

Blackfen School for Girls – Anti-Fraud Policy

Date: June 2019
Review Date: June 2020

Lead Person: Head Teacher
Reviewed: Annually

The Governing Body of Blackfen School for Girls adopted this Anti-Fraud policy on (insert date).

Issue Status

| Date | Issue | Comment | By |
|------|-------|---------|----|
| | | | |
| | | | |
| | | | |
| | | | |

| | Signature | Name | Date |
|------------------|--------------|--------------------|-------|
| Prepared | _____ | _____ | _____ |
| | Author | Samantha Bland | _____ |
| Verified: | _____ | _____ | _____ |
| | Head Teacher | Matthew Brown | _____ |
| Approved: | _____ | _____ | _____ |
| | Chairman of | Stuart Fitz-Gerald | _____ |

Blackfen School for Girls – Anti-Fraud Policy

Statutory Statement

All schools are expected to have an Anti-Fraud Policy to ensure that fraud is eliminated and procedures are in place for dealing with the risk of significant fraud or corruption.

Rationale

Blackfen School is an honest and ethical institution. All members of the Blackfen School Community are required to act honestly and with integrity at all times to safeguard public resources they are responsible for. Staff involved in impropriety of any kind will be subject to disciplinary action, including prosecution if appropriate. The school treats attempted fraud as seriously as accomplished fraud.

Fraud is:

- Theft – Dishonestly appropriating property which can include the misuse or removal of funds, assets or cash
- False Accounting – Dishonestly destroying, defacing, concealing or falsifying accounts, records or documents required for any accounting purpose with a view to personal gain
- Bribery and Corruption – offering, giving or soliciting or accepting an inducement or reward that may influence any actions taken
- Deception – obtaining property or pecuniary advantage by deception
- Collusion – any case in which someone invites, instigates aids and abets

Outcomes

- To create a culture which deters fraudulent activity
- To encourage the detection and prevention of fraudulent activity

Procedures

- All employees are made fully aware of the school's expectations regarding standards of personal conduct (See Appendix 1)
- There are effective systems of internal financial and management control (See Appendix 2)
- There is a publicised formal statement of procedure to be followed by employees who have a suspicion of, or concern about, possible or actual malpractice within the school (See Appendix 3)
- Opportunities for fraud exist in many aspects of the school's activities and all members of the Blackfen School Community* do therefore need to be vigilant. The fraud response plan sets out the school's procedures to be followed if fraud is reported or discovered (See Appendix 4)

Key Roles

- Overall responsibility for managing risk of fraud has been delegated to the Business Manager (See Appendix 5)
- All members of the Blackfen School community promote a culture which encourages the prevention of fraud (See Appendix 6)
- The Head Teacher (Accounting Officer) is responsible for establishing and maintaining a sound system of internal control (See Appendix 2)
- All managers are responsible for internal control within their area of responsibility (See Appendix 7)
- The Business Manager is responsible for delivering an opinion to the Accounting Officer on the adequacy of arrangements for managing the risk of fraud and ensuring that there is an anti-fraud culture. (See Appendix 8)

Blackfen School for Girls – Anti-Fraud Policy

- Members of the Governing Body are responsible for ensuring that an adequate system of internal control exists within their area of responsibility and that controls operate effectively (See Appendix 6)
- The school's Finance & Audit and Staffing Committee ensure there is a sound system of internal control (See Appendix 9).

Related Documents

- Whistleblowing Policy

* All members of the Blackfen School Community = all employees, students, parents and Governors. These can be paid or unpaid members of the Community. This includes prospective parents, contractors or agents and their employees.

Blackfen School Anti-fraud policy appendices

Appendix 1

Personal conduct – all employees are made fully aware of the school's expectations regarding standards of personal conduct.

To help ensure that all employees are fully aware of Blackfen school's expectations appropriate guidance is provided by the following key statements:

- All members of the Blackfen school community* are bound by these regulations. Refusal to observe them will be grounds for disciplinary action.
- All members of the Blackfen school community must at all times conduct financial affairs in an ethical manner.
- All members of the Blackfen school community are responsible for disclosing any personal, financial or beneficial interest in any transaction with respect to the school or its related companies, minority interest companies and trading areas.
- All members of the Blackfen school community who are responsible for placing an order with a supplier (whether a contractor or not) with whom she/he has a personal interest must disclose this to the Head Teacher or the Business Manager.
- All members of the Blackfen school community must never use their office or employment for personal gain and must at all times act in good faith with regard to the school's interests.

**All members of the Blackfen school community = all employees, staff, students, parents and Governors. These can be paid or unpaid members of the community. This includes prospective parents, contractors or agents and their employers.*

Appendix 2

There are effective systems of internal financial and management control. The Head Teacher (Accounting Officer) is responsible for establishing and maintaining a sound system of internal control.

Operational systems aim to minimise the incidence of fraud, limit its impact and ensure its prompt detection. These systems and controls include:

- Budgetary control – designed to identify fraud which results in shortfalls in income or overspendings against expenditure.
- Organisational control – separation of duties, internal check and staff supervision.
- Staffing Committee policies – setting the culture and deterring fraud. Reducing the risk of employing dishonest staff by checking information supplied by employees

Blackfen School for Girls – Anti-Fraud Policy

and references obtained during the course of the recruitment process, including DBS checks.

The school has Finance, Audit and Staffing Committee and an independent Internal checking function which provides advice to management in respect of control matters and which conducts a cyclical programme of reviews of the adequacy and effectiveness of the systems which have been put in place.

Appendix 3

There is a publicised formal statement of procedure to be followed by employees who have a suspicion of, or concern about, possible or actual malpractice within the school.

All members of the Blackfen school community are able to report suspicions of fraud by following the school's Whistleblowing policy. All matters will be dealt with in confidence and in strict accordance with the terms of the Public Interest Disclosure Act (1998).

Vigorous and prompt investigations will be carried out into all cases of actual or suspected fraud discovered or reported. (See Fraud Response Plan – Appendix 4).

Appendix 4

Opportunities for fraud exist in many aspects of the school's activities and all members of the Blackfen school community do therefore need to be vigilant.

The fraud response plan sets out the school's procedures to be followed if fraud is reported or discovered.

The following are examples of areas where there may be particular opportunities for fraud:

- The use of a false address in order to secure admission to the school.
- Incorrect information used to obtain free school meals.
- Inaccurate or false information used to secure employment with the school or one of its contractors.
- Delay or refusal to pay for school meals taken.
- Removal of school resources for personal use.
- Submission for payment of false invoices.
- Manipulation of data or information to present a false impression.

The fraud response plan acts as a checklist of actions and a guide to follow in the event of fraud being suspected.

Any member of the school community who uncovers or suspects any fraud within or upon the school must report it immediately to a senior member of staff or a director. Failure to do so may constitute a disciplinary issue.

The senior member of staff or governor to whom the concern is reported should raise it immediately with the Head Teacher who will decide whether to report to the Chair of Governors and the Business Manager.

The Head Teacher will assess the risk to the school and identify a lead officer to manage the investigation of the suspected fraud, the collation of evidence and damage limitation.

The Head Teacher will also advise on whether an outside agency should be involved.

Within 6 hours the lead officer will determine immediate action to be taken to prevent further fraud and to recover any losses. This may include, for example:

- Decision to withhold offer of a school place.
- Decision to temporarily suspend all payments until systems can be confirmed as secure.
- Decision to suspend a member of staff (in discuss with the Head Teacher).

Blackfen School for Girls – Anti-Fraud Policy

Within 48 hours a full investigation should have taken place and been reported to the Head Teacher or the Chair of Governors. The Head Teacher or the Chair of Governors will determine the course of action to take.

The Head Teacher, in discussion with the Business Manager, will evaluate the events which led to the suspected or actual fraud to occur and ensure that preventative action is taken where necessary.

If evidence of a fraud is forthcoming, the Head Teacher will inform the Education Funding Agency as required by the funding agreement and consider whether to refer to the police or to lawyers.

Appendix 5

Overall responsibility for managing risk or fraud has been delegated to the Business Manager.

The responsibilities of the Business Manager therefore include:

- Developing a fraud risk profile and undertaking a regular review of the fraud risks in the organisation.
- Establishing an effective fraud response plan.
- Designing an effective control environment to prevent fraud.
- Establishing appropriate mechanisms for reporting fraud risk issues, reporting significant incidents of fraud to the Accounting Officer, external reporting in compliance with Company Law, Accounting Standards and Charity Commission expectations, co-ordinating assurances about the effectiveness of anti-fraud policies to support the Statement of Internal Control.
- Liaising with the Governing Body on issues of fraud prevention, detection and management.
- Ensuring that all members of the school community are aware of the anti-fraud policy and know what their responsibilities are in relation to combating fraud.
- Ensuring that appropriate anti-fraud training and development opportunities are available to appropriate staff.
- Ensuring that vigorous and prompt investigations are carried out if fraud occurs or is suspected.
- Taking appropriate legal action and/or disciplinary action against perpetrators of fraud, staff who fail to report fraud and line managers where lack of supervision has contributed to an incident of fraud.
- Taking appropriate action to recover assets.
- Taking appropriate action to minimise the risk of similar frauds occurring in the future.

Appendix 6

All members of the Blackfen school community promote a culture which encourages the prevention of fraud.

Every member of staff is responsible for:

- Acting with propriety in the use of official resources and the handling and use of public funds whether they are involved with cash or payment systems, receipts or dealing with suppliers or the school's decision making bodies.
- Conducting themselves in accordance with the seven principles of public life set out in the first report of the Nolan Committee "Standards in Public Life." These are selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

Blackfen School for Girls – Anti-Fraud Policy

- Being alert to the possibility that unusual events or transactions could be indicators of fraud.
- Reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events.
- Cooperating fully with whoever is conducting internal checks or reviews of fraud investigations.

Members of the Governing Body are responsible for:

- Abiding by the school's policies and regulations and the guidance on Codes of Practice for Board Members of Public Bodies.
- Being alert to the possibility that unusual events or transactions could be indicators of fraud.
- Reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events.
- Cooperating fully with whoever is conducting internal checks or reviews of fraud investigations.

In addition, the Chair of Governors is responsible for ensuring that an adequate system of internal control exists and that these controls operate effectively.

Appendix 7

All managers are responsible for internal control within their area of responsibility.

All managers* are responsible for:

- Ensuring that an adequate system of internal control exists within their area of responsibility and that controls operate effectively.
- Preventing and detecting fraud.
- Assessing the types of risk involved in the operations for which they are responsible.
- Reviewing and testing the control systems for which they are responsible on a regular basis.
- Ensuring that controls are being complied with and their systems continue to operate effectively.
- Implementing new controls to reduce the risk of similar fraud occurring where frauds have taken place.

**A manager is anyone with line management responsibility of at least one person or line management responsibility for an area of the school.*

Appendix 8

The Internal Checking person is responsible for delivering an opinion to the Accounting Officer on the adequacy of arrangements for managing the risk of fraud and ensuring that there is an anti-fraud culture.

The Internal Checking Function is responsible for:

- Assisting in the deterrence and prevention of fraud by examining and evaluating the effectiveness of control.
- Ensuring that management has reviewed its risk exposures and identified the possibility of fraud as a business risk.
- Assisting management in conducting fraud investigations.
- Reporting to the Governing Body or Finance and Audit Purposes Committee on the efficiency of controls for the prevention, detection and management of fraud.
- Offering advice and assistance on risk and control issues.

Blackfen School for Girls – Anti-Fraud Policy

Appendix 9

The school's Finance, Audit and Staffing Committee ensure there is a sound system of internal control.

The school has a Finance & Audit and Staffing Committee which is a Committee of the Board of Governors. The Committee consists of non-executive board members and is chaired by a non-executive board member, other than the Chair of Governors, who has experience of financial matters. The Accounting Officer will attend all meetings of the Finance & Audit and Staffing Committee unless his/her own performance is being discussed.

Appendix 10

Managing risk of Cyber Crime and Cyber Security

CTS as processors and joint-controllers with Blackfen School for Girls of the data held by the school, means that no company or individual would accept sole liability in any cyber breach.

This consists of but not limited to:-

- **Email Hacking**
- **Phishing**
- **Malvertising**
- **Cyber Crime**
- **Cyber Security**