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| Document Title | Anti-Fraud & Corruption Policy |
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| Approved By | LWETB Chief Executive |
| Noted By | LWETB Board |

Longford and Westmeath Education and Training Board

Anti-Fraud and Corruption Policy

1. Introduction

Longford and Westmeath Education and Training Board (LWETB) is committed to conducting its business affairs in an honest and fair manner at all times. LWETB is committed to maintaining high standards in the delivery of its services and the management of the public funds entrusted to it.

LWETB recognises employees are honest and professional and recognises that fraud or corruption committed by a minority is wholly unacceptable as it ultimately leads to a reduction in the resources available for our students and learners. Where resources are wrongfully diverted and not used for their intended purpose LWETB's ability to improve education and training outcomes for our customers is affected.

1.1 Fraud or corruption may occur internally or externally and may be perpetrated by staff, service users, suppliers, contractors, or development partners, individually or in collusion with others.

1.2 This Policy is part of a suite of policies and should be read in conjunction with all relevant LWETB policies including but not limited to :

- Code of conduct
- Protected Disclosures Policy
- Risk Management Policy
- Ethics in Public Office Act 1995
- Standards in Public Office Act 2001
- Code of Practice for the Governance of ETBs CL 0002/19

2. Purpose

The objective of this policy is to promote a culture which deters fraudulent activity and to facilitate the prevention and detection of fraud and the development of procedures which will aid in the investigation of fraud and related offences, and which will ensure that such cases are dealt with in a timely and appropriate way. This policy is intended to provide direction and assistance to employees who may identify suspected fraud or corruption.

2.1 The overall aim of the policy is to:

- Improve the knowledge and understanding of LWETB employees, irrespective of their position, about the risk of fraud and corruption within the organisation and its unacceptability
- Assist in promoting a climate of openness and a culture and environment where employees feel able to raise concerns responsibly
- Set out LWETB's responsibilities in terms of deterrence, prevention, detection and investigation of fraud and corruption
- Ensure that appropriate sanctions are considered following an investigation, including any or all of the following:
 - Criminal prosecution
 - Civil prosecution
 - Disciplinary action
 - Civil recovery of any monies lost as a result of fraud

2.2 The policy provides a framework for responding to suspicion of fraud or corruption. Employees must report any suspicion of fraud or corruption as soon as they become aware of them. LWETB will not penalise or threaten penalisation against an employee for reporting suspicions in which they have a reasonable belief. An employee who reports suspicions that they know or reasonably ought to know to be false will be subject to investigation and may result in disciplinary action.

2.3 All employees must co-operate with LWETB and other relevant statutory bodies to facilitate the elimination of fraud and corruption by:

- Providing information and intelligence
- Co-operating with investigations, and
- Complying with this policy.

3. Scope

This Policy applies to employees and non-employees, including board members of LWETB, as per the full definitions below.

4. Definitions of Fraud and Corruption

4.1 The term fraud is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.

4.2 For practical purposes fraud is defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation, or causing loss to another party. The criminal act is the attempt to deceive, and attempted fraud is, consequently, treated as seriously as accomplished fraud.

4.3 The term Corruption is broadly defined as the offering or acceptance of inducements, gifts, favours, payment, or benefit in kind which may influence the action of any person. The corrupt person may not benefit directly from their deeds; however, they may be unreasonably using their position to give some advantage to another.

4.4 Computer fraud is where information technology equipment has been used to manipulate programs or data dishonestly (for example, by altering, substituting, or destroying records, or creating spurious records), or where the use of an IT system was a material factor in the perpetration of fraud. Theft or fraudulent use of computer time and resources is included in this definition.

4.5 All references to fraud in this document should be interpreted as relating to fraud and corruption where appropriate.

For the purposes of this Policy, examples of fraud/corruption are, but not limited to:

- Suspicious or actual activity, be it, deliberate or reckless, that causes loss to LWETB whether financial, reputational, or otherwise
- An intentional act of deceit to obtain or attempt to obtain an unjust/illegal advantage, for example, to make a gain (financial or otherwise), to avoid an obligation, or to cause loss to another party
- Irregularity or suspected irregularity
- Bribery including offering, promising, giving, or accepting directly or indirectly any financial or other advantage/illegal payments/inducements, in order to induce the recipient or any other person to act improperly in the performance of his/her functions, or to reward him/her for acting improperly, or where the recipient would act improperly by accepting such an advantage
- Corruption including the abuse of entrusted power or position for the benefit of the Employee and includes a scenario where that benefit is transferred to another party
- Deception
- Knowingly creating false or misleading information and/or reports
- Offering or accepting gifts or hospitality in return for favourable decisions
- Claiming payment for goods not received and/or services not performed
- Claiming for time not worked
- Submitting false and/or exaggerated claims for reimbursement of expenses
- Forging or altering documents
- Theft, misappropriation, or unauthorised use of LWETB property, including cash/cash equivalents
- Threatening harm to a person with the intention of corruptly influencing that person or another person to do an act in relation to that person's office employment, position, or business
- Attempts to do any of the above

Employee includes:

- LWETB staff member who receive remuneration, either full or parttime
- Persons on work experience with LWETB
- Volunteers who provide services to LWETB

Non-Employee includes:

- Persons who provide goods or services to LWETB, including where appropriate, consultants, vendors, contractors, outside agencies doing business with LWETB or employees of such agencies, and/or any other parties having a relationship with LWETB
- LWETB agency workers
- Members of LWETB, save for those members who are employees
- Members of any committee of LWETB, including boards of management, save for those members who are employees

5. General

- LWETB shall maintain a register of gifts to ensure that they are reasonable, not excessive and in accordance with the hospitality policy
- It is the policy of LWETB to identify and investigate fraud and/or corruption (as soon as is reasonable in the circumstances) and pursue appropriate remedies, including legal remedies.
- Following an investigation, a finding of fraud and/or corruption may result in the disciplinary procedure being invoked, as well the pursuance of other legal actions against any employee(s) and/or entities implicated in the matter.
- In all cases where financial gain is found to have been accrued by an employee, repayment/ recoupment of any losses incurred by LWETB as a result will be sought from the employee, such losses may include the monetary value of the fraud and/or any ancillary costs associated with the investigation, identification, reporting of the fraud and/or corruption etc. LWETB retains the right to recoup any such losses through a garnishing of salary and/or pension payments and/or by deductions from salary and/or through the courts for the collection of the debt owed.
- In all cases where financial gain is found to have been accrued by a non- employee, repayment/recoupment of any losses incurred by LWETB as a result will be sought from the non-employee, including through the courts for the collection of the monies or debts owed.

6. Responsibility for the detection and Prevention of Fraud and/or Corruption

Staff at all levels are responsible for exercising due diligence and control to prevent, detect and report acts of suspected fraud and /or corruption. As outlined in LWETB's Code of Conduct, those who fail to carry out these responsibilities will be subject to disciplinary action up to and including termination of employment.

6.1 Chief Executive

6.1.1 The Chief Executive (CE) has overall responsibility for the funds entrusted to LWETB. The CE will ensure that adequate policies and procedures are in place to protect LWETB from fraud or corruption.

6.1.2 The CE shall if s/he has reason to suspect that any material misappropriation of the money for which s/he is the Accounting Officer, or any fraudulent conversion or misappropriation of the Board's property, may have taken place, report the matter to the Audit Committee and the Internal Audit Unit as soon as practicable as well as to the C&AG.

6.1.3 The CE, where appropriate, will direct that the Gardaí are notified.

6.2 Responsibility of Management

It is each manager's responsibility to be familiar with the types of improprieties that might occur in his/her area and be alert for any indication that fraud and / or corruption is or was in existence in the area and put in place controls to avoid such occurrences.

Managers are required to support, co-operate and work with the designated management team in LWETB and other public departments, agencies and law enforcement bodies, in the detection, reporting and investigation of alleged fraudulent and/or corrupt activity, including the prosecution of alleged offences.

If fraud and/or corruption is detected in an area, management is responsible for taking appropriate corrective actions to ensure adequate controls are implemented to prevent the reoccurrence of improper actions.

6.3 Responsibility of Employees

It is the responsibility of all employees to conduct their business in such a way as to mitigate the risk of fraud and/or corruption occurring in the workplace. Employees must also be alert to the possibilities of fraud and/or corruption and be vigilant with regard to any indications of fraud or corruption.

All employees have a duty to protect LWETB from instances of fraud and/or corruption. Employees are expected to identify processes and procedures that may be vulnerable to fraud and/or corruption and to draw such instances to the attention of management in their area. In addition, it is the responsibility of every member of staff to report details immediately to their line manager if they suspect that a fraudulent and/or corrupt activity has been attempted or committed or see any suspicious acts or events.

Employees are required to co-operate with LWETB, with any appointed investigation body, other public departments, agencies and law enforcement bodies, in the detection, reporting and investigation of alleged fraudulent activity, including the prosecution of alleged offences.

All employees should ensure that they are familiar with other relevant policies, procedures and regulations including but not limited to those named in Appendix C.

7. Conflicts of Interest

A conflict of interest, including a potential conflict of interest, arises when personal interests including those relating to family/external work etc., contacts or outside activities impair an employee's ability to perform work or make objective decisions on behalf of LWETB. Care must be taken to avoid conflicts of interest and/or the potential for same and advice should be sought from the line manager if there is uncertainty about such conflicts.

Employees are expected to put LWETB's interests ahead of their own interests in executing LWETB's business. All business conducted on behalf of LWETB must be performed in a diligent and loyal manner.

Employees must comply with LWETB's Code of Conduct for Employees, which deals with conflicts of interest.

8. Reducing the Potential for the Fraudulent and/or corruptActivity

LWETB employs a range of actions to reduce the potential for fraudulent and corrupt activity including written policies and procedures requiring transactions to be properly authorised and providing for sufficient segregation of duties.

Those members of staff with management or supervisory responsibilities must ensure that all members of staff in their unit are aware of LWETB policies and procedures and take steps to ensure that these policies and procedures are adhered to at all times.

8.1 Internal Audit

Internal audit evaluates the integrity of all financial and operational performance indicators, including regulatory compliance, and gives an independent opinion to the Audit Committee of LWETB on the adequacy and effectiveness of the whole system of internal controls and assurance within the organisation and the extent to which the Audit and Risk Committee, and subsequently the Board, may rely on these.

8.2 Human Resources

In an effort to reduce the risk of fraud and/or corruption, Human Resources may:

- Undertake normal recruitment practices which may include checking references and/or vetting potential new employees;
- request confirmation from line managers of satisfactory completion of probationary periods for their staff.
- Issue appropriate rules of conduct on appointment;
- Ensure employment policies, including those regarding fraud and/or corruption including guidance on appropriate information technology use, are included in any induction programmes for employees at all levels;
- Provide updates or notifications of changes when an amendment may occur or new policies relating to fraud and/or corruption, including codes of conduct, are put in place;
- Assist managers in the implementation and operation of LWETB's relevant Disciplinary Procedure when necessary.

9. Reporting Fraud and Corruption

It is the responsibility of all staff to report any suspicions of fraud and/or corruption without delay in accordance with the procedure laid out below. Any person who, without reasonable cause, cover up, obstruct, or fail to report a suspicion of fraud and/or corruption of which s/he becomes aware, may be subject to disciplinary action up to and including dismissal and may also be subject to criminal prosecution by the authorities.

Persons who threaten retaliation against an employee reporting a suspected fraud and/or corruption shall be subject to disciplinary action and may also be subject to criminal prosecution by the authorities.

Fraud and/or corruption can be detected at any level within the organisation and the following general principles should apply in the reporting of suspected fraud and/or corruption:

- a. A person who suspects that fraudulent or corrupt activity may be taking place should, in the first instance, report the matter to his/her immediate linemanager. Should it be considered inappropriate to make such a report to the direct line manager, the report should be made to the HR Manager or to a member of LWETB's Executive. The line manager, HR Manager and members of LWETB's Executive, as appropriate, are collectively referred to as 'a relevant party' for the purpose of this Policy.

b. Once an allegation of suspected fraud/corruption is made to a relevant party, the relevant party shall report the allegation directly to the Director of Organisation Support and Development (“Director of OSD”) (or to the Chief Executive if the allegation is made against the Director of OSD’s office).

c. A fraud/corruption Incident Report, which is available at Appendix A, shall be completed by the person reporting the suspected fraud/corruption. A protected disclosure by a worker is dealt with in accordance with LWETB’s Protected Disclosures Policy, a relevant excerpt from which may be found at Appendix B.

At no point should a person reporting a suspected fraud and/or corruption carry out, or attempt to carry out, an investigation into his/her suspicions regarding the suspected activity. No investigation of suspected fraud and/or corruption should take place by any individual(s), including the person reporting the suspicions, unless so directed by the Director of OSD.

10. Procedures for the investigation of Alleged Fraud

10.1 General

The Director of OSD will (except in any case involving his or her Office) have responsibility for coordinating LWETB’s response and will seek expert legal advice, if required.

The Director of OSD will notify LWETB’s insurer at the earliest possible stage to ensure that insurance matters are dealt with promptly and properly.

In the case of a suspicion of the involvement of the office of the Director of OSD in the alleged fraud and/or corruption the Chief Executive or his Nominee will undertake the role of the Director of OSD in the context of this policy.

10.2 Preliminary Scoping Exercise

On receipt of a report of possible fraud or corruption, the Director of OSD will carry out a screening assessment. The assessment should consider whether the alleged wrongdoing is something that can or should be investigated, and, if so, what steps should be taken as part of such an investigation.

10.3 An Garda Síochána

In some cases, the matter may need to be reported to, and investigated by, An Garda Síochána or another body with the statutory power and function of investigation of particular matters.

The Director of OSD will be responsible to ensure that LWETB complies with any mandatory reporting obligations imposed by Irish criminal legislation.

The criminal aspect of any fraud or corruption is a matter for the criminal justice machinery of the State. If Gardaí are carrying out an investigation, LWETB investigation shall continue once the Gardaí confirm it is appropriate to do so.

Where a criminal investigation is underway, LWETB reserves the right to place an employee on administrative leave.

10.4 Investigation

If an investigation is required, the Director of OSD should consider the nature and extent of the investigation. This could consist of an informal approach for less serious wrongdoings, a detailed and extensive investigation of serious wrongdoings, or an investigation by another body. Some matters may be of such seriousness that the investigation will more appropriately be carried out externally or by professional experts in a particular area.

The Director of OSD will liaise with the Chairperson of LWETB Audit and Risk Committee to determine whether the IAU-ETB can undertake an investigation of the matter on behalf of LWETB in line with the IAU-ETBs Terms of Reference.

In the event that the IAU-ETB is in a position to investigate this matter, an engagement letter will issue to the Audit and Risk Committee within 5 working days. The letter of engagement shall outline the anticipated timeframe for an investigation.

In an instance where the ETB Internal Audit Unit is unable to provide such assistance, the Director of OSD will arrange for the matter to be investigated by an External Investigator sourced from the appropriate OGP Framework for Investigate Services using defined Terms of Reference.

10.5 Consequences for Employees

Where an investigation is underway, LWETB reserves the right to place an employee on administrative leave.

Where it is determined that as a result of an employee's action or inaction LWETB suffered loss, LWETB retains the right to recoup any such losses through a garnishing of salary and/or pension payments and/or by deductions from salary and/or through the courts for the collection of the debt owed.

Should an investigation determine that there may be a case to answer by an employee, the matter will be referred as alleged gross misconduct into Stage 4 of the relevant disciplinary procedure as appropriate to that employee.

10.6 Consequences for Non-Employees

LWETB may terminate its relationship with any non-employees who breach this policy and may take appropriate legal recourse to recover any losses incurred by LWETB.

10.7 Use of CCTV Footage as part of the Investigation

Where CCTV footage forms part of any evidence relating to an alleged fraudulent or corrupt activity and is accessed as part of an investigation under this Policy, same will be done in line with the CCTV Policy of LWETB.

footnote

¹ If the suspected fraud and/or corruption involves a member of the Management of LWETB, no investigation of the suspected fraud should take place until the Chief Executive has been informed. If suspected fraud and/or corruption involves the Chief Executive, no investigation of the suspected fraud and/or corruption should take place until the Chair of the LWETB Board has been informed.

² Where it involves the Director of OSD's office, the Chief Executive nominee shall inform.

10.8 Data Protection

Any investigation carried out pursuant to the Fraud Policy will be in line with the Data Protection Policies of LWETB and with data protection legislation.

10.9 Confidentiality

Information regarding an allegation of fraud shall not be disclosed to any party except in accordance with this Policy.

Any LWETB employee who discloses such information otherwise than in accordance with this Policy may be subject to disciplinary action up to an including dismissal.

The Chief Executive or a delegated officer will be responsible for dealing with any enquiries from the press and other media.

10.10 Notifying the Department of Education

It is the responsibility of the Chief Executive to notify losses to the Department of Education, the Department of Further and Higher Education, Research, Innovation and Science and the Comptroller & Auditor General's Office.

5. Responsibilities

Owner

Director of Organisation Support and Development

LWETB Senior Leadership Team

LWETB Chief Executive

LWETB Board

Responsibilities

Revisions and updates to the Policy

Review of the Policy

Approval of the Policy

Noting of the Policy

6. Implementation & Review

This document will be reviewed at least biannually by senior management in line with best practice, or in light of changes in legislation and guidance from sources such as Internal Audit, C&AG, the Department of Education, the Department of Further and Higher Education, Research, Innovation and Science and the Department of Public Expenditure & Reform, on the issuing of circular letter or by the Chief Executive in response to business needs. The date of implementation is the date of Chief Executive approval.

7. Ownership and Authorisation

| OWNER | DATE | SIGNATURE |
|---|--------------|--|
| Organisation Support & Development Director | Sep 23, 2024 | <u>Charlie Mitchell</u> Charlie Mitchell (Sep 23, 2024 14:21 GMT+1) |
| AUTHORISED BY | DATE | SIGNATURE |
| Chief Executive | Sep 23, 2024 | <u>Liz Lavery</u> Liz Lavery (Sep 23, 2024 14:50 GMT+1) |

Appendix A: Incident/Suspicion Report under Fraud and/or Corruption Policy

Full description of Incident/Reason for Suspicion:

Reported by: _____ (Staff Name and Number)

Date of Report: _____ (DD/MM/YYYY)

Reported to: _____

Title: _____

*Refer to LWETB Protected Disclosure Policy for making of Protected Disclosure by Workers