



ANTI-FRAUD POLICY

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INTRODUCTION

ELATT must always carry out its services in a legal and ethical manner. We also expect our partners, suppliers to do the same to us. Staff, students, trustees, volunteers partners and any other representative at all levels must act honestly and with integrity.

ELATT is committed to the prevention of fraud. We require staff, volunteers, students and our partners to report all reasonable suspicions of fraud.

We will investigate all instances of actual, attempted and suspected fraud committed by staff, students, consultants, suppliers and other third parties and will seek to recover funds and assets lost through fraud. Perpetrators will be subject to disciplinary and/or legal action.

The purpose of this policy is to provide a definition of fraud and define authority levels, responsibilities for action, and reporting lines in the event of suspected, attempted or actual fraud or irregularity perpetrated by an individual against ELATT.

DEFINITION OF FRAUD

The Fraud Act 2006 provides a framework within which there are three potential areas that an individual may be guilty of fraud if in breach. These are fraud by:

1. False representation: a person commits a fraud if they intentionally and dishonestly make a false representation.
2. Failing to disclose information: a person commits a fraud if they dishonestly fail to disclose information.
3. Abuse of position: a person commits a fraud if they dishonestly abuse their position.

In 1 to 3 above, the individual is deemed to have committed a fraud if they make a false representation, fail to disclose information or abuse their position for the purpose of:

- making a gain for themselves or another; or
- causing a loss to another or to expose another to a risk of loss.

KEY RESPONSIBILITIES

The Chief Executive is responsible for developing, implementing and maintaining adequate systems of internal control to prevent and detect fraud; and is supported by the Heads of Departments in the development of suitable controls in respect of students. Co-ordinators are responsible for familiarising themselves with the types of fraud and dishonesty that might occur within their teams, monitoring compliance with internal controls and agreed policies and procedures, and notifying their line manager (or any of the specified people named below) of any indications of fraudulent activity.

Suspicion of fraud or irregularity may be captured through a number of means, including the following:

- Individuals reporting suspicions of fraud or irregularity to the Chief Executive, Trustees or any Co-ordinator, Manager or Head of Department.
- Individuals using the Whistleblowing Policy;
- Identification through operational procedures e.g. assessment verification processes;
- Discovery through planned audit work.

REPORTING FRAUD

All suspected or actual incidents of fraud / irregularity allegedly perpetrated by individuals other than students or students should be reported immediately to the Chief Executive. The Chief Executive will then consult with the Heads of Department and/or Chair of the Board of Trustees to determine the response.

If the suspected perpetrator of fraud is the Chief Executive, staff should report this immediately to the Chair of the Board of Trustees (board@elatt.org.uk). If the suspected perpetrator of fraud is the Chair of the Board, or any other Trustees, staff should report immediately to the Chief Executive.

REFERRAL TO EXTERNAL AGENCIES

The Chief Executive or Chair of the Board of Trustees will decide as appropriate when a case should be reported to the police or other external agency.

Where necessary, incidence of fraud may need to be reported to awarding bodies and funders. ELATT will follow procedures of those organisations for fraud reporting.

ELATT must also meet its duty to inform the Charity Commission of serious incidents arising from fraud and theft, and to alert its banks (its regular banks being HBOS and Natwest), funding bodies, including the Student Loans Company, and awarding bodies as appropriate.

PREVENTION OF FURTHER LOSS

Where initial investigation provides reasonable grounds for suspicion of fraud, the Chief Executive and Chair of the Board will decide how to prevent further loss. If the individual is an employee or student this may require the suspension (an employee with or without pay), of the person(s) alleged to have committed the suspected fraud / irregularity. It may be necessary to plan the timing of suspension to prevent the individual(s) from destroying or removing evidence that may be needed to support disciplinary or criminal action. This may include removal of access to IT systems, organisational email and files as necessary.



ESTABLISHING AND SECURING EVIDENCE

The Chief Executive will:

- maintain familiarity with the disciplinary procedure, to ensure that evidential requirements are met during any fraud investigation;
- ensure that staff involved in fraud investigations are familiar with and follow rules on the admissibility of documentary and other evidence in criminal proceedings. This may require the appointment of specialist fraud investigators;
- ensure that the Internal Audit team are able to provide advice in accordance with the ELATT's whistleblowing policy.

RECOVERY OF LOSSES

The Chief Executive shall ensure that in all fraud investigations, the amount of any loss will be quantified. Repayment of losses should be sought in all cases.

The Chief Executive will 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 the Chief Executive, who will prepare any answer in regard to current employment law and ELATT's policies on provision of references.

REVIEW OF PROCEDURES

The Chief Executive will monitor and review the implementation of this policy and related procedures on a regular basis, including reviews of internal financial systems, quality procedures and IT systems.

ELATT reserves the right to amend and update this policy as required.