

## Shireland Collegiate Academy Trust Policy

# Fraud Policy

<b>Committee and Date Approved</b>	Trust Board – Summer 2025
<b>Category</b>	Recommended
<b>Next Review Date</b>	Annually unless change in legislation – <b>Summer 2026</b>
<b>Policy Availability</b>	Trust Website
<b>Officer Responsible</b>	CFO of the Trust

**The Trust, all Academies within the Trust and Shireland Learning Limited must comply with this policy.**

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## Introduction

Shireland Collegiate Academy Trust aims to be an honest and ethical institution. As such, it is opposed to fraud and corruption and seeks to eliminate fraud by the way it conducts Trust business.

This document sets out the Trust's policy and procedures for dealing with the risk of significant fraud or corruption. This policy should be used in conjunction with all Trust policies in regards to combatting fraud and corruption in the Trust. There are separate policies relating to:

- Whistleblowing
- Gifts and Hospitality
- Financial Regulations and Guidance
- Staff Expenses

The Fraud Act 2006 (the Act) introduced provision for a general offence of fraud. An individual is guilty of fraud if they commit the offence in any of the following ways:

- a) Fraud by false representation;
- b) Fraud by failing to disclose information; and / or
- c) Fraud by abuse of position

In order to minimise the risk and impact of fraud, the Trust objectives are, firstly, to create a culture which deters fraudulent activity, encourages its prevention, 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 establishment of adequate and effective systems of internal financial management control (and clear requirements to comply with them),
2. The development and publication of a formal statement of the procedures to be followed by anyone who has a suspicion of, or concern about, possible or actual malpractice within the Trust's Whistleblowing Policy

In addition to the above three steps the Trust will ensure the implementation and compliance by;

3. The establishment of an Audit & Risk Committee with clear accountability and evaluation process,
4. An internal scrutiny structure, with a focus on reviewing and reporting on the systems in place to the Audit & Risk Committee,
5. The appointment of external Auditors,

## Statement of Expectations

The Trust and its Academies aim 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 the key points have been summarised below:

- The Trust and its Academies 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 and its Academies must at all-times conduct financial matters in an ethical manner.
- All officers and employees of the Trust and its Academies' committees are responsible for disclosing any personal, financial or beneficial interest in any transaction with respect to the Trust and/or Academy or its related companies, minority interest companies and trading areas.
- 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 via the agreed process for declaration of interest
- All officers and employees of the Trust and its Academies shall never use their office or employment for personal gain and must at all times act in good faith with regard to the Trust and its Academies' interests.
- All officers and employees of the Trust will declare any gift or hospitality via the gift and donations process.
- All officers and employees of the Trust must adhere to the Finance Regulations at all times and use their best efforts to prevent misuse or misappropriation of funds and other Trust and/or Academy property.
- All officers and employees must subscribe to the seven principles of public life set out in the Nolan Committee's first report.

Non-compliance with the above may be grounds for disciplinary action.

## Systems of Internal Control

To minimise the ability for fraud, the Trust has established operational systems, which incorporate adequate and effective internal controls designed to minimise the incident 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 separations of duties, internal checks 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 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 and Academies are

documented in the Financial Regulations. The Financial Regulations are issued and updated periodically by the CFO following approval by the Resource Committee on behalf of the Trust. They are binding on all officers, members of staff, students and constituent parts of the Trust and Academies. These regulations are further supported by other guidance and processes which is available on the Trust Portal for the Trust and its academies.

## Compliance

Shireland Collegiate Academy Trust has established a reporting framework to ensure compliance and drive accountability through the establishment of an Audit & Risk Committee, the appointment of external auditors and an annual internal assurance programme.

The internal scrutiny structure 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). This is reported and summarised to the Audit & Risk Committee to drive self-improvement and deter any non-adherence.

Underlining all of the above is an annual risk process, which looks at the areas for fraud and corruption and reviews controls to ensure they are adequate

## Detection and investigation

Where fraud is detected or suspected in association with the Trust's activities, initial responsibility for investigating the matter rests with a committee led by the CFO. In their absence, or if the CFO is in any way alleged to be involved in the fraud, responsibility for investigating the matter rests with the CEO and the Board.

## Sanctions

The Trust's disciplinary procedures provide for offences such as fraud, theft and deliberate falsification of Trust registers, reports, accounts, expense claims and self-certification forms to be regarded as gross misconduct which may result in dismissal. The Trust will take disciplinary action in all cases where it is considered appropriate.

## Learning from the experience

Where fraud has occurred it is vital that management recognises the need to examine systems and procedures and make necessary changes to ensure that similar frauds will not occur.

## Notifying the DfE and External Auditors

The Academy Trust Handbook includes a requirement that: “The board of trustees must notify DfE as soon as possible of all instances of fraud, theft or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any financial year. Unusual or systematic fraud, regardless of value, must also be reported. The following information is required

- Full details of the events with dates
- The financial value of the loss
- Measures taken to prevent recurrence
- Whether it was referred to the police (and if not why)
- Whether insurance or the RPA have offset any loss.”

At an appropriate point in time, the Trust will also notify the External Auditors, the Audit & Risk Committee and the Trust Board.