



# **THE COLMAN FEDERATION**

## **FRAUD POLICY**

Date confirmed by Governors: May 2023

Date of Review: May 2024

## **1. Introduction**

The Schools Financial Value Standard requires in Section F questions to be completed around protecting public money thus ensuring 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 Executive Headteacher 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."

The Executive Headteacher/Chair of Governors must be told immediately about:

1. anything that involves (or is thought to involve) irregularities concerning cash, stores or other property;
2. any other suspected irregularity in the running of the school, and may investigate and report as he/she thinks necessary.

## **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 statement, 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.

Colman Federation is committed to fighting fraud with high ethical and moral standards, and recognises that any fraud perpetrated against the school is costly, both in financial terms and reputation.

Colman Federation is therefore committed to a programme of zero tolerance and is also committed to nurturing a strong anti-fraud culture, which is key to the prevention and detection of fraud.

## **3. School Policy**

The Governing Board 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 and procedures and Safer Recruitment procedures.

Colman Federation 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 Board will set 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 Terms of Reference and Standing Orders for Schools.

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.

### Executive Headteacher and Senior Staff

The Executive 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 Executive Headteacher, with assistance from the Federation Schools Business Manager bears overall responsibility for systems of financial control and may be liable to be called to account for specific failures.

However, all staff 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. Senior 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 Executive 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 temporary staff, contractors 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.

#### Gifts and Hospitality

Courtesy gifts and hospitality must not be given or received in return for services provided or to obtain or retain business but shall be handled openly and unconditionally as a gesture of esteem and goodwill only. Gifts and hospitality shall always be symbolic value only, appropriate and proportionate in the circumstances, and consistent with local customs and practices. They shall not be made in cash. Under no circumstances should any gifts or hospitality be accepted from contractors or suppliers who are potential tenders in the period leading up to the tendering and awarding of any contract by Colman Federation.

#### Conflicts of Interest

All employees of Colman Federation and Governors must consider their personal or business commitments and, where they could have a perceived or direct interest on a matter or they may have some influence over a decision being taken by Colman Federation, they must openly declare this interest and not participate in discussions about it, or be part of any decision making processes. The rules relating to the disclosure and registration of interests are set out in the Code of Conduct for employees.

#### Internal Audit

Colman Federation will have audits as required through Norfolk Audit Services and ask them to 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.

#### Control Measures

Colman Federation will ensure that their Finance Policy is adhered to and there are control measures in place along with a clear segregation of duties. All documentation to be authorised by the Executive Headteacher, Deputy Headteachers or Chair of Governors as required.

### **4. Investigation**

Where any matter that might constitute fraud, theft, corruption or bribery comes to the attention of any Governor, the Executive 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 Norfolk Audit Services and Human Resources who will then liaise to undertake a full investigation.

Norfolk Audit Services are responsible for investigating all allegations of suspected fraud. The Service 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.

Norfolk Audit Services will work closely with the Chair of Governors and the Executive 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 through Norfolk County Council.

## 5. 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 will ensure its policy is communicated to staff and the community (through the school website).

## 6. Implementation of Fraud Policy

Action	Lead
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.
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.	Executive Headteacher (with assistance of Federation Schools Business Manager)
Ensure recruitment procedures established to ensure all staff are vetted correctly prior to commencing their employment.	Executive Headteacher (assisted by Federation Business Manager)
Ensure staff are aware of Whistle-blowing Procedure	Executive Headteacher (assisted by Federation School Business Manager)
Ensure Disciplinary procedures are in place to deal any acts of misconduct by school employees.	Executive Headteacher and Chair of Governors
Inclusion of Fraud policy and Whistle-blowing policy in staff induction programmes	Executive Headteacher (assisted by Business Manager)
Inclusion of Fraud policy and Whistle-blowing policy in Governor's induction/yearly training programmes	Clerk to Governors
Fraud Log for Colman Federation (to log any details of fraud).	Executive Headteacher (assisted by Federation Schools Business Manager)