriation of funds and other Trust property.

Taken together, these represent a statement of the framework within which officers and employees are expected to conduct themselves.

## Systems of Internal Control

The next line of defence against fraud is the establishment of operational systems which incorporate adequate and effective internal controls designed to minimise the incidence of fraud, limit its impact and ensure its prompt detection. These controls include high level management controls such as budgetary control (designed to identify fraud which results in shortfalls in income or overspendings against expenditure) and organisational controls such as separation of duties, internal checks and staff supervision. HR policies are also a key part of setting the culture and deterring fraud. This includes seeking to reduce the risk of employing dishonest staff by checking information supplied by employees and references obtained during the course of the recruitment process, including DBS checks.

The general framework of responsibilities for financial management and the policies relating to the broad control and management of the Trust are documented in the Academy Trust Handbook. These are binding on all officers, members of staff, students and constituent parts of the Trust.

An independent internal audit function is appointed which provides advice to the Trust's Finance, Resources & Risk committee in respect of control matters and which conducts a cyclical programme of reviews of the adequacy and effectiveness of the systems which have been put in place (including those intended to minimise the potential exposure to fraud and corruption).

Annual on-line training is provided for Trust finance staff highlighting aspects of fraud awareness and prevention.

If anyone has concerns regarding potential fraudulent activity within the workplace, they should refer to the Trust's Whistleblowing Policy.