

# Anti-Fraud, Bribery and Corruption Policy



ORCHARD  
—Community Trust—

Reviewed by: Trustees  
Approved: 23.05.2019  
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## **1.0 Purpose**

The purpose of this policy is to confirm the Orchard Community Trust's commitment against fraud. The fulfilment of this Anti-fraud, Corruption and Bribery Policy will assist in the delivery of more effective risk management.

## **2.0 Introduction**

2.1 The Orchard Community Trust is determined to demonstrate that it will not tolerate fraud, corruption or abuse of position for personal gain, wherever it may be found, in any area of Trust activity.

2.2 The Trust considers that all instances of fraud, corruption and other dishonesty endanger the achievement of the Trust's policies and objectives as they divert its limited resources from the provision of education. There is a clear recognition that the abuse of the Trust's resources, assets and services undermines the Trust's reputation and also threatens its sound financial standing.

2.3 The purpose of this Policy Statement is to set out for Trustees, governors and employees, the Trust's main objectives for countering fraud and corruption. This policy statement -

- Defines fraud, corruption and bribery.
- Identifies the scope of the applicability of the policy.
- Sets out the Trust's intended culture & stance against fraud, corruption and bribery.
- Identifies how to raise concerns and to report malpractice.
- Sets out responsibilities for countering fraud

## **3.0 Definitions**

### **3.1 Fraud**

3.1.1 Fraud is a range of abuse and malpractice that is covered by the Fraud Act 2006.

3.1.2 Fraud can be defined as an abuse of knowledge or financial position that is done deliberately to create a financial gain for the perpetrator or for a related person or entity and / or cause a loss to another. It can take place in many ways; withholding information, deliberately misleading, misrepresenting a situation to others or by abuse of position. Irrespective of the definition applied, fraud is always deceitful, immoral, and intentional and creates a financial gain for one party and / or a loss for another.

3.1.3 Gains and losses do not have to be direct. A gain to a related party or company through intentional abuse of position, albeit not directly to the officer involved, is still fraudulent. In the same way, using the Trust's name to procure personal goods and services is also fraudulent; where there is deliberate abuse of position to make a gain in the form of goods and services at a discount price or to get the Trust to pay for them.

The Trust should also be vigilant to the increasing risk of cybercrime involving malicious attacks on computer software and email hacking. People can illegally gain access to an email account in various ways, many of which rely on user behaviour, including:

- opening and responding to spam emails
- opening emails that contain viruses
- opening phishing email messages that appear to be from a legitimate business.

The disclosure of the Trust's information via a phishing e-mail could result in financial loss and identity theft.

### 3.2 Corruption

3.2.1 Corruption will normally involve the above with some bribe, threat or reward being involved.

### 3.3 Bribery

#### 3.3.1 The Bribery Act 2010:

There are four key offences under the Act:

- bribery of another person (section 1)
- accepting a bribe (section 2)
- bribing a foreign official (section 6)
- failing to prevent bribery (section 7) The Bribery Act 2010

#### 3.3.2 Bribery is not tolerated. It is unacceptable to:

- give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- give, promise to give, 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 that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy;

#### 3.3.3 Facilitation Payments:

Facilitation payments are not tolerated and are illegal. Facilitation payments are unofficial payments made to public officials in order to secure or expedite actions.



### 3.3.4 Gifts and Hospitality:

This policy is not meant to change the requirements of the Trust's approach to gifts and hospitality as set out within the Financial Regulations. These make it clear that all offers of gifts and hospitality should be registered.

## 4.0 Scope of Policy

4.1 This policy applies to all employees and anyone acting for, or on behalf of, the Trust ("associated persons"), including Trustees, governors, other volunteers, temporary workers, consultants and contractors.

4.2 The Trust expects that individuals and organisations (e.g. partners, suppliers, contractors, and service providers) with which it deals will act with integrity and without thought or actions involving fraud and corruption. Where relevant, the Trust will include appropriate clauses in its contracts about the consequences of fraud, bribery and corruption. Evidence of such acts is most likely to lead to a termination of the particular contract and will normally lead to prosecution.

4.3 The Trust recognises the importance of the seven principles of public life defined by the Nolan Committee 1995, and expects all governors, employees and those acting as its agents to conduct themselves according to them. The seven principles are detailed within the Trust's Financial Regulations.

4.4 Through observance of these principles the Trust requires the governors, employees and its agents to be alert to the possibility of fraud, corruption and dishonesty in all their dealings.

4.5 The Trust also requires that those employees responsible for its systems and procedures should design and operate systems and procedures which endeavour to minimise losses due to fraud, corruption, and other dishonest action and abuse.

## 5.0 Culture & stance against fraud & corruption

5.1 The Orchard Community Trust is determined that the culture and tone of the organisation will be one of honesty and opposition to fraud and corruption of any kind.

5.2 The Trust expects that the Trust board, governing bodies and its employees at all levels will lead by example in ensuring adherence to legal requirements, financial rules, codes of conduct and prescribed procedures and practices.

5.3 The Trust implements and maintains systems of accountability and control to ensure that its resources are properly applied in the way it intended. These systems include, as far as is practical, adequate internal controls to detect not only significant errors but also importantly, fraud and corruption.



## **6.0 Raising Concerns**

6.1 Trustees, Governors, employees and anyone acting for, or on behalf of, the Trust (“associated persons”), acting for the Trust are an important element in the Trust’s defence against fraud and corruption; they are expected to raise any concerns that they may have on these issues where they are associated with the Trust’s activities.

6.2 The Trust’s senior management and Trustees, will be robust in dealing with financial malpractice of any kind. Trustees, Governors, employees of the Trust and ‘associated persons’ should follow the guidance issued in the Trust’s Whistleblowing Policy.

6.3 All concerns reported, by whatever method, will be treated in confidence. Concerns should be raised with the Senior Executive Leader in the first instance except when it relates to the Senior Executive Leader in which case the concern should be raised with the Chair of Trustees. This may mean that, depending on the level, type and details of the concerns you raise, that your concerns are investigated by the Senior Executive Leader, the Board of Trustees or, in the case of very serious concerns, the Police.

6.4 Concerns in relation to potential breaches of security as a result of cybercrime should be reported immediately to the Senior Executive Leader who will contact the IT department for advice.

## **7.0 Monitoring and review**

7.1 This Policy is to be approved by the Trustees Board and is to be reviewed by the Board of Trustees on a biennial basis.

7.2 The internal monitoring of the implementation of this policy will be the responsibility of the Chief Finance Officer who will produce reports for the Board of Trustees as required.

7.3 The responsibility for ensuring that this policy and its associated processes and procedures, remain appropriate and comply with changes in legislation will be held by the Senior Executive Leader.