

Fraud Policy

Autumn 2020

Review Date:	Autumn 2020
To Be Reviewed:	Autumn 2021
Approved:	Governors' Finance & General Purposes, Autumn 2020
Ratified	Full Governors, 2 December 2020
Reviewer:	H Sidhu

Fraud Policy

References:

Academies Financial Handbook 2020 – Section 6.10

1. Introduction:

Reference A states that: *Academy trusts must be aware of the risk of fraud, theft and irregularity and address it by putting in place proportionate controls. Trusts must take appropriate action where fraud, theft or irregularity is suspected or identified.*

6.11 *The board of trustees must notify ESFA, as soon as possible, of any instances of fraud, theft and/or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any financial year. Unusual or systematic fraud, regardless of value, must also be reported. The following information is required:*

- *full details of the event(s) with dates*
- *the financial value of the loss*
- *measures taken to prevent recurrence*
- *whether it was referred to the police (and if not why)*
- *whether insurance or the RPA have offset any loss*

6.12 *ESFA may conduct or commission investigations into actual or potential fraud, theft or irregularity in any academy trust, either because of a notification from the trust itself or from other information received. ESFA may involve other authorities, including the police.*

6.13 *ESFA will publish reports about its investigations and about financial management and governance reviews at academy trusts.*

6.14 *ESFA also publishes guidance on reducing fraud. Trusts should refer to this and to the findings from ESFA's investigation reports, as part of its risk management approach.*

For the purposes of this policy, fraud is defined as dishonest, irregular or illegal acts, characterised by a deliberate intent at concealment or false representation, resulting in the diversion of resources, whether or not for personal gain, for the benefit of an individual or group of individuals at a consequence loss to the School.

The objective of this policy is to safeguard the proper use of the School's finances and resources. The School derives much of its income from public funds and so has a particular responsibility to ensure that income and resources are used solely for the purposes intended.

Fraud is a serious matter and Governors are committed to investigating all cases of suspected fraud. Any member of staff, regardless of their position or seniority, against whom evidence of fraud is found, will be subject to disciplinary procedures that may result in dismissal. The School will normally involve the police and may seek redress via civil proceedings.

2. Prevention

As the aftermath of fraud is costly, time-consuming, disruptive and unpleasant, and may lead to unwelcome adverse publicity, a major thrust of fraud is prevention.

2.1 Leadership

Governors and senior managers should ensure that their behaviour is demonstrably selfless and open, and should champion the School's policies on conflicts of interest, hospitality and gifts.

2.2 Management procedures

Fraud can be minimised through carefully designed and consistently operated management procedures, which deny opportunities for fraud. Staff must comply with and should receive training in the School's policies on segregation of duties, data security and conflict of interest, and the School's Financial Regulations. A continuous review of systems by audit may deter attempted fraud and should result in continuous improvements. The risk of fraud should be a factor in audit plans.

The Governing Body approved this policy on date: 2nd December 2020