



ANTI-FRAUD AND CORRUPTION POLICY

Summary

This policy and procedure defines the required conduct of all staff engaged at the University, whether in paid or voluntary employment, in relation to deterring and/or detecting fraud and corruption, and who to report it to.

It includes clear guidelines on what is acceptable in terms of gifts and hospitality and how these matters are declared.

Also, reference is made to other University policies where appropriate.

1. Introduction:

- 1.1 The University is committed to ensuring that it acts with integrity and has high standards of personal conduct. Everyone involved with the University has a responsibility in respect of preventing and detecting fraud. All staff and Members of Board of Governors have a role to play. The University also recognises the role of others in alerting them to areas where there is suspicion of fraud.
- 1.2 Recognising a potential fraud and being able to report it is just as important as the measures to prevent and detect.
- 1.3 It is the duty of all employees, the management, Members of the Board of Governors and the Board of Management at the University to take reasonable steps to limit the possibility of corrupt practices, and it is the responsibility of the Registrar and Auditors to review the adequacy of the measures taken by the University to test compliance and to draw attention to any weaknesses or omissions.
- 1.4 Any investigation carried out in relation to alleged irregularities is linked to the University's Disciplinary procedure. For avoidance of doubt, fraud and corruption are considered gross misconduct.

2. Definitions:

2.1 Fraud

Fraud is a general term covering theft, deliberate misuse or misappropriation of assets or anything that leads to a financial advantage to the perpetrator or others upon whose behalf he or she acts, even if these "others" are in ignorance of the

fraud. Fraud is in fact intentional deceit and for this reason it cannot include negligence.

Fraud incorporates theft, larceny, embezzlement, fraudulent conversion, false pretences, forgery, corrupt practices and falsification of accounts.

2.2 Corruption

The term 'corrupt practices' is defined for the purpose of this code as the offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by the University, its staff, management or Governors.

2.3 Gifts and Hospitality

Any gifts, rewards and benefits that are disproportionately generous or that could be seen as an inducement to affect a business decision should be declared.

The acceptance of gifts and hospitality is a sensitive area where actions can easily be misconstrued. Therefore, employees' actions should be such that they would not be embarrassed to explain them to anyone.

2.4 Irregularities fall within the following broad categories, the first three of which are criminal offences –

- **Theft** - the dishonest taking of property belonging to another person with the intention of depriving the owner permanently of its possession;
- **Fraud** - the intentional distortion of financial statements or other records by persons internal and external to the University, which is carried out to conceal the misappropriation of assets or otherwise for gain;
- **Bribery and corruption (Gifts & Hospitality – see Point 5.)**- involves the offering or the acceptance of a reward, for performing an act, or for failing to perform an act, which leads to gain for the person offering the inducement;
- **Failure to observe**, or breaches of, Scheme of Delegation and Financial Regulations; Academy's Procedures which in some circumstances can constitute an irregularity, with potentially significant financial consequences.

2.5 Examples of what could constitute fraud and corruption are -

- theft of cash;
- non-receipt of income;
- substitution of personal cheques for cash;
- travelling and subsistence claims for non-existent journeys/events;
- travelling and subsistence claims inflated;
- manipulating documentation to increase salaries/wages received, e.g. false overtime claims;
- payment of invoices for goods received by an individual rather than the University;
- failure to observe, or breaches of, regulations laid down by the Academy and other associated legislation ;
- unauthorised borrowing of equipment;
- breaches of confidentiality regarding information;
- failure to declare a direct pecuniary or otherwise conflicting interest;

- concealing a generous gift or reward;
- unfairly influencing the award of a contract;
- creation of false documents;
- deception;
- using position for personal reward.

The above list is not exhaustive and fraud and corruption can take many different paths. If in any doubt about whether a matter is an irregularity or not, clarification must be sought from the Finance Department..

- 2.6 Similarly, if there is concern or doubt about any aspect of a matter which involves an irregularity, or an ongoing investigation into a suspected irregularity, the best approach is to seek advice from the HR Lead.

3. Policy Statement:

- 3.1 This policy and procedure defines Fraud & Corruption and Gifts & Hospitality and offers guidance for all staff in the University.

- 3.2 The University is committed to be an honest and ethical institution. As such, it is opposed to fraud and seeks to eliminate fraud by the way it conducts Academy business. This document sets out the University'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 University'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.

- 3.3 This policy, in line with the University's corporate values of integrity, consistency, impartiality, fairness and best practice, provides both staff and management with mutually understood guidelines for the administration of this procedure.

- 3.4 The scope of this procedure extends to all University employees, permanent, voluntary or those on short term contracts.

4. Gifts & Hospitality:

- 4.1 These guidelines will help you to judge what sort of gift, and what level of hospitality is acceptable.

- 4.2 The following general rules apply and must guide decisions on receipt of gifts and hospitality as an employee of the University:

- To accept gifts should be the exception. You may accept small 'thank you' gifts of token value, such as a diary, a coffee mug or bunch of flowers, not over Rs 1000 in value. You should notify the Finance Department of any gift or hospitality over this value for entry in the Register of Business Interests. For gifts over this value, Registrar's explicit written permission is required. In exceptional cases, higher value gifts may be approved by the President where it is deemed may appropriate, taking into account the context and University's interests.

- Always say “no” if you think the giver has an ulterior motive. Be sensitive to the possibility that the giver may think that even small gifts or simple hospitality will elicit a more prompt service or preferential treatment.
- Never accept a gift or hospitality from anyone who is, or may be in the foreseeable future, tendering for any contract with the University, seeking employment with the University or is in dispute with the University, even if you are not directly involved in that service area.
- Where items purchased for the University include a ‘free gift’, such a gift should either be used for University’s business or handed to the Head of Marketing and Administration
- If you are in doubt about the acceptability of any gift or offer of hospitality it is your responsibility to consult the Finance Department.

4.3 A gauge of what is acceptable in terms of hospitality is whether the University would offer a similar level of hospitality in similar circumstances.

- Occasional working lunches with customers, providers or partners are generally acceptable as a way of doing business provided they are not to an unreasonable level or cost.
- Invitations to corporate hospitality events must each be judged on their merit. Provided the general rules have been taken into account, it may be acceptable to join other company/organisation guests at:
 - a. sponsored cultural and sporting events, or other public performances, as a representative of the Academy;
 - b. special events or celebrations.

But, consider the number of these events, and always take into consideration what public perception is likely to be if they knew you were attending.

- Acceptability depends on the appropriateness of the invitations, in terms of the level of hospitality, the frequency and the status of the invited employee. In all such cases the Head of Finance must be consulted.
- Paid holidays or concessionary travel rates are not acceptable. Neither are offers of hotel accommodation nor the use of company villas/apartments.
- If you are visiting a company to view equipment that the University is considering buying, you should ensure that expenses of the trip are paid by the University. Acceptance of refreshments and/or a working lunch may be acceptable, but care must be taken to ensure that the University’s purchasing and/or tender procedures are not compromised.
- Acceptance of sponsored hospitality that is built into the official programme of conferences and seminars related to your work are acceptable.
- Offers to speak at corporate dinners and social gatherings, or events organised by, for example, a professional body, where there is a genuine need to impart information or represent the University must be agreed in advance with a Registrar. Where your spouse or partner is included in the invitation, and approval has been given for you to attend, it will be acceptable for your spouse

or partner to attend as well, but if expenses are incurred, these will be met personally.

- Any invitation you accept should be made to you in your professional/working capacity as a representative of the University.

5. Roles and Responsibilities:

5.1 Staff and Governors

The University has adopted the following measures to demonstrate its commitment to anti-fraud and corruption:

- Standards and Effectiveness, Audit and Risk Committee meets regularly;
- A requirement for all staff and governors to declare prejudicial interests and not contribute to business related to that interest;
- A requirement for staff, members of Board of Management and Board of Governors to disclose personal interests;
- All staff, members of the Board of Management and the Board of Governors are made aware of the understanding on the acceptance of gifts and hospitality;
- Clear recruitment policies and procedures.

Staff, members of the Board of Management and the Board of Governors also have a duty to report another member of staff or governor whose conduct is reasonably believed to represent a failure to comply with the above.

5.2 Finance Officer

The Finance Officer has specific responsibility for overseeing the financial arrangements on behalf of the President.

The main duties of the Finance Officer are to provide the President and the members of the Board of Governors with on-going independent assurance that:

- The financial responsibilities of the President and Governors are being properly discharged;
- The resources are being managed in an efficient, economical and effective manner;
- Sound systems of financial control are being maintained; and
- Financial considerations are fully taken into account in reaching decisions.

The Finance Officer also has a responsibility for ensuring that effective systems of internal controls are maintained and will safeguard the resources of the University.

In respect of fraud it is therefore the responsibility of the Finance Officer to ensure internal controls prevent and detect any frauds promptly. This includes:

- Proper procedures and financial systems;
- Effective management of financial records;
- Management of the University's financial position.

5.3 External Audit

The University's Annual Report and Financial Statements include an Independent Auditors' Report. This report includes a view as to whether the financial statements give a true and fair view and whether proper accounting records have been kept by the University throughout the financial year. In addition, it reports on compliance with the accounting requirements of the relevant legislation and regulations.

6. Reporting a Suspected Fraud:

- 6.1 All allegations of suspected fraud and irregularities are to be brought to the attention of the Finance Officer and also referred to the President..

7. Response to Allegations

- 7.1 The Registrar will have responsibility for co-ordinating the initial response. In doing this he/she will consult with the HR Lead regarding potential employment issues. The Registrar will seek legal advice on both employment and litigation issues before taking any further action if required.
- 7.2 The Registrar will ascertain whether or not the suspicions aroused have substance. In every case, and as soon as possible after the initial investigation, they will pass the matter on to the President. Even if there is no evidence to support the allegation, the matter must be reported.
- 7.3 The Audit Committee will undertake the management of the investigation.
- They will, if appropriate, conduct a preliminary investigation to gather factual information and reach an initial view as to whether further action is required.
 - They will determine whether the findings, conclusions and any recommendations arising from the preliminary investigation should be reported to the President.
 - If further investigations are required, they will determine which outside agencies should be involved (police, auditors etc).
- 7.4 The Registrar is required to notify the President of any serious financial irregularities. This action will be taken at the first opportunity following the completion of the initial investigations and will involve keeping the President fully informed of any developments relating to serious control weaknesses, fraud or major accounting breakdowns.

8. Confidentiality and Safeguards

- 8.1 University recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the alleged malpractice. The University will not tolerate harassment or victimisation and will do what it lawfully can to protect an individual when a concern is raised in good faith.

9. Links with other Policies:

- 9.1 The University is committed to preventing fraud and corruption. To help achieve this objective there is a clear network of systems and procedures in place for the prevention, detection and investigation of fraud and corruption.

Document management and control

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