

# Anti-fraud, Bribery and Corruption Policy

## Document Summary

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**FYI: Version control should be used for all formal documents and managed as:-**

- ▶ 0.1 (1st draft version)
- ▶ 0.2 (2nd draft and so on..... 0.3. 0.4 etc)
- ▶ 1.0 (Once document has been approved)
- ▶ 1.2 (during review/approval of a lifecycle document i.e. policies)
- ▶ 2.0 (2nd approved document) and so on.

## Amendment History

Version	Amendment Date	Author	Amendment Summary
V0.1	16/10/20	Lucy Gale	New South Glos Policy
V0.2	18/01/21	Ruth Owen	Formatting
V1.0	18/06/21	Ruth Owen	Final Formatting following review

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### Related links:

Financial Regulations for Schools

Council Whistle Blowing Policy

Risk Management Policy & Risk Register

## Purpose of the Anti-Fraud, Corruption and Bribery Policy

1. South Gloucestershire Council recognises the special responsibility it has for dealing with public funds and assets. The council controls millions of pounds of public money and takes very seriously the high expectations of the public and the degree of scrutiny to which its affairs are subject. This school derives the majority of its income from public funds and may also receive charitable donations and income from parents, it therefore, has a responsibility to ensure proper accountability and that the funds are used for the purposes intended.
2. The purpose of the policy is to define clearly:
  - The school's commitment to tackling fraud, corruption and bribery
  - The responsibilities of the Head Teacher, Full Governing Body and members of staff in minimising the risk of fraud and reporting any suspicions they may have.
  - Its actions to promote the prevention of fraud, corruption and bribery

## Definition of Fraud, Corruption and Bribery

3. **The Fraud Act 2006** created a general criminal offence of fraud and identified three main ways it can be committed with a maximum penalty of 10 years imprisonment:
  - Fraud by false representation
  - Fraud by failing to disclose information
  - Fraud by abuse of position
4. For the purposes of this policy, fraud is defined as dishonest, irregular or illegal acts, characterised by a deliberate intent to conceal or falsely represent.
5. Corruption is a form of dishonest or unethical conduct by those in an entrusted position, often to acquire personal benefit. Corruption may include bribery but not always.
6. The Bribery Act 2010 defines the offence as "An inducement or reward offered, promised or provided to someone to perform a relevant activity improperly in order to gain a personal, commercial regulatory or contractual advantage on behalf of oneself or another." The Act introduced a corporate offence which means that organisations are exposed to criminal liability, which can be punished by an unlimited fine if they fail to prevent bribery. There are four main offences under the Act:
  - Bribery of another person
  - Accepting a bribe
  - Bribing a foreign public official
  - A corporate offence of failing to prevent bribery

## Our Commitment

7. We all have a special responsibility for maintaining high standards of control with regard to the public money that the school is responsible for. The school also expects that all outside individuals and organisations including suppliers, contractors and claimants will act towards the school with honesty and integrity. The policy emphasises the school's zero tolerance approach towards fraud, bribery and corruption and a commitment to doing more to deter it.
8. Fraud, bribery and corruption are serious matters and the Governing Body are committed to investigating all suspected cases.

## Responsibilities

9. The Head Teacher, Governors and all staff have a responsibility to ensure that their behaviour is demonstrably selfless, transparent and honest. This includes demonstrating adherence to policies related to pecuniary interests, gifts and hospitality.
10. The Head Teacher and Governing Body are responsible for ensuring that prompt action is taken whenever a matter arises which involves, or is suspected of involving, any loss or irregularity. All staff and governors have a responsibility to report suspected fraud/irregularity, corruption and/or bribery immediately to internal audit services and notified to the council's Chief Financial Officer. Provided governors or school staff act in good faith, they will be fully supported when reporting under this regulation.
11. Where cases of fraud and/or irregularity are proven, the Governing Body must ensure that appropriate action will be taken against the perpetrators. For internal fraud, the perpetrator will be subject to internal disciplinary proceedings as well as potential referral to the Police.
12. The principles outlined in the policy apply to Governors and all members of staff of the school, including temporary staff and those acting in the capacity of supporting the school, e.g. volunteers.
13. The Governing Body and Head teacher are responsible for regularly reviewing their counter-fraud, bribery and corruption arrangements. Please see the fraud response plan (see Appendix A). The arrangements could be reviewed biennially alongside the policy.

## Promotion of Counter-Fraud, Bribery and Corruption Measures

14. Investigating fraud is expensive, unpleasant and disruptive. The school's first priority is to ensure it has robust procedures in place to promote the prevention of fraud and through sound internal controls reduce the risk of irregularity.
15. Schools can promote their practices to prevent fraud, bribery and corruption, this includes:
  - a. Biennial review and governor approval of this policy and its promotion of a zero tolerance policy
  - b. Circulation of fraud bulletins from the Local Authority to key staff

- c. Consider need for counter fraud training for key staff and stakeholders
- d. Keep key financial procedures under regular review for strength of internal controls and prevention of fraud risk
- e. Where appropriate, the school will share and publicise cases where fraud committed against the school has been proven. (Although schools should check with the Local Authority communications team prior to publicising any ongoing or concluded cases of financial impropriety.
- f. Implement internal audit recommendations promptly.

16. There are three main factors generally present for someone to have the opportunity to commit fraud. This is known as the fraud triangle.



17. The Fraud triangle is as follows:

- a. Opportunity – no perceived deterrent
- b. Rationalisation – Perpetrator’s internal dialogue which justifies the actions to themselves
- c. Motivation – either persons or business related (needing to meet targets or fund a lifestyle)

18. Fraud can be minimised through carefully designed and consistently operated management procedures, which deny opportunities for fraud. Checks and balances should be designed into all relevant systems to reduce the opportunity for fraud, for example, separation of duties, reconciliation and management oversight. Managers and staff should note unusual patterns of behaviour in their colleagues (particularly where they have financial responsibilities), for example, resistance to delegation, working regularly alone outside of working hours, resistant to taking holidays. These matters should be addressed for the welfare of the individual and the school.

19. In the event that disciplinary/criminal proceedings against a suspect of financial misconduct is required, care should be taken in following legal advice to ensure information is secured and stored in a format admissible.

20. Compliance with the requirements of the Data Protection Act and Regulation of Investigatory Powers Act should be observed at all times and where necessary advice sought to ensure this.

## Key Contacts

Who should you contact to report an irregularity which could be Fraud, Corruption and/or Bribery?

21. Peter Barnard – Head Teacher – [peter.barnard@fcceprimary.co.uk](mailto:peter.barnard@fcceprimary.co.uk) Tel: 01454 867205

22. Dan Clark – Chair of Governors [Daniel.clark2@fcceprimary.co.uk](mailto:Daniel.clark2@fcceprimary.co.uk)

Where the Head Teacher and/or Chair of Governors considers there is an irregularity, this should be reported to the Local authority. In the first instance all reports should be made to:

23. Internal Audit Services dedicated fraud email address – [AuditFraud@southglos.gov.uk](mailto:AuditFraud@southglos.gov.uk)

## Appendix A

# Frampton Cotterell CofE Primary School Counter-Fraud Response Plan 2020/21

An assessment of the school's counter-fraud arrangements has been undertaken and the action plan below provides areas for further development to build on the foundation of robust processes in place. This should be reviewed alongside the policy with the school's updated approaches and actions against fraud, corruption and bribery.

	Action	Expected Outcome
<b>Strategy, Policies and Procedures</b>		
1.	Clarify the school's strategy for combatting fraud, corruption and bribery and how it links to other key, related policies	Biennial review of council Anti-fraud, corruption and bribery policy. Referral to Full Governing Body for endorsement and approval.  Regular review of the following policies: <ul style="list-style-type: none"> <li>• Anti-Fraud, Corruption and Bribery</li> <li>• Whistle Blowing</li> <li>• Risk Management</li> </ul>
2.	Ensuring strategy towards countering fraud is considered as a strategic risk.	Inclusion of fraud risk in Risk Registers and regular consideration of key processes and controls that will mitigate risks across the school.
<b>Counter Fraud Awareness</b>		
3.	Greater publicity and awareness raising achieved on a regular and sustained basis.	Sharing of Fraud Bulletins with staff. Regular review of key financial processes to ensure they are robust in countering fraud.
<b>Counter-Fraud Activity</b>		
4.	Ensure staff are aware of the whistle blowing policy and how to access it. Ensure staff have the necessary qualifications and experience to perform their role and that this has been evidenced, including a full detailed scrutiny of their employment history Ensure controls are sufficient for governors and senior managers	Regular reporting to the Full Governing Body on progress to undertake fraud prevention work.  Presentation of the Schools Audit to Full Governing Body.  Financial Procedures/Handbook and Separation of Duties Reviewed by HeadTeacher/Audit team.

	<b>Action</b>	<b>Expected Outcome</b>
	to know their finances, regular reconciliations and monitoring and challenge where things do not appear right.	

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