

Anti-Fraud and Corruption Policy

Purpose

The purpose of this policy is to provide definitions of fraud, bribery and corruption, and to define authority levels, responsibilities for action and reporting lines in the event of suspected, attempted or actual fraud, bribery or irregularity.

Scope

This policy applies to Inspire Education Group (IEG), employees, other members of IEG and any other associated person acting on behalf of the IEG.

An associated person is someone who provides services to IEG, or acts on behalf of IEG and could be an employee of any type, consultants, agents and other forms of intermediaries and subsidiaries.

For the purposes of fraud, this policy applies to all students contracted with IEG, no matter where they are situated, including students studying with collaborative provision and apprentices. This policy also applies to applicants to study.

The Policy Statement

The IEG has a zero-tolerance approach to fraud and corruption, and as such all forms of fraud and corruption are prohibited.

The IEG will:

- Address risks of fraud and corruption by ensuring adequate and proportionate measures are developed and implemented to mitigate them
- Ensure its fraud and corruption prevention and associated policies and procedures are embedded and understood throughout the organisation through internal and external communication, including training that is proportionate to the risk it faces
- Where appropriate, ensure all managers complete sufficient due diligence when entering into arrangements with others to ensure they are not acting corruptly, and to periodically monitor their performance to ensure ongoing compliance. They will take appropriate action in response to any information uncovered as a result of due diligence which gives rise to concern and report any such actions to the Group Chief Financial Officer

Policy Name: FIN006 Anti-Fraud and Corruption Policy

Policy Author: Group Chief Financial Officer

Issue: April 2022 Page 1 of 2

Approved by: Policy Approval Group

Review Date: April 2025

Site: IEG, Staff Intranet, HE Student Intranet

Responsibilities

The Group Chief Executive Officer is responsible for developing, implementing and maintaining adequate systems of internal control to prevent and detect fraud, bribery and corruption. They are supported by the Executive Team, and for Higher Education the UCP Academic Director in the development of suitable controls in respect of students.

Heads of Faculty and Group Directors for service areas are responsible for familiarising themselves with the types of fraud, dishonesty, bribery and corruption that might occur in their faculties, monitoring compliance with internal controls and agreed policies and procedures, and notifying their line manager (or any of the people specified in the procedure below) or any indications of fraudulent activity.

Heads of Faculty and Group Directors for service areas are responsible for ensuring the communication of Anti-Fraud & Corruption Policy and other relevant policies to associated person(s). All managers will monitor and review their procedures and action plans to ensure their suitability, adequacy and effectiveness in relation to this policy and implement improvements as appropriate.

Students must act with integrity in respect of their studies, and to provide full, accurate and truthful information when seeking any form of support or financial assistance. They should report any activity of the employees of IEG or other staff which they consider may be in breach of this policy.

Related Documentation

- FIN001 Financial Regulations
- FIN002 - Anti Bribery Policy
- HR001 – Whistleblowing Policy
- CQ008 - Plagiarism Policy
- PRO001 – Procurement Policy
- Staff and Student Disciplinary Policies
- UCP-ASS004 - HE Academic Integrity Policy
- Bribery Act 2010

An Equal Opportunities Impact Assessment was carried out by the Policy Approval Group on 28th April 2022.

Policy Name: FIN006 Anti-Fraud and Corruption Policy

Policy Author: Group Chief Financial Officer

Issue: April 2022 Page **2** of **2**

Approved by: Policy Approval Group

Review Date: April 2025

Site: IEG, Staff Intranet, HE Student Intranet

Anti-Fraud and Corruption Policy - Appendix 1

Definitions

Fraud

Fraud describes a number of activities including theft, false accounting, embezzlement, bribery and deception. The Fraud Act 2006 defines three class of fraud:

- False representation: a person commits fraud by intentionally and dishonestly making a false representation. A false representation includes intentionally giving a misleading or untrue statement
- Failing to disclose information: a person commits a fraud if they dishonestly fail to disclose information
- Abuse of position: a person commits a fraud if they dishonestly abuse their position

To have committed a fraud a person must have acted dishonestly, and with the intent to:

- Make a gain for themselves or anyone else and/or
- Cause loss to anyone else, or expose anyone else to a risk of loss

Corruption

The misuse of power for personal gain.

Deception

The act of hiding the truth, usually to gain an advantage.

Embezzlement

To secretly take money that is in your care or that belongs to an organisation or business that you work for.

Facilitation Payment

A payment which is made with the intention of securing or speeding up an administrative process. A common example is a government official being given money or goods to perform an existing duty.

Policy Name: FIN006 Anti-Fraud and Corruption Policy- Appendix 1

Policy Author: Group Chief Financial Officer

Issue: April 2022 Page 1 of 5

Approved by: Approval Policy Group

Review Date: April 2025

Site: IEG, Staff Intranet, HE Student Intranet

Intermediaries

An organisation that makes business or financial arrangements between companies or organisations that do not deal with each other directly.

Subsidiaries

Companies which are owned by larger companies.

False Accounting

This involves an employee or organisation altering, destroying or defacing any account, or presenting accounts from an individual or organisation that does not reflect their true value or the financial activities of the organisation.

Procedures

Reporting Fraud, Bribery and Corruption

Students can report suspected or actual incidents to the Safeguarding Team who will consult with the Chief Financial Officer.

Staff should report without delay all suspected or actual incidents of fraud concerning a student or applicant to study to the PA to the Principal who will consult with the Chief Financial Officer and will convene a meeting of the Executive Team as appropriate and as soon as is practicable to do so. The Executive Team will act as the Fraud Response Group, and request Finance, HR Estates, and IT support where necessary. The Fraud Response Group (FRG) will give advice and guidance as to the further conduct of any investigation and if required escalate the issue to the Internal Auditors.

Staff should report without delay all other suspected or actual incidents of fraud, bribery or corruption allegedly perpetrated by individuals other than students or applicants to study to the Principal, Chief Financial Officer, Executive Director of Business Development, the Vice Principal Curriculum and Quality, the Vice Principal Student and Staff Experience, or the UCP Academic Director. Any of the above should, as soon as practicable, notify the Chief Financial Officer and if appropriate hold a meeting of the Executive Team to decide on the initial response.

Where staff and students feel unable to report in this way, they should report this through IEG's Whistleblowing Policy.

Policy Name: FIN006 Anti-Fraud and Corruption Policy- Appendix 1

Policy Author: Group Chief Financial Officer

Issue: April 2022 Page 2 of 5

Approved by: Approval Policy Group

Review Date: April 2025

Site: IEG, Staff Intranet, HE Student Intranet

Referral to External Agencies

The Chief Executive Officer & Principal or Deputy Chief Executive Officer will decide at what stage a case should be reported to the police or other external agency such as the Serious Fraud Office (SFO). Certain offences carry criminal liability for individuals concerned and sanctions include significant fines and/or imprisonment.

The IEG must inform the Education and Skills Funding Agency (ESFA) (for Further Education) or the Office for Students (OfS) (for Higher Education) about actual or suspected cases of fraud such as are detailed in their currently applicable Terms and Conditions of Registration. The Accounting Officer is responsible for informing the ESFA/OfS or any such incidents. Liaison with other external bodies (for example the CPCA or Student Loans Company) will be undertaken as appropriate to individual cases.

By informing the Group's funding providers/regulatory bodies IEG will be fulfilling its duty to report serious incidents arising from fraud and theft to the Charity Commission.

Prevention of Further Loss

Where initial investigation provides reasonable grounds for suspicion of fraud or bribery, the Executive Team will decide how to prevent further loss. If the individual under suspicion is an employee or student this may require the suspension of the person(s) alleged to have committed the suspected fraud or irregularity. For an employee, this suspension could be with or without pay. It may be necessary to plan the timing of the suspension to prevent the individual(s) from destroying or removing evidence that may be needed to support disciplinary or criminal action. Actions taken will be determined by the IEG or QRS Disciplinary Policy.

The Executive Team will, as necessary, consult with The IEG's Estates and/or IT Director about preventing subsequent access to IEG property and may authorise the withdrawal of permissions for IEG computer systems.

The Internal Auditor will consider whether it is necessary to investigate systems other than that which has given rise to suspicion, through which the individual(s) may have had opportunities to misappropriate IEG's assets.

Establishing and Securing Evidence

The Internal Auditor will:

- Maintain familiarity with The IEG's disciplinary procedures, to ensure that evidential requirements are met during a fraud investigation
- Establish whether there is a need for audit staff to be trained in the evidence rules for interviews under the Police and Criminal Evidence Act
- Ensure that staff and students involved in fraud investigations are familiar with and follow rules on the admissibility and other evidence of criminal proceedings. This will usually involve the appointment of specialist fraud investigators
- Ensure that the Internal Audit team is able to provide advice in accordance with IEG's Whistleblowing Policy

Recovery of Losses

Recovering losses is a major objective of any fraud and/or bribery investigation. The Internal Audit Director will ensure that in all investigations, the amount of any loss will be quantified. Repayment of losses should be sought in all cases.

The Executive Team will, as necessary, consider seeking legal advice, for example on the freezing of the suspect's assets in cases of substantial loss and on the recovery of losses and costs through the civil courts.

References for Employees Disciplined or Prosecuted for Fraud

Any request for a reference for a member of staff who has been disciplined or prosecuted for fraud shall be referred to Human Resources. They will consider employment law when preparing any answer to a request for a reference.

Reporting to Governors

Any incident matching the criteria in the ESFA or OfS's Audit Codes of Practice shall be reported without delay by the Accounting Officer to the chairs of IEG Corporation Board and the Audit Committee.

Any variation from the approved Anti-Fraud and Corruption Policy, together with reasons for the variation, will be reported promptly to the chairs of both IEG Corporation Board and the Audit Committee.

The Audit Committee will be kept informed of the progress of any

Policy Name: FIN006 Anti-Fraud and Corruption Policy- Appendix 1

Policy Author: Group Chief Financial Officer

Issue: April 2022 Page 4 of 5

Approved by: Approval Policy Group

Review Date: April 2025

Site: IEG, Staff Intranet, HE Student Intranet

investigations relating to impropriety including:

- A description of the incident, including the value of any loss, the people involved, and the means of perpetrating the fraud
- The measures taken to prevent a recurrence
- Any action needed to strengthen future responses to fraud, with a follow-up report on whether the actions have been taken

This report will normally be presented as part of the regular updates provided by the Internal Audit Director.

Non-compliance

IEG will investigate all instances of actual, attempted and suspected fraud and corruption committed by staff, students, consultants, suppliers and other third parties and will seek to recover funds and assets lost through fraud. Where individuals do not comply with this policy, they risk suspension or loss of employment and may be reported to external agencies such as the Police.

Methods of appeal

Disciplinary codes for staff and students contain information on the right of appeal. If a fraud or bribery is reported to external agencies, for example the Police, the subject will have a right of appeal in the context of any action the agency might choose to take.