

Anti-Fraud, Bribery and Corruption Policy

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1. Policy Statement

The Kent Catholic Schools' Partnership ("the Trust") is committed to the prevention of fraud, bribery and corruption and the promotion of an anti-fraud, bribery and corruption culture.

The Trust takes a risk-based approach to fraud, bribery and corruption and requires all staff, Trust directors, governance committee members and volunteers to act honestly and with integrity at all times, and to report all suspicions of fraud or financial wrongdoing.

The Trust 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.

2. 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 or Trust 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.

3. Definition of Bribery and Corruption

Bribery under this policy is defined as giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so. This could cover seeking to influence a decision-maker by giving some kind of extra benefit to that decision-maker rather than by what can legitimately be offered as part of a tender process.

Corruption under this policy is defined 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
- 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 those offices or their private lives
- gifts and hospitality: the provision or receipt of gifts, entertainment or other hospitality that could affect or be perceived to affect the outcome of business transactions, and which are not reasonable

4. Key Responsibilities

The **Trust Board** is responsible for:

- overseeing the financial performance of the Trust, including its assets, making sure the Trust's money is well spent and measures are in place to prevent losses or misuse, including arrangements for preventing and detecting fraud.

The **Trust Executive** is responsible for:

- obtaining assurances (including independent assurance) that the Trust's policies and procedures are being adhered to by all schools, in particular around financial policies/procedures and cyber security
- regularly reviewing this anti-fraud, bribery and corruption policy and compliance with it, to ensure it remains effective and relevant to the needs of the Trust
- testing the system of internal control and seeking independent assurance when appropriate
- reviewing each school's fraud, bribery and corruption risk assessment (appendix 2 contains a template risk assessment)
- 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
- ensuring relevant staff are provided financial control and fraud awareness training (including whistle blowing and cyber security).

The **Headteacher** is responsible for:

- Implementing and maintaining adequate systems of internal control that prevent and detect fraud
- reporting allegations of actual, attempted or suspected fraud to the Trust Executive via the Company Secretary (whistleblowing@kcsp.org.uk)
- maintaining and reporting the fraud, bribery and corruption risks to the Trust Executive (see appendix 2).

Staff are responsible for:

- familiarising themselves with the types of fraud, bribery and corruption risks that might affect the Trust
- ensuring they adhere to the agreed policies and procedures, thereby protecting the Trust's reputation and assets from fraud
- reporting allegations of actual, attempted or suspected fraud to the Headteacher, and/or the Trust Executive via the Company Secretary (whistleblowing@kcsp.org.uk)
- assisting in the investigation of suspected fraud when requested to do so, for example by providing witness statements.

5. 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 this.

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

6. Reporting Suspicions

Trust staff, Trust directors, governance committee members and volunteers are an important element in the Trust's stance on fraud and are required to raise any concerns that they may have. The Trust will deal with any financial irregularities robustly.

Staff should immediately report any concerns about actual, attempted or suspected fraud to the Company Secretary (whistleblowing@kcsp.org.uk). Concerns that relate to the Company Secretary should report their concerns to the Chair of the Trust Board.

Under no circumstances should staff investigate the matter themselves.

Members of staff should seek advice about how to deal with an allegation of fraud against them, and report the matter to the Trust Company Secretary (whistleblowing@kcsp.org.uk).

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 Trust's Whistleblowing Policy can be found on the Trust or school website.

Appendix 1 - Fraud, Bribery and Corruption Response Plan

The Trust has established guidelines for senior staff on 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.

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 you suspected fraud or financial wrongdoing is to contact the Trust Executive via the Company Secretary (whistleblowing@kcsp.org.uk) who will listen to your concerns 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.

Step 2. Securing Evidence

You may be asked to provide a witness statement so ensure that any concerns are recorded fully. Whenever possible keep 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.

Never remove any physical evidence such as original invoices, receipts, letters, cheques and application forms unless you have sought advice as this could alert the suspect.

Under no circumstances discuss the matter with colleagues, as this in turn could be discussed with the suspect. It also might cause a reputational issue if the concerns are unfounded.

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

It is important to minimise any additional losses. For example, if the allegations concern the theft or loss of banking passwords, PINs or similar credentials, notify the bank immediately.

Equally, if the losses relate to a weak process, for example cash is routinely kept unsecured in a drawer, ensure that the process is changed, at least temporarily, until more permanent and improved processes can be implemented.

Support for Witnesses

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

Reassure witnesses that they have acted appropriately by raising their concerns. Members of staff should be provided with a copy of the **Whistleblowing Policy** and reminded that the Trust does not tolerate reprisals, victimisation or harassment and will take all reasonable action to protect them.

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

Appendix 2 - Example Fraud Risks and Risk Assessment Template

Type of Risk: Staffing	Example Risks
Recruitment	<p>A senior member of staff recruits a family member or friend, or friends or family members are recruited 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, it is the checks on non-teaching staff and teaching assistant qualifications that can 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 headteacher, governing body and financial managers and may result in financial and reputational damage to the school.</p> <p>This can also happen 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 individual's 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>

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'	<p>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 roll over a contract.</p> <p>This may result in a breach of procurement rules and may not represent value for money, and could cause reputational damage and potential legal action by other contractors.</p>
Leasing (particularly ICT hardware such as whiteboards and photocopiers)	<p>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.</p>
Inappropriate personal use of goods or services	<p>A staff member uses school money to procure goods or services for their own use, rather than for the benefit of the school.</p> <p>As a result, the school may suffer financial loss and reputational damage.</p>

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 an event without following the school's lettings policy and procedures, 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>
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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 in the accounts. This is often used to disguise fraud or theft in other areas.
Inappropriate increase in finance through falsely stating SEN numbers, student numbers, or free school meals	<p>The school exaggerates the number of pupils receiving free school meals, or those who are SEN, or incorrectly accounts for pupils that leave during the year, and as a result receives funding to which the school is not entitled.</p> <p>This may cause reputational and financial damage to the school.</p>
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
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<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">• exams• procurement	<p>The risk that a building contractor offers the headteacher 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>
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Fraud Risk Assessment

Risk Type	Cause or Source of the risk	Risk Event	Consequence	Overall Risk Owner (accountable manager)	Controls in place	Control Owner(s)
Purchase Card	Staff misuse	There is a risk that staff issued with a Purchase Card will use the card for personal purchases.	Financial Reputational			
Cyber Security	Email	There is a risk a member of staff will open an email with document malware/ ransomware.	Financial Operational Safeguarding			
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 Trust/school.	Financial Operational Safeguarding			
Procurement	Intercepted invoices	There is a risk that invoices received via email for suppliers are intercepted and bank account details changed.	Financial loss			

Procurement	Bribery/ corruption	There is a risk that contracts are awarded to friends/family members. This could cost the Trust more, or the job may not be completed to a good standard. Also there is a risk that it is perceived to be so.	Reputational			
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, or this might be the perception.	Reputational			
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			
Payroll	Pay awards	There is a risk that members of staff may award themselves bonus pay awards without approval of the governance committee/Trust Board or falsify information in order to obtain the award.	Financial			

Income	Theft	There is a risk members of staff could divert income intended for the Trust/school into their own bank account or accept cash and not record it using it for their personal expenditure.	Financial Reputational			
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 financial advantage.	Financial loss			
Assets	Theft	There is a risk that members of staff use the Trust/school's resources or take home assets purchased and belonging to the Trust/school without returning them.	Financial loss			
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			