

# St Catherine's Catholic Primary School

"Loving and Learning Together as Jesus taught us"



## Anti-Fraud and Corruption Policy

Date of policy review: December 2021

**Next review: December 2023**

Policy Reviewed & Passed by the Governors

Key Person Responsible: Maureen Kelly

## **1. Introduction**

The Scheme for Financing Schools includes the following provision, as paragraph 2.24 - "All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The governing body 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 the induction for new school staff and governors."

This policy document assists the Governing Body in meeting its responsibilities.

The Scheme for Financing Schools item 2.11 – Audit General, states the following:

- Schools shall be a part of the internal and external audit arrangement of the LA as determined by the Chief Finance Officer for internal audit and determined by the Local Audit and Accountability Act 2014 for external audit.
- It is a requirement of the Scheme that Schools co-operate with all requirements of the auditors - both internal and external - and provide full access to the school's records

## **2. Fraud, Corruption and Bribery**

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.

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 council has a bribery policy statement and procedure and Fraud policy statement and procedure – which can be referred to for further detail / reference.

## **3. Council Policy**

The London Borough of Barnet is committed to fighting fraud with high ethical and moral standards, and recognises that any fraud perpetrated against the Council including its schools is costly, both in financial terms and reputation.

The Council is therefore committed to a programme of zero tolerance.

The Council is committed to nurturing a strong anti-fraud culture, which is key to the prevention and detection of fraud.

Its Corporate Anti-Fraud Team (CAFT) is dedicated to investigating all instances of fraud committed against the London Borough of Barnet and its schools.

#### **4. School Policy**

The Governing Body endorses the policy of the Council and is 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 following policies – Whistle-blowing, financial policies & procedures, including delegation and Safer Recruitment procedures.

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.

#### Governors

There is a specific duty expected of the Governors to set an example to the employees of the school and the community by acting with integrity, honesty and in a trustworthy manner befitting the school.

Members of the Governing Body will the standard for the school and therefore give their full support to all systems and controls in place to assure probity. In particular, governors have a personal responsibility to abide by the school's constitution, the Scheme for Financing Schools and Contract Standing Orders for Schools.

The Governing Body 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.

#### Headteacher and senior staff

The Headteacher and senior members of staff are expected to set high examples of conduct in their day to day work, which are beyond reproach.

The Headteacher, with assistance from the school's School Business Manager or finance officer, bears overall responsibility for systems of financial control and may be liable to be called to account for specific failures.

However all senior staff and other managers are responsible for ensuring an effective system of risk management and internal control exists within their areas of responsibility and that those controls operate effectively. Managers must take a lead in terms of fraud prevention and will be held accountable for not undertaking this as part of their position of trust and area of responsibility.

The Headteacher is responsible for ensuring the school's policy in relation to fraud is communicated to all staff.

#### All staff

This policy applies to all employees of the school. It also applies to consultants, temporary staff, contractors and vendors and any other parties with a business relationship with the school

All members of staff are expected to share this commitment to help the school protect the public funds to which it has been entrusted. All staff have a duty to assist the school in the prevention of fraud and are expected to alert their line manager where they believe the opportunity for fraud exists because of poor procedures or lack of appropriate supervision. All employees are expected to report any cases of suspected fraud, no matter how trivial they may seem.

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 exceed £50 from any individual, which may be seen to compromise that integrity.

#### Internal Audit

Internal Audit 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.

#### **4. Prevention**

Prevention is the most desirable factor in dealing with any fraud. Unfortunately, not all systems are always foolproof in stopping the committed fraudster.

Governors, school management and staff will carry out their responsibilities as outlined above and implement specific action as set out in the appendix – Implementation of Fraud Policy .

#### **5. Detection**

Internal Audit carry out audits of all schools based on an assessment of the risk management. Internal Audit regularly liaises with External Audit and will refer any suspected fraud or irregularity to the Corporate Anti Fraud Team.

All staff have an obligation to report concerns to school management. In addition a **Council Whistle-blowing Hotline (020 8359 6123)** exists for cases where school staff feel it is necessary to report their suspicions in a confidential manner. All staff will be made aware of the school's Whistle-blowing Policy.

#### **6. Investigation**

Where any matter that might constitute fraud, theft, corruption or bribery comes to the attention of any governor, the Headteacher or member of the SLT it will be in the first instance investigated by the Headteacher to ascertain the basic facts.

Subject to the findings the matter must be referred to the Corporate Anti Fraud Team/ and or chief finance officer, both parties will then liaise and it a decision will be made as to whether it will be dealt with by CAFT or a full internal investigation will be carried out.

The Council's Corporate Anti Fraud Team is responsible for investigating all allegations of suspected fraud. The Team has full right of access to examine any documents or contents of school property. This also includes examination of computers, and related

equipment and interviews with staff.

The Corporate Anti Fraud Team has been designated this responsibility to ensure consistency in dealing with all allegations of fraud, to ensure a detailed and proper investigation is carried out by skilled investigators, and to ensure the Council and its maintained schools' assets and interests are protected and/or recovered where applicable.

The Corporate Anti Fraud Team will work closely with the Chair of Governors and Headteacher in fraud related cases involving disciplinary investigation, action and hearings. Where fraud is proven, this constitutes gross misconduct and cases will be dealt with appropriately, according to school's disciplinary procedures.

It is recognised that being subject to an investigation can be a stressful experience, therefore all investigations will be handled as quickly as possible and confidentially to ensure the person under investigation is dealt with in an appropriate and timely manner.

## **7. Deterrence**

The Governing Body 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 London Borough of Barnet has an established a Prosecution Policy which clarifies the authority's position with regard to prosecutions and to deter those who may attempt to commit offences against the authority or its schools.

The Governing Body endorses the Council's Prosecution Policy and 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 Body will ensure its policy is communicated to staff and the community.

<b>Action</b>	<b>Lead person</b>	<b>Carried out</b>
Governors to abide by the school's constitution, the Scheme for Financing Schools, Contract Standing Orders for Schools, and act within the law in an open, honest and trustworthy manner	Monitored by Chair of Governors and Chair of Finance Committee over the past year.	Y
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 that those controls operate effectively.	Headteacher (with assistance of finance officer)	Y
Budget managers to assess risk involved in their area of responsibility; to review the control systems, and to ensure that controls are being complied with properly by undertaking regular checks.	Headteacher in conjunction with Budget Holders (with assistance of finance officer)	Y
Ensure recruitment procedures established to ensure all staff are vetted correctly prior to commencing their employment.	Headteacher (assisted by person carrying out HR procedures)	Y
Ensure statements of employment or undertaking include reference to the school's Fraud Policy	Headteacher (assisted by person carrying out HR procedures)	Y
Ensure Disciplinary procedures are in place to deal any acts of misconduct by school employees.	Chair of Staffing Committee (or similar)	Y
Inclusion of Fraud policy and Whistle-blowing policy in Staff Handbook	Headteacher (assisted by person carrying out HR procedures)	Y
Inclusion of Fraud policy and Whistle-blowing policy in staff induction programmes	Headteacher (assisted by person carrying out HR procedures)	Y
Inclusion of Fraud policy and Whistle-blowing policy in governor's induction programmes	Chair of Governors (assisted by person carrying out HR procedures)	Y
Staff should not accept personal gifts, hospitality above £50 from any individual or benefits of any kind from a third party that may be seen to compromise their integrity.	Headteacher to maintain a gifts and hospitality register	Y
Publicise the school's commitment to fighting fraud, e.g. providing information on its website and school documents, such as the prospectus	Headteacher	Y

## Tracking

DfE Stat Policy	Best Practice	Web	MyUSO	Signed by Staff	Version
-	✓	✓	✓	✓	1.0
-	✓	✓	✓	✓	1.1

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