



Brook Learning Trust

Prevention, Reporting and Investigation of Fraud Policy

1.0 Introduction

At Brook Learning Trust we bring together our unique academies in our belief in the power of education to change lives and communities. It is our steadfast purpose to challenge and defy the barriers that constrain the educational progress of any child. We set high aims for aspiration and secure collective responsibility for all our children's achievements. Our work is underpinned by the values of Integrity, Respect, Courage, Optimism, Excellence and Accountability.

Brook Learning Trust (BLT)'s Accounting Officer (the Chief Executive Officer) is personally responsible for taking appropriate steps to prevent loss through fraud and irregularity. BLT Trustees are also responsible for preventing the loss of public funds through appropriate financial controls, and for taking action where fraud and irregularity is suspected or identified.

This Policy sets out the way in which BLT safeguards against fraud and corruption, and acts in the event of an actual or suspected incidence of fraud or corruption.

2.0 Prevention of Fraud and Corruption

2.1 Personal Conduct

BLT expects employees at all levels will to the highest standards of propriety and accountability.

All staff must act responsibly, in good faith, and use their best efforts to prevent misuse or misappropriation of funds and other BLT property, employing the provisions of the whistleblowing policy where appropriate.

Staff with a budget management or finance responsibility are expected to conduct their financial responsibilities within the BLT framework of control which is defined in the Finance Policy and Procedures document. Budget managers are reminded of this responsibility in the Resource Accountability Statement which they sign up to annually when budgets are issued.

All members of staff, trustees, academy councillors and lay members of BLT committees are responsible for disclosing any personal, financial or beneficial interest in any transaction with respect to BLT.

All of these requirements are set out in the Staff Code of Conduct.

2.2 Systems of Internal Control

The Finance Director is responsible for implementing sound systems of internal control, these systems being set out in the BLT Finance Policy and Procedures document, which is reviewed periodically to reflect any changes to the academies' regulatory framework, including the Academies' Financial Handbook. These procedures are scrutinised at regular intervals by independent auditors who report directly to the BLT Audit and Risk Committee.

Controls surrounding the appointment and vetting of staff are also in operation through the BLT HR function.

3.0 Reporting a Suspected Incidence of Fraud or Corruption

Procedures for reporting a suspected incidence are as follows:

- 3.1 Any member of staff who suspects that an incidence of fraud or corruption is being committed should notify their line manager in the first instance, or alternatively the Academy Principal or Chief Executive Officer if the suspected fraud relates to central services.
- 3.2 The line manager/Academy Principal/Chief Executive Officer must then report the incident to the Finance Director, providing supporting evidence.
- 3.3 The Finance Director will notify the Chief Executive Officer and log the reported incident with the Chair of the Audit and Risk Committee. The Finance Director and Chair of the Audit and Risk Committee will work to ascertain whether or not an investigation needs to take place, based on the initial evidence. All incidents will be reported to the Chair of the Audit and Risk Committee through to their conclusion, regardless of whether or not they lead to an actual incidence of fraud.
- 3.4 If an investigation is deemed appropriate, the Chair of the Audit and Risk Committee will appoint an independent investigating officer to carry out a 'fact finding' investigation meeting with the employee at the earliest date. The independent investigating officer may be an academy councillor, a trustee, or an external consultant. This investigation must involve the HR Manager, and if necessary support can be sought from the Trust's external HR advisors.
- 3.5 The investigating officer will follow the staff disciplinary procedure and interview the employee and any witnesses to establish and record adherence/non-adherence to policies and procedures. The investigating officer will report their findings to the Chair of Audit and Risk Committee and Chief Executive Officer and advise as to whether there is still a case for the employee to answer the allegations.
- 3.6 At this stage, the Chair of Audit and Risk Committee and HR Manager will advise the Chief Executive Officer of any recommendation to refer the matter to the police, if concerns arise that a criminal act may have taken place, or to the insurers in the event of substantial losses.
- 3.7 The staff disciplinary procedure will be followed to an appropriate conclusion.
- 3.8 If the value associated with the fraud is £5,000 or more, the Finance Director will report the incidence to the Education and Skills Funding Agency in accordance with the Academies Financial Handbook.

POLICY REVIEW AND RATIFICATION

Policy reviewed every two years and ratified by the Finance Committee in February

This review by the Finance Director February 2018

Summary of amendments to this iteration: Reporting is now through the Chair of Audit and Risk to this Committee, amended from the full Audit and Risk Committee.

Ratified by the Finance Committee February 2018

Next review February 2020