



Sussex Road School
Anti-Fraud, Bribery Theft and Corruption Policy

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

Sussex Road School:-

- is committed to the prevention of fraud, bribery and corruption and the promotion of an anti-fraud, bribery and corruption culture.
- takes a risk-based approach to fraud, bribery and corruption and requires all staff, governors and volunteers to act honestly and with integrity at all times, and to report all suspicions of fraud or financial wrongdoing.
- will investigate all instances of actual, attempted or suspected fraud, bribery and corruption and will seek to recover any losses and pursue appropriate sanctions against the perpetrators. This may include criminal prosecution, disciplinary action, legal proceedings and professional sanctions.

This policy applies to all staff (full time, part time, temporary and casual), consultants, volunteers and the school's Governing Body.

Definition of Fraud

Fraud is deception carried out in order to gain an unfair advantage or to disadvantage another. It may involve the misuse of funds or other resources, or the supply of false information.

Examples might include:

- Creating fake invoices for goods and services and paying the money into a personal account
- Use of the school's purchase card to make personal purchases.
- Submitting false claims for sickness or expenses.
- Using school equipment and resources in order to run a personal business

Individuals caught committing fraud can be prosecuted under the Fraud Act 2006 if they make a false representation, fail to disclose information or abuse their position.

Definition of Bribery and Corruption

The School defines corruption as the abuse of entrusted power for private gain; involving the offering, giving or soliciting of an inducement or reward which may influence a person to perform a function or activity improperly.

This may involve:

- The offence of bribing another person;
- The offence of being bribed;
- Bribery of a foreign public official;
- A corporate offence of failure to prevent bribery.

Other forms of corruption include:

- Cronyism or nepotism, where someone in public office exploits their authority to provide a job or favour to a friend, associate or family member;
- Collusion, where a secret agreement between parties, in the public and/ or private sector conspire to commit actions aimed to deceive or commit fraud;
- Conflict of interests, where someone in a public office faces a conflict between the duties and demands of one or more positions that they hold and their private lives;
- Gifts and Hospitality, the provisions of gifts, entertainment or other hospitality that could affect or perceived to affect the outcome of business transactions and are not reasonable and bona fide;

| | | |
|--------------------------|---------------------------|-------------------|
| Written November 2022 | Ratified FRP Committee | Review 3 Years |
|--------------------------|---------------------------|-------------------|

- Lobbying, any activity carried out by companies, associations, organisations and individuals to influence a government or institution's policies and decisions in favour, cause or outcome.

Key Responsibilities

The Governing Body are responsible for:

- Overseeing the financial performance of the school, including its assets, making sure the school's money is well spent and measures are in place to prevent losses or misuse, including arrangements for preventing and detecting fraud.
- Obtaining assurances (including independent assurance) the schools' policies and procedures are being adhered to, in particular around financial policies / procedures and cyber security
- Reviewing the schools fraud, bribery and corruption risk assessment.

The Head Teacher is responsible for:

- Developing, implementing and maintaining adequate systems of internal control that prevent and detect fraud.
- Testing the system of internal control and seeking independent assurance when appropriate.
- Regularly reviewing the school's anti-fraud, bribery and corruption policy and compliance with it to ensure it remains effective and relevant to the needs of the school.
- Reporting compliance with the policy on at least an annual basis to the Governing Body.
- Reporting allegations of actual, attempted or suspected fraud to the Full Governing Body and Kent County Council's Section 151 Officer via internal.audit@kent.gov.uk.
- Ensuring all allegations of fraud are investigated appropriately, in compliance with relevant policies, procedures and legislation and commencing disciplinary and/or legal action where appropriate.
- Maintaining and reporting the fraud, bribery and corruption risks to the governing body and staff.
- Ensuring relevant staff are provided financial control and fraud awareness training (including whistle blowing and cyber security).

Staff are responsible for:

- Familiarising themselves with the types of fraud, bribery and corruption risks that might affect the school.
- Ensuing they adhere to the agreed policies and procedures, thereby protecting the school's reputation and assets from fraud.
- Reporting allegations of actual, attempted or suspected fraud to the Head Teacher, and/or the Governing Body and/or Kent County Council's Section 151 Officer.
- Assisting in the investigation of suspected fraud when requested to do so, for example by providing witness statements.

The Seven Principles of Public Life

Selflessness – Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or their friends.

Integrity – Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity – In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability – Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness – Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty – Holders of public office should promote and support these principles by leadership and example.

Reporting Suspensions

The Governing Body and staff are an important element in the school's stance on fraud and are required to raise any concerns that they may have. The Head Teacher and Governors will deal with any financial irregularities robustly.

| | | |
|--------------------------|---------------------------|-------------------|
| Written November 2022 | Ratified FRP Committee | Review 3 Years |
|--------------------------|---------------------------|-------------------|

Staff should immediately report any concerns about actual, attempted or suspected fraud to the Head Teacher. However, if the concerns relate to the Head Teacher, staff should report their concerns to the Chair of Governors.

Under no circumstances should staff investigate the matter themselves.

Members of staff, including the Head Teacher and/or Governors should seek advice about how to deal with an allegation of fraud, and report the matter to Kent County Council Whistleblowing helpline which is operated by Internal Audit. Alternatively, staff can email Kent County Council's Internal Audit team.

The Public Interest Disclosure Act 1998 protects employees who raise concerns about certain matters of public interest in good faith. Staff can obtain free independent advice from the charity Protect by following <https://protect-advice.org.uk/>

A copy of the school's Whistleblowing Policy can be found on the School's website and in the policy Library on Office 365 Intranet] or paper copies can be obtained from the School Office Team.

Contact Details:

Telephone: Kent County Council Whistleblowing Helpline **03000 414 500**

Email: internal.audit@kent.gov.uk

Appendix One

Fraud, Bribery Theft and Corruption Response Plan

The School has established guidelines for the Senior Leadership Team and the Governing Board detailing the immediate actions to be taken in the event of a fraud being discovered or suspected. It covers how and when to seek professional advice, securing evidence and preventing further losses (see Appendix 1).

It is important that allegations of actual, attempted and suspected fraud aren't ignored. Even seemingly insignificant concerns may later reveal a larger, previously unknown problem.

Step 1. Report

The first step to make if fraud is suspected, including financial wrongdoing will be to contact the Counter Fraud Team, in Internal Audit at Kent County Council. They are responsible for the investigation of fraud and financial irregularities that occur against Kent County Council and Schools.

They will listen to concerns raised and advise on the best course of action to take in order to minimise the risk of the suspect being tipped off and destroying the evidence.

Contact details for reporting;

- Email; internal.audit@kent.gov.uk
- Phone: 03000 414 500
- Online: [Fraud Reporting](#)

Step 2. Securing Evidence

The school will be required to record a witness statements so ensure that any concerns are recorded fully. Whenever possible these written notes that cover:

- Names, addresses and dates of birth.
- Descriptions (height, build, hair colour, ethnicity, clothing, distinctive features)
- Dates and times of key events.
- Vehicle registration numbers and descriptions.
- Details of any conversations had or overheard.
- Details of any actions or incidents that were observed.
- Telephone numbers
- Company and/or business details

To avoid alerting suspects to investigations the school will retain all physical evidence such as original invoices, receipts, letters, cheques and application forms in the normal files -unless advised otherwise by Counter Fraud Team. All investigations will be confidential and not be discussed with colleagues.

| | | |
|--------------------------|---------------------------|-------------------|
| Written November 2022 | Ratified FRP Committee | Review 3 Years |
|--------------------------|---------------------------|-------------------|

If an investigation is undertaken without following the appropriate policies, procedures and legislation, or if individuals are accused without sufficient evidence, it may lead to the perpetrators avoiding a disciplinary, criminal or civil sanction.

Step 3. Preventing Further Losses

The school will immediately take action to minimise any further loss, i.e. if the allegations concern the theft or loss of banking passwords, PIN's or similar credentials notify the bank immediately.

If losses relate to weak processes, i.e. cash is routinely kept unsecured in a drawer, the school will ensure the process is changed, at least temporarily, until more permanent and improved processes can be implemented.

Support for Witnesses

Members of staff, Governors and the public may be feeling vulnerable before, during and after they have brought an allegation of fraud to the attention of the school.

Witnesses will be reassured that they have acted appropriately by raising their concerns. Members of staff will be directed to the School's Whistleblowing Policy, detailing that the school does not tolerate reprisals, victimisation or harassment and will take all reasonable action to protect them.

In addition, the school will take steps to minimise any difficulties members of staff may experience as a result of raising a concern, i.e. if they are required to give evidence in criminal or disciplinary proceedings, the school will advise or arrange for them to receive advice and support about the process being followed.

| | | |
|---------------|---------------|---------|
| Written | Ratified | Review |
| November 2022 | FRP Committee | 3 Years |

Appendix Two

School Fraud Risks

| Type of Risk: Staffing | Example Risks |
|---|--|
| Recruitment | <p>A senior member of staff recruits family members or friends, without undertaking a full recruitment process or through an agency rather than as a direct appointment.</p> <p>This may result in the best individual not being recruited for the post, reputational damage to the school, and a lack of objectivity in future decision making by senior staff.</p> |
| Application | <p>An applicant applies for a post and either fails to declare something they are legally required to declare - for example, a relationship or criminal record or declares something that is untrue, e.g. they are allowed to work in the UK when they are not, or have a qualification which they do not have.</p> <p>This may result in the best individual for the job not being recruited, children's safety being put at risk, and/or the school potentially being liable for a fine.</p> <p>Whilst checks on teacher qualifications are more common and therefore easier to do, checks on Kent Range Support Staff qualifications that may cause problems.</p> |
| Inappropriate Pay Awards including: <ul style="list-style-type: none">• Increments• Honorariums• Bonuses• Allowances | <p>A member of staff falsifies information in order to obtain an excessive pay award which may include those elements listed opposite.</p> <p>This type of fraud may also include conspiracy or collusion between the head teacher, governing body and financial managers and may result in financial and reputational damage to the school.</p> <p>This also happens as a result of poor judgement by the school's management team or governors, and it is not necessarily fraud.</p> |
| Off Payroll Payments | <p>Payments to staff are made through petty cash or by other means in order to avoid the individuals and the school's duty to pay tax or national insurance.</p> <p>This may result in reputational damage and/or a fine from HM Revenue and Customs. In addition, if unpaid tax / national insurance cannot be recovered from the individual, the employer will be liable, in addition to any fines imposed by HMRC.</p> |
| Long Term Sickness | <p>A member of staff represents themselves as sick and finds employment elsewhere whilst continuing to receive payment from the school.</p> <p>This may result in financial loss as the school may need to appoint extra resources to cover the absence.</p> |

| | | |
|---------------|---------------|---------|
| Written | Ratified | Review |
| February 2022 | FRP Committee | 3 Years |

| Type of Fraud Risk: Procurement | Example Risks |
|---|---|
| Collusion/corruption in supplier selection can be described as „an illicit agreement between two or more parties, typically to limit open competition in the procurement process“ | A member of staff with responsibility for the award of a contract colludes with the contractor in order to benefit the contractor, sometimes in return for a bribe or favours. Alternatively, the organisation or contractor breaches procurement regulations in order to win or rollover a contract. This may result in a breach of procurement regulations which may not represent value for money, reputational damage and potential legal action by other contractors. |
| Leasing (particularly ICT hardware such as whiteboards and photocopiers) | A company approaches the school with what appears to be a reasonable scheme for the leasing of IT equipment. However, the agreement is over-priced, and the school is duped into purchasing more equipment than they need at a price higher than they can afford and, in some cases, using hire purchase arrangements which schools are forbidden from entering into. The companies that create the lease agreement then sell the debt on to other agencies for collection. As a result, the school may be left with debts it is unable to service and ICT equipment that is not fit for purpose. |
| Inappropriate Personal Use of Goods or Services | A staff member uses school money to procure goods or services for their own use, rather than for the benefit of the school. As a result, the school may suffer financial loss and reputational damage. |

| Type of Fraud Risk: Theft | Example Risks |
|--|--|
| <p>Cash and Assets:</p> <ul style="list-style-type: none"> Assets e.g.: ICT equipment and inventory, lead flashing, stationery items e.g. from catalogues - printer cartridges, projector bulbs Cash e.g.: Voluntary funds, petty cash, income (e.g. trips, uniform) | <p>There are many areas of school business where there is a risk of theft -</p> <p>The areas listed to the left are typically high risk areas. Some are at risk of internal theft, while other assets are at a greater risk of external theft or collusion.</p> <p>As a result of IT theft, the school may also lose confidential information and may suffer financial loss through penalties and reputational damage.</p> |
| Premises Rental | <p>A member of school staff rents out part of the school building for a third Party event without following the schools lettings policy and procedures, with the intent of retaining the fee, for a lesser fee or no fee at all.</p> <p>As a result of the inappropriate use of school premises, the school could lose revenue and the users of the premises may possibly be uninsured.</p> |

| | | |
|---------------|---------------|---------|
| Written | Ratified | Review |
| February 2022 | FRP Committee | 3 Years |

| Type of Fraud Risk: False Accounting | Example Risks |
|--|--|
| False Records | Records are falsified or fabricated to disguise theft of school assets and cash. |
| Moving Monies between years Delaying Payments | Goods or services that should be bought and paid for in one financial year are attributed to another financial year, resulting in a misrepresentation of accounts. This is often used to disguise fraud or theft in other areas. |
| Staff Loans | The school gives a loan to a member of staff which is outside of regulations and does not arrange a repayment plan. As a result, the school may suffer financial loss and reputational damage. |
| Inappropriate increase in finance through falsely stating SEN numbers, student numbers, or free school meals | The school exaggerates the number of pupils receiving free school meals, or incorrectly accounts for pupils that leave during the year, and as a result receives funding to which the school is not entitled. This may cause reputational and financial damage to the school. |
| Misuse of Public Money | The school pays for gratuities - for example, flowers or entertainment e.g. staff parties using school funds. This may result in financial loss and reputational damage to the school and is never a proper use of school funds. |

| Type of Fraud Risk: Bribery | Example Risks |
|--|---|
| <p>The Bribery Act 2010 defines bribery broadly as giving or receiving a financial or other advantage in connection with the „improper performance“ of a position of trust, or a function that is expected to be performed impartially or in good faith. Areas that may be of particular risk within school are:</p> <ul style="list-style-type: none"> • Exam • Procurement | <p>The risk that building contractor offers the head teacher a significant discount on building an extension at their own home (or other inducements) in return for appointing the contractor to deliver work for the school. This may result in reputational damage to the school and may result in a contract that does not represent value for money for the school.</p> |

| | | |
|---------------|---------------|---------|
| Written | Ratified | Review |
| February 2022 | FRP Committee | 3 Years |

Appendix Three

Fraud Risk Assessment

| Risk Type | Cause or Source of the risk | Risk Event | Consequence | Overall accountable Risk Owner | Controls in place | Control Owner(s) |
|-----------------------|--------------------------------|--|---|---|--|------------------------------|
| Corporate Card | Staff Misuse | There is a risk that staff issued with a OneCard will use the card for personal purchases | Financial Reputational | Individual staff members with approved card | Card holders sign for liability for all inappropriate expenditure. Orders, Invoices and Card statements countersigned as per Finance Policy | HT/FGB |
| Cyber Security | Email | There is a risk a member of staff will open an email with document malware/ ransomware | Financial Operational Safeguarding | All staff | Hyperlinks and attachments in emails not accessed unless known contact. 365 Outlook filtering. Warning from KCC shared with staff. Suspicious emails submitted to KCC fraud team for investigation, verification or to cascade warnings to other schools. | ICT Technician supporting HT |
| Cyber Security | Spear-phishing Smishing | There is a risk a member of staff will respond to targeted communication trying to obtain money or data from the school. | Financial Operational Safeguarding | All staff | Hyperlinks and attachments in emails not accessed unless known contact. 365 Outlook filtering. Warning from KCC shared with staff. Suspicious emails submitted to KCC fraud team for investigation, verification or to cascade warnings to other schools. | ICT Technician supporting HT |
| Procurement | Intercepted invoices | There is a risk that invoices received via email for suppliers are intercepted and bank account details changed. | Financial loss | SBM | All bank details recorded in FMS for BACS payments. Amendments on invoices or emailed notifications from companies independently | |

| | | |
|---------------|---------------|---------|
| Written | Ratified | Review |
| February 2022 | FRP Committee | 3 Years |

| | | | | | | |
|--------------------|---------------------------|--|----------------------------------|---------------------|--|--------|
| | | | | | checked with the company to verify before FMS is changed | |
| Procurement | Bribery/Corruption | There is a risk that contracts are awarded to friends/ family members. Which could cost the school more, or the job may not be completed to a good standard. | Reputational | Staff member/SBM | All staff carrying with budgets required to sign annual BI forms. Procurement requests routinely checked against other suppliers by SBM to gain best value for money, rather than using specified supplier. Quotes and tender systems in place according to finance Policy. Decision making by SLT FRP or FGB not SBM who seeks prices | HT/FGB |
| Recruitment | Nepotism | There is a risk that senior members of staff recruit family members or friends. The best person for the job might not be recruited with the correct qualifications. | Reputational | SLT | All applicants required to complete applications on Kent Teach. Two staff member's short list. All appointments go through full appointment process including references | HT/FGB |
| Recruitment | CV/Job Application | There is a risk a person may fail to declare or enter information that is untrue or misleading on the CV/job application | Safeguarding Reputational | SBM | All applicants to sign application forms confirming information correct. Certificates ID checked | HT/FGB |
| Payroll | Pay awards | There is a risk that members of staff may award themselves bonus pay awards without approval of the governing body or falsify information in order to obtain the award. | Financial | HT | School follows, Pay and TCP policies. Reviews moderated by HT. FRP act a Pay panel to review awards HT separate FG Pay panel. Agreements ratified by FGB | FBG |
| Income | Theft | There is a risk members of staff could divert income intended for the school into their own bank account or accept cash and not record it using it for their personal items. | Financial Reputational | Administration Team | Preferred payment via external electronic system. Smart Money/Arbor using stripe account direct to school Bank account. | HT/FGB |

| | | |
|---------------|---------------|---------|
| Written | Ratified | Review |
| February 2022 | FRP Committee | 3 Years |

| | | | | | | |
|-------------------------|-----------------------|---|-----------------------|-------------|--|--------|
| | | | | | <p>All in school payments (minimal) are issued paper receipts. copies kept in school</p> <p>All Such income countersigned by SBM.</p> <p>None school fund income, invoiced by FSM process, income requested by BACS direct to school bank account</p> | |
| False accounting | Theft/ Fraud | There is a risk that members of staff responsible for finance with the capability are able to enter false accounting records in order to mislead senior staff and the governing body to obtain financially. | Financial loss | SBM | <p>All financial transactions through FSM countersigned by additional approved signatory at Order, Invoice, and Payment release stages.</p> <p>General ledger/ KCC Direct Debits, Advance and Salary run transactions countersigned as above.</p> <p>All relevant paper work included at each stage.</p> <p>Bank statements countersigned by Bank mandate signatory</p> | HT/FGB |
| Assets | Theft | There is a risk that members of staff use the school's resources or take home assets purchased and belonging to the school without returning them. | Financial loss | SBM/Support | <p>Staff sign loan agreements for Laptop and class iPads.</p> <p>Annual full stock take of Assets</p> <p>Portable ICT equipment returned regularly for auditing and updating throughout the year.</p> <p>All leavers required to return items before their last day of employment.</p> <p>All written off assets advised to HT or FGB according to Finance Policy to challenge, note, agreed</p> | HT/FGB |
| Premises rental | Loss of income | A member of staff might rent out the school or facility to family/ friend without charging them causing a loss of revenue to the school. | Financial loss | SBM | <p>Limited Key holders with access to facilities.</p> <p>The school seeks to support local lets as part of Community functions</p> | HT/FGB |

| | | |
|---------------|---------------|---------|
| Written | Ratified | Review |
| February 2022 | FRP Committee | 3 Years |

| | | | | | | |
|--|--|--|--|--|---|--|
| | | | | | so offers reduced rates to community members in accordance with the letting policy. These lets include a fee to include access to the school's Public Liability Policy. | |
|--|--|--|--|--|---|--|

| | | |
|---------------|---------------|---------|
| Written | Ratified | Review |
| February 2022 | FRP Committee | 3 Years |