



Roundwood Primary School

Name of Policy	Fraud Policy
Date of last review	Summer 2024
Date of next review	Summer 2027
Member of Staff Responsible	Headteacher (CoGs to approve)

This policy has been negotiated with the Professional Associations/Trade Unions and is recommended for adoption. It is based upon the HCC model policy (last updated 2018)

Anti-Fraud and Corruption Policy

Introduction

This policy applies to all employees, governors and other individuals performing functions in relation to the organisation, such as agency workers and contractors.

It is important to the school that there are proper procedures in place to guard against fraud and corruption and ensure best use of public funds. If there are any concerns that cannot be raised through the normal channels, then the Whistleblowing policy should be followed.

This procedure has been drawn up in consultation with the Professional Associations and Trade Unions.¹

Background

The Department for Education's (DfE) Scheme for Financing Schools (March 2018) includes the following provision, at paragraph 2.17 –

“All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The Governing Board and head teacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them; and the consequences of breaching these controls. This information must also be included in induction for new school staff and governors.”

In addition, when completing the School's Financial Value Standard the governors are asked if there are adequate arrangements in place to guard against fraud and theft by staff, contractors and suppliers and note any instance of fraud or theft detected in the last 12 months.

This policy document assists the Governing Board in meeting these requirements.

Fraud is a criminal offence. The Fraud Act 2006 defines 'fraud' as:

1. Deceit, the intention to deceive or secrecy; and
2. (a) an actual loss or gain;
(b) The intent to cause loss to another or expose them to the risk of it;
3. Dishonesty.

Offences of fraud can include abuse of position, making of a false statements, failure to disclose information, obtaining services dishonestly, deception, theft, misappropriation, embezzlement, forgery, corruption, extortion, false accounting, false representation, concealment of material facts, acts of conspiracy, collusion and aiding and abetting any act of dishonesty.

¹ Both National Union of Teachers and Unison have been consulted

Bribery is a criminal offence and the Bribery Act 2010 introduces a clearer regime for tackling bribery. A definition is – inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages.

The school has An Anti-Bribery Policy and procedure which can be referred to for further detail / reference.

Policy Statement on anti-fraud and corruption

The Governors are committed to fighting fraud with high ethical and moral standards, and recognise that any fraud perpetrated against the school is costly, both in financial terms and reputation. The governors are therefore committed to take action to prevent, detect and deter fraud, corruption and bribery in all its activities.

This policy must be read in conjunction with the Whistle-blowing and the Schedule of Financial delegation.

The school will ensure probity in administration and governance by taking positive action against all forms of fraud, corruption or bribery affecting school business whether it is from internal or external sources.

The Governing Board has a legal responsibility for the school budget and will ensure a sound system of internal control is in place in the use of delegated and other funds given to the school.

The Headteacher is responsible for ensuring that there are sound systems of financial control designed to minimise the risk of fraud or error.

All school staff are expected to report any cases of suspected fraud, no matter how trivial they may seem either to their manager, through the whistleblowing process or to the Shared Anti-Fraud Service.

All staff are expected to be fully accountable during their employment with the school, to follow the school's policies, financial procedures and any relevant professional code and to comply with all laws and regulations applicable to the school's business.

As stewards of public funds, staff must have, and be seen to have, high standards of personal integrity. Staff should not accept personal gifts, hospitality, or benefits of any kind from a third party that may be seen to compromise that integrity.

Internal Audit (Shared Internal Audit Service) will report on the existence and effectiveness of control systems and as part of the audit process may advise on best practice. The findings and recommendations of reports will be implemented promptly.

Detection

The Shared Internal Audit Service undertake school audits in accordance with the school audit strategy and report on the effectiveness of the financial controls in the schools visited. The

results are available to all schools on the Internal Audit page on the grid http://www.thegrid.org.uk/info/internal_audit/summary_reports.shtml.

Any suspected fraud is referred to the Shared Anti-Fraud Service.

Investigation

Where any matter that might constitute fraud, theft, corruption or bribery comes to the attention of any governor or member of the school staff contact should be made with the Headteacher, or one of the governors. A decision will be made to contact either the Shared Internal Audit Service or the Shared Anti-Fraud Service. If the concern is about either the Headteacher or the governors, the advice in the Whistleblowing policy should be followed. The first course of action will be to identify the most suitable person to undertake a preliminary fact-finding investigation. In practice this will normally be the Headteacher.

Subject to the initial findings the matter will then be further investigated by either the Shared Internal Audit (where there are apparent control failures) or the Shared Anti-Fraud Service where there is likely to be an instance of fraud or corruption.

Deterrence

The Governing Board views fraud as a serious offence against the school and employees will face disciplinary action if there is evidence to support any allegation of fraud. Disciplinary action may be taken in addition to, any criminal proceedings, depending on the circumstances of each case.

The Governing Board is committed to deterring potential cases of fraud through the implementation of robust systems and procedures and will act quickly and efficiently where fraud is alleged, leading to the most appropriate outcome.

It will take all steps possible to ensure appropriate penalties are sought in cases where fraud is proven, strenuously attempt recovery of any monies lost as a result of fraud and thoroughly assess the systems and processes to ensure fraud is minimised in future.

The Governing Board will ensure its policy is communicated to staff and the wider school community.

Implementation of Fraud Policy

Action	Lead person
Governors to abide by the Scheme for Financing Schools, the School's Financial Value Standard (SFVS), the School's Schedule of Financial Delegation and act within the law in an open, honest and trustworthy manner	Monitored by Chair of Governors and Finance Governors
Ensure an effective system of internal financial control exists within the school, that it is clearly documented in the school's own Financial Procedures and evidenced by compliance with the SFVS.	Headteacher (with assistance of SBM)
Take responsibility for reviewing the control systems in place and undertake regular checks for assurance that controls are being correctly applied.	Headteacher in conjunction with SBM
Ensure recruitment procedures established to ensure all staff are vetted correctly prior to commencing their employment. ²	Headteacher (assisted by Finance Administrator)
Ensure statements of employment or undertaking include reference to the school's Fraud Policy	Headteacher (assisted by Finance Administrator)
Ensure Disciplinary procedures are in place to deal any acts of misconduct by school employees.	Chair of Governors
Publication of Whistleblowing and Fraud policies to all staff (saved on staff drive)	Headteacher (assisted by SBM)
Inclusion of Fraud policy and Whistle-blowing policy in staff handbook and location is signposted in induction information.	Headteacher (assisted by SBM)
Inclusion of Fraud policy and Whistle-blowing policy in governor's induction information	Chair of Governors
Staff should not accept personal gifts, hospitality, or benefits of any kind from a third party that may be seen to compromise their integrity. ³	Headteacher to maintain a gifts and hospitality register
Publicise the school's commitment to fighting fraud, e.g. providing information on its website and school documents, such as the prospectus	Headteacher

² Schools should already have in place strong controls around Safeguarding that will assist with this.

³ Schools may be able to find more information on the HCC Grid to assist with this.

Contacts

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