

Anti-Fraud Policy

Approved by the Board of Trustees on 20th July 2020

Signature of Chair:

Review date: June 2023

Statement of Intent

The De Curci Trust is committed to the prevention of fraud and the promotion of an anti-fraud culture. The Trust operates a 'zero-tolerance' attitude to fraud and requires all members, trustees, staff and volunteers to act honestly and with integrity at all times, and to report all reasonable suspicions of fraud.

The aim of this policy is to: reduce the risk of fraud or financial irregularities from occurring; highlight how to respond to fraud, should it occur; and cite how any fraud, theft and/or irregularity should be reported to other agencies including the Police and Education Funding Agency, if applicable.

Definition

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, abuse of position, or the supply of false information.

Common types of fraud in the UK include theft, fictitious invoices, falsification of invoices and credit card fraud. Vigilance is required to the increasing risk of cybercrime involving malicious attacks on computer software and email hacking.

Key Responsibilities

Trustees:

- have a legal duty to protect the Trust's finances and other operations from the risk of fraud and ensure that the Trust and its schools have appropriate and effective internal controls in place;
- review the fraud risks associated with the Trust's key operational objectives and monitor the efficacy of internal controls;
- ensure that countering fraud is included in the remit of the Trust's Finance and Audit Committee;

- engage with the Trust's external auditor to monitor, review and develop 'best practice' to counter fraud;
- actively promote a 'zero tolerance' culture towards fraud in the Trust, e.g. through financial regulations, disciplinary procedures, staff training, vetting of contractors, 'lessons learned' exercises;
- develop clear processes by which suspicions can be reported and referred, as appropriate;
- and establish clear policies/practices on whistleblowing, declaration of interests and receipt of gifts and hospitality.

Local Governors:

- have a duty to protect the school's finances and other operations from the risk of fraud and ensure that the school has appropriate and effective internal controls in place;
- review the fraud risks associated with the school's key operational objectives and monitor the efficacy of internal controls;
- ensure that countering fraud is included in the remit of the school's Resources Committee;
- actively promote a 'zero tolerance' culture towards fraud in the school, e.g. through financial regulations, disciplinary procedures, staff training, vetting of contractors, 'lessons learned' exercises;
- and ensure that the Trust's agreed policies and practices relating to fraud, whistleblowing, declaration of interests and receipt of gifts and hospitality are implemented, monitored and evaluated within each school.

Headteacher:

- actively promotes a 'zero tolerance' culture towards fraud in the school, e.g. through financial regulations, disciplinary procedures, staff training, vetting of contractors, 'lessons learned' exercises
- ensures that anti-fraud and related training is available to staff, as appropriate;
- ensures that staff and volunteers are aware of the Trust's anti-fraud policy, practice and reporting procedures;
- provides information that enables local governors and trustees to exercise their associated duties;
- reviews regularly compliance with this policy to ensure it remains effective and relevant to the needs of the school;
- works with key staff, including the Financial Coordinator and Senior Leaders, to ensure that effective systems of internal control are established - taking advice and/or independent assurance, where necessary, from external professionals and regulatory bodies;
- reports allegations of actual, attempted or suspected fraud to the local governing body;
- manages the school's response to - and investigation of - suspected fraud, taking advice or referring to another agency, as appropriate;
- and implements new controls to the risk of similar fraud occurring where frauds have occurred.

Financial Co-ordinator:

- actively promotes a 'zero tolerance' culture towards fraud in the school, e.g. through financial regulations, disciplinary procedures, staff training, vetting of contractors, 'lessons learned' exercises
- is responsible for ensuring that effective systems of internal control are maintained and safeguarding the resources of the Trust and schools;
- should ensure that internal controls include the proper management of financial records, transactions and application of the Trust's scheme of financial delegation and schedule of financial limits;
- ensures all necessary documentation and information is available for the external auditors;
- arranges internal audit and related quality assurance processes;
- and is responsible for ensuring that staff managing finances and assets are acutely aware of the risks of fraud and have training appropriate to their role on how to apply internal controls correctly.

Staff/Volunteers:

- should act with propriety in the use of the Trust's resources and the handling of funds;
- should conduct themselves with integrity, accountability and honesty;
- should be alert to the possibility that unusual events, practices or transactions could be indicators of fraud;
- must implement internal controls appropriate to their area of work;
- must report immediately details of any suspicious activity that might indicate fraud;
- and are required to cooperate with internal reviews, checks, fraud investigations and similar processes.

Reporting fraud

All allegations of suspected fraud and/or irregularities should be brought to the attention of the Headteacher of the relevant school; unless this individual is involved in the irregularity in which case it should be brought to the attention of the CEO. In the case of the CEO being suspected of fraud, it should be brought to the attention of the Chair of Trustees.

If an allegation relates specifically to the Trust (and not an individual school), it should be reported to the CEO; unless this individual is involved in the irregularity in which case it should be brought to the attention of the Chair of Trustees.

Where fraud results in financial loss, it is likely to be a criminal offence and the Police may be notified. Where a school is making a report to the Police, care should be taken not to 'tip off' the

individual concerned. In circumstances where it is not immediately clear whether a criminal offence has been committed or not, a report to the Police must be made in any event.

In most cases, where an incident of fraud is uncovered, the school will need to take serious disciplinary action. (Schools must be mindful that a Police investigation will take priority over any internal investigation.) Advice should be taken from HR regarding managing disciplinary action and suspension should be considered while the investigation is underway.

The [Academies Financial Handbook](#) confirms trusts must notify EFA of any instances of fraud, theft and/or irregularity exceeding £5,000 individually, or £5,000 cumulatively in an academy's financial year. Any unusual or systematic fraud (such as regular occurrences of low value theft), regardless of value, must also be reported.

This policy should be reviewed in conjunction with:

- The whistle-blowing policy
- The staff disciplinary policy
- Gifts and Hospitality guidance
- Scheme of Financial Delegation
- Schedule of Financial Limits

The De Curci Trust, a charitable company limited by guarantee registered in England and Wales with company number 10646541.

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