



Monkfrith School

Anti-Fraud and Corruption Policy

Monkfrith is committed to ensuring that it acts with integrity and has high standards. Everyone involved with the School has a responsibility in respect of preventing and detecting fraud. All staff and governors have a role to play. The School also recognises the role of others in alerting them to areas where there is a suspicion of fraud.

Monkfrith School has many measures to ensure proper administration and prevent and detect fraud and corruption. Recognising a potential fraud and being able to report it is just as important as the measures to prevent and detect.

This policy should be read in conjunction with other School policies, including the Financial Management Policy, Whistleblowing and Safeguarding and Child Protection policies.

Definitions

Fraud

Fraud is a general term covering theft, deliberate misuse or misappropriation of assets or anything that leads to a financial advantage to the perpetrator or others upon whose behalf he or she acts, even if these "others" are in ignorance of the fraud. Fraud is in fact intentional deceit and for this reason it cannot include negligence.

Fraud incorporates – theft, larceny, embezzlement, fraudulent conversion, false pretences, forgery, corrupt practices and falsification of accounts.

Corruption

The term 'corrupt practices' is defined for the purpose of this code as the offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by the School, its Staff or Governors.

It is the duty of Monkfrith School and its employees and Governors to take reasonable steps to limit the possibility of corrupt practices, and;

It is the responsibility of Internal Audit to review the adequacy of the measure taken by the school, to test compliance and to draw attention to any weaknesses or omissions.

The Principal Roles

All Staff and Governors

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 may be seen to compromise that integrity.

To the public, Monkfrith School can be judged by the conduct of its Staff and Governors. The school has adopted the following measures to demonstrate its commitment:

- All Staff and Governors are made aware of the Local Authority Code of Conduct for Employees;
- A requirement for all staff and governors to declare prejudicial interests and not contribute to business related to that interest;
- A requirement for staff and governors to disclose personal interests;
- All Staff and Governors are made aware of the understanding on the acceptance of gifts and hospitality;
- Clear recruitment policies and procedures;
- A code of conduct for employees;
- A staff handbook.

Staff and Governors also have a duty to report another staff or governor whose conduct is reasonably believed to represent a failure to comply with the above.

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 set the standard for the school and therefore give their full support to all systems and controls in place to assure probity.

The Governing Body 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.

Head teacher and Senior Leaders

The Head teacher has a responsibility for ensuring that internal controls will ensure proper administration and safeguard the resources of the school.

In respect of fraud it is therefore the responsibility of the Head teacher to ensure internal controls prevent and detect any frauds promptly. This includes:

- Proper procedures and financial systems;
- Effective management and financial information.

To ensure that they keep themselves up to date and aware of potential issues related to fraud and potential fraud.

Internal Audit

The Borough Audit Team visit regularly and have a clear remit to undertake work to prevent and detect potentially fraudulent acts. This is in line with best practice. This work concentrates on areas of highest risk but also on areas which, although small are subject to fraud.

The Local Authority also has a unique role in taking responsibility for;

- Investigating fraud;
- Establishing the extent of any fraud;
- Correcting accounting records if necessary;
- Recommending improvements in internal control;
- Advising on action to take to resolve the matter arising.

The Principal Anti-Fraud Measures

Monkfrith School has taken a number of measures that should prevent or detect any attempted or actual fraud. No system of control can prevent all cases, and the School must minimize the risks to which it is exposed. At the highest level the school will:

- Regularly review and improve key internal control systems;
- Regularly review measures to minimize the risk of fraud;
- Involve staff in such reviews;
- Adopt formal procedures to investigate fraud when it is suspected and where detected, strengthen controls to prevent reoccurrence;
- Provide mechanisms for employees to voice their genuine concerns'
- Have no hesitation in referring cases of suspected financial irregularity to the attention of the Police and the Local Authority;
- Work closely with the Police and the other appropriate agencies to combat fraud.

The school has introduced corporate standards that should ensure proper administration. These include:

- Measures to implement any new legislation correctly;
- Clear terms of reference for the Governors of the school;
- Complaints Procedures.

Other key principle internal controls that are adopted include wherever possible:

- Adequate separation of duties;
- Proper authorization procedures;
- A proper audit trail;
- Training of employees in their duties;
- Appropriate supervision;
- Effective managements structures and organization;
- Physical controls over highly portable assets;
- Effective IT and other security measures;
- A proper accounting and budgetary control system;
- Effective Internal Audit review systems.

Responsibility for effective implementation of these principles on internal control rests with the Head teacher and involves every member of staff and the governing body.

Reporting a Suspected Fraud and Response to Alleged Frauds

Monkfrith School requires suspected fraud and irregularities to be referred to the Head teacher, unless this individual is involved in the irregularity in which case the Chair of Governors should be informed.

All reported irregularities will be thoroughly investigated, with due regard to the provisions of the Human Rights Act 1998, Data Protection Act 1998, the Regulation of Investigatory Powers Act 200 and the school's Equal Opportunities Policy.

Steps that would normally be taken are:

- If an employee suspect a fraud has occurred (or is likely to) they should report this to their Line Manager who must inform the Head teacher, unless the suspicion relates to the Line Manager. In this instance the employee should report to the Head teacher or Chair of Governors.
- The Head teacher will inform Chair of Governors unless the suspicion relations to the Chair of Governors when the Head teacher will contact the Head of the Local Authority without consultation with the Chair of Governors;
- If an employee suspects a fraud has occurred (or is likely to) and believe that their Line Manager, Head teacher and Chair of Governors may be involved, then they can report any concerns direct to the Head of Internal Audit at the Local Authority.
- If suspicions stem from an Internal Audit assignment, the Head of Internal Audit, will inform the Head teacher or the Chair of Governors;
- Members of the public can report any concerns, either to the Head teacher, Chair of Governors, their Councillor, the Director of Finance and Resources, Head of Internal Audit, the Council's External Auditor, or via the Complaints Procedure;
- The Director of Finance and Resources will decide on the level of any investigation. If necessary the Director of Finances and Resources will involve the Chief Executive Officer

and the Solicitor to the Council. The Internal Audit Service will carry out any investigation, reporting to the Director of Finance and Resources;

- If investigations indicate a criminal offence may have occurred, the Director of Finance and Resources will decide, in consultation with the Chief Executive Officer and Solicitor to the Council, to handle the matter according to School's Disciplinary Procedures and involve the Police;
- Recommendations to improve controls and prevent any reoccurrence will be made by Internal Audit. The Head teacher and Chair of Governors, in consultation with the Director of Finance and Resources, will decide on the implementation of the recommendations.

Reporting Suspicions

General

Employees are vital to the successful implementation of measures against fraud. Monkfrith School therefore considers that employees have a duty to report any legitimate concerns they may have and must do so as outlined above.

If it is subsequently established that an employee knowingly withholds information of a concern or allegation it may be dealt with as a disciplinary matter in itself.

The Public Interest Disclosure Act 1998 (a copy of which can be found at www.opsi.gov.uk) provides employees with statutory protection when disclosing such information.

If possible concerns are better raised in writing, you need to set out the background, provide names, dates and places and reasons for bringing the matter to the attention of the School.

However, if an individual feels unable to put their concern into writing, arrangements can be made to meet with an appropriate officer to discuss the concerns.

Confidentiality and Safeguards

The school recognizes that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the alleged malpractice. The School will not tolerate harassment or victimization and will do what it lawfully can to protect an individual when a concern is raised in good faith.

This does not mean that if the person raising the concern is already the subject of a disciplinary, redundancy or other procedure, that those procedures will be halted as a result of the concern being reported.

All concerns will be treated in the strictest confidence. The school will do its best to protect the identity of individuals who raise concerns and do not want their name to be revealed. However, it must be appreciated that during an investigation, a statement may be required as part of the evidence gathering process, particularly if the Police or External Auditors become involved. In order to take effective action, the school will need proper evidence that maybe required to stand up to examination in Courts or Tribunals.

This Policy Statement encourages individuals to put a name to allegations whenever possible, as concerns expressed anonymously are much less powerful, but will be considered at the discretion of the school in terms of;

- Seriousness of the issues raised;
- The credibility of the concern;
- The likelihood of confirming the allegation from attributed sources.

Whilst the school will always do its best to protect individuals, it is more difficult to protect an individual from harassment, intimidation or other detrimental conduct where an allegation or disclosure is made anonymously.

Safeguards

There is a need to ensure that the process is not misused. Therefore, any abuse, such as raising malicious allegations may also be dealt with as a disciplinary matter. All such reports must be genuine and honest as, to be otherwise, would go against the principle of integrity.

This should not deter employees from raising legitimate and genuine concerns, (even if subsequently unfounded but made with good intent) as, in doing so they will be supported in every possible way.

All genuine concerns reported will be treated in confidence and fully investigated. If a suspicion is reported and results in a prosecution or disciplinary hearing, employees involvement, as a witness, in this process may be necessary, unless other substantial reliable evidence is available. Employees taking such a route will be notified quickly and any action taken.

The school accepts that the person reporting the suspicion needs to be assured that the matter is being properly addressed. Therefore, where possible, and subject to legal constraints (including Freedom of Information Act and General Data Protection Act) feedback regarding the outcome of the investigation will be provided.

Employees must also report other abuses which may be of concern including unethical behaviour, falsification of records, sexual discrimination or harassment, abuse of drugs or alcohol, bullying and non-compliance with Health and Safety.

Review

The Anti-Fraud and Corruption Policy will be subject to annual review to ensure that it remains current. This policy was reviewed in January 2021. . It will be reviewed in January 2022.