

Fraud Policy

Document Control

This document is issued, controlled and impact assessed by the Senior Leadership Team.

The latest version of the procedure will be maintained in the Staff Shared Area.

Introduction

The Endeavour Academy aims to be an honest and ethical institution. As such, it is opposed to fraud and seeks to eliminate fraud by the way it conducts Endeavour Academy business. This document sets out The Trust's policy and procedures for dealing with the risk of significant fraud or corruption. In order to minimise the risk and impact of fraud, the school'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.

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

1. The development, approval, publication and communication of this formal statement of expectations on standards of conduct, propriety and accountability.
1. The establishment of adequate and effective systems of internal financial and management control (and a clear requirement to comply with them), as stated in the Endeavour Academy's Finance Manual;
2. 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 Endeavour Academy and a fraud response plan which sets out the Endeavour Academy's policies and procedures to be invoked following the reporting of possible fraud or the discovery of actual fraud (the Fraud Response Plan).

These three 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 Endeavour Academy's expectations regarding standards of personal conduct, appropriate guidance is provided by the following key statements:

- These guidelines are binding on all officers, members of staff, students and constituent parts of the Endeavour Academy. Refusal to observe them will be grounds for disciplinary action.
- In disbursing and accounting for all funds, the school must demonstrate that it is adopting high standards of financial probity. Implicit within this regime is the requirement that officers and employees of the school must at all times conduct financial affairs in an ethical manner.
- All senior members of staff and members of school committees are responsible for disclosing any personal, financial or beneficial interest in any transaction with respect to the Endeavour Academy or its related companies, minority interest companies and trading areas. (Declaration of Interests Register). All other members of staff are also encouraged to declare such an interest.
- Any person who is responsible for placing an order with a supplier (whether a contractor or not) with whom he has a personal interest must disclose this to the Head of School and to the Head of Finance.

- Officers or employees of the Endeavour Academy shall never use their office or employment for personal gain and must at all times act in good faith with regard to the Endeavour Academy's interests.
- All staff are expected to adhere to the Financial Regulations at all times and to use their best efforts to prevent misuse or misappropriation of funds and other Endeavour Academy property.

Taken together, these represent a statement of the framework within which officers and employees are expected to conduct themselves. These requirements will also be communicated to all staff and are included in the Staff Induction Handbook which is issued to all members of staff and which will also include a statement of the disciplinary consequences if they are not complied with.

Systems of Internal Control

The best 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 check and staff supervision. Personnel 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 safer recruitment process, and also incorporates DBS checks.

The general framework of responsibilities for financial management and the policies relating to the broad control and management of the Endeavour Academy are documented in the Endeavour Academy's own Finance Manual which has been issued and updated periodically by the Head of Finance (following approval by Trustees). They are binding on all officers, members of staff, students and constituent parts of the Endeavour Academy. This Finance Manual also sets out in greater detail the expected controls which should operate within the key operational systems.

The Endeavour Academy has an experienced Board of Trustees and leadership who manage and review financial matters and internal assurance with a view ensure good governance in respect of control matters and ensures 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).

Fraud Response

The Fraud Response Plan sets out the Endeavour Academy's policies and procedures for ensuring that all allegations and reports of fraud or dishonesty are properly followed-up, are considered in a consistent and fair manner and that prompt and effective action is taken to:

- minimise the risk of any subsequent losses;
- reduce any adverse operational effects;
- improve the likelihood and scale of recoveries;
- demonstrate that the Endeavour Academy retains control of its affairs in a crisis; and

- make a clear statement to employees and others that it is not a soft target for attempted fraud.

The plan includes both statements of general policy and specific steps to be taken when circumstances dictate and is necessary in order to reduce the following risks:

- inadequate communication so that action is late or inappropriate;
- lack of leadership and control so that investigators are not properly directed and waste time and effort;
- failure to react fast enough so that further losses are incurred or the evidence required for successful recovery or prosecution is lost;
- adverse publicity which could affect confidence in the Endeavour Academy; and
- creation of an environment which, because it is perceived as being ill-prepared, increases the risk of fraud.

Code of Conduct

The Endeavour Academy 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 Endeavour Academy's expectations regarding standards of personal conduct, all employees are advised to pay significant attention to the key statements in terms of advice on acceptable personal:

- These guidelines are binding on all officers, members of staff, students and constituent parts of the Endeavour Academy. Refusal to observe them will be grounds for disciplinary action.
- In disbursing and accounting for all funds, the Endeavour Academy must demonstrate that it is adopting high standards of financial probity. This means that all officers and members of staff must go about their duties honestly and with integrity. Implicit within this regime is the requirement that officers and employees of the Endeavour Academy must at all times conduct financial affairs in an ethical manner.
- All senior members of staff and members of Endeavour Academy committees are responsible for disclosing any personal, financial or beneficial interest in any transaction with respect to the Endeavour Academy or its related companies, minority interest companies and trading areas. (Declaration of Interest Register). All other members of staff are also encouraged to declare such an interest.
- Any person who is responsible for placing an order with a supplier (whether a contractor or not) with whom he has a personal interest must disclose this to the Head of School and to the Head of Finance.
- Officers or employees of the Endeavour Academy shall never use their office or employment for personal gain and must at all times act in good faith with regard to the Endeavour Academy's interests.

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- All staff are expected to adhere to the Financial Regulations at all times and to use their best efforts to prevent misuse or misappropriation of funds and other Endeavour Academy property.

All members of staff should be aware that failure to adhere to this framework of personal conduct may lead to disciplinary action and ultimately, where circumstances dictate, to termination of their employment.

Fraud Response Plan

- The Endeavour Academy is committed to the highest possible standards of openness, probity and accountability. In line with that commitment we expect employees, and others that we deal with, who have serious concerns about any aspect of the Endeavour Academy's work to come forward and voice those concerns. Wherever possible, employees are encouraged to use relevant Endeavour Academy procedures to report issues in an open and transparent way, because that is the type of organisational culture we are trying to foster.
- All officers, members of staff, students and constituent parts of the Endeavour Academy are encouraged to notify immediately the Head of Finance of any financial irregularity, or any circumstance suggesting the possibility of irregularity, affecting the financial procedures, cash, stores or other property of the Endeavour Academy. This means that anyone who has reasonable grounds to suspect that there has been an incident or incidents whereby the property, cash or other Endeavour Academy related resource has been misappropriated or badly used they must inform the Head of Finance immediately. All such discussions are treated in the strictest of confidence.
- The Head of Finance will ascertain whether or not the suspicions aroused have substance. She will if appropriate, conduct a preliminary investigation to gather factual information and reach an initial view as to whether further action is required. The findings, conclusions and any recommendations arising from the preliminary investigation will be reported to the Head of School.
- The Head of School will have the initial responsibility for co-ordinating the Endeavour Academy's response. In doing this he will consult with the Head of Administrative Services regarding potential employment issues. The Head of School will also seek expert legal advice from the Endeavour Academy's Solicitors on both employment and litigation issues before taking any further action.
- The Head of School is required to notify The Trust of any serious financial irregularity. This action will be taken at the first opportunity following the completion of the initial investigations and will involve keeping the Chair of the Trust fully informed between committee meetings of any developments relating to serious control weaknesses, fraud or major accounting breakdowns.
- If evidence of a fraud is forthcoming then The Trust will inform the DfE as required by the Funding Agreement and will consider whether or not to refer the matter to the police.
- The Endeavour Academy has also adopted a Confidential Reporting Code. Whilst the Endeavour Academy encourages an open approach to any concerns (as detailed in paragraph 2 above) it is recognised that some cases will have to proceed on a more confidential basis. Any employee who raises a concern should have confidence that they can do so without fear of discrimination, subsequent victimization or disadvantage. If you believe that what you are saying is true and that your statement is made in good faith, you should have nothing to fear and you are doing your duty to The Endeavour Academy as your employer and to all stakeholders in the Endeavour Academy. All concerns will be treated in the strictest of confidence and your identity will not be disclosed if you so wish. At the appropriate time however, you may need to come forward as a witness. If you make an allegation in good faith but it is not confirmed by the investigation, no action will be taken

against you. If however, you make an allegation frivolously, maliciously or for personal gain, disciplinary action may be taken against you. You may be faced with a situation where you feel you cannot follow the guidance in paragraph 2 above. This may be that you suspect malpractice by a member of the Finance Team or, indeed The Head of School. In such circumstances the following lines of communication may be directed to The Trust.