St Paul's School

FOUNDED 1509

Anti-Fraud Policy

Author/reviewer responsible:	Finance Director	Date of last review:	01/26
Reviewed by:	Core Strategy Group	Date of authorisation:	05/26
Authorised by resolution of:	Finance Committee	Date of next review:	06/28
Applicable to:	Whole School		

This policy is available on the Handbook page of the School Intranet and policies page of the School website and can be made available in large print or other accessible format if required; such requests can be made by email to policyquery@stpaulsschool.org.uk

Contents

1. Aims and Objectives

This document sets out the School's policy to prevent, detect and respond to fraud. The School adopts a zero-tolerance policy to fraud in any form and will take prompt action to investigate and address any suspected case. Staff and associated third parties must remain aware of the risk of fraud, corruption, theft, and other forms of dishonesty.

This policy applies to all employees, Governors, consultants, self-employed contractors, casual workers, agency workers and volunteers.

This policy should be read alongside the following School policies:
Staff Code of Conduct
Gifts and Hospitality Policy
Conflicts of Interest Policy
Whistleblowing Policy

References
Fraud Act 2006
Bribery Act 2010
Economic Crime and Corporate Transparency Act 2023 (ECCTA)

2. What is Fraud?

The Fraud Act 2006 defines fraud as a single offence, where a person acts dishonestly either for the purpose of their own gain or someone else's loss, which can be committed in three distinct ways:

- Fraud by false representation (Section 2) – where a person expresses or implies something that they know to be untrue or misleading.
- Fraud by failing to disclose information (Section 3) – where a person fails to disclose information which they have a legal duty to disclose.
- Fraud by abuse of position (Section 4) – where a person is in a position where they are expected to safeguard the financial interests of others but abuses that position.

Examples of the most common types of fraud include:

- **Tax evasion**: The illegal non-payment or under-payment of tax by an individual or a company. Offences might include the non-declaration of profits or hiding money in offshore bank accounts.
- **Benefit fraud**: The fraudulent claiming of money from the Government through dishonesty, including failing to report a change in circumstances.
- **Money laundering**: The process by which criminal proceeds are sanitised to disguise their illicit origins. Criminals attempt to find 'safe havens' for profits to avoid confiscation orders.
- **Online fraud**: A catch-all term for any type of fraud committed using the internet. Examples may include fraudulent sales of goods, romance scams or any other type of fraud facilitated online.
- **Identity fraud**: The use of a stolen identity to obtain goods or service by deception. For example, criminals may use your identity details to open bank accounts or obtain a loan.

- **Banking fraud**: Frauds against banks or bank customers. This can involve criminals posing as a bank or other financial institution, theft of banking details or falsification of bank transaction requests.
- **Investment fraud**: Involves cold calls, emails or direct approaches encouraging investment in something which is either worthless or does not exist.
- **Bribery / corruption**: A bribe is the giving or receiving of a financial or other advantage in connection with the 'improper performance' of people in positions of trust.
- **Fraud by abuse of position**: Where a person abuses a position of responsibility in which they are expected to safeguard the financial interests of another person or organisation.

3. Roles and Responsibilities

The Governing Body

The Governing Body is responsible for ensuring:

a) The Anti-Fraud policy statement is clearly written and it promotes a zero-tolerance attitude towards any type of fraud;
b) The High Master is aware of their anti-fraud responsibilities and has sufficient experience, knowledge and training to perform the tasks required;
c) Clear roles and responsibilities have been created to assess any significant risks and ensure that vigilant working practices are adopted;
d) Adequate resources for prevention, detection and investigation; and
e) Anti-fraud procedures are observed and failures in policy or implementation are recognised and revised as necessary.

The High Master

Reporting to the Governing Body, the High Master has the overall responsibility for ensuring that the Anti-Fraud Policy is effectively implemented and that proper resources are made available in order to achieve this.

The High Master will delegate specific responsibility for the implementation and monitoring of the anti-Fraud Policy to the Finance Director. They will:

a) Ensure effective controls to prevent and detect fraud;
b) Embed a culture of integrity through leadership and training;
c) Ensure arrangements are in place for reporting and investigating suspected fraud; and
d) Take appropriate action against any persons found to have committed fraud, including recovery of losses.

Employees

Staff members, Governors, volunteers and other persons who carry out work at the School must:

a) Display integrity and honesty in their duties;
b) Complete anti-fraud training provided and remain vigilant to risks and indicators of fraud;
c) Promote an ethical, anti-fraud culture in the workplace;
d) Report any concerns in accordance with the School's Whistleblowing Policy; and

e) Assist in any investigations where required.

Record Keeping:

All allegations, investigations and outcomes relating to fraud will be recorded in a confidential log. This will be maintained by the Finance Director.

4. Response Plan to Fraud

This procedure sets out the actions which must be carried out when a suspected fraud is identified or reported - to investigate the incident, refer the matter to the appropriate authorities, prevent any further loss, secure evidence and strengthen processes to prevent further incidents occurring.

4.1 Immediate Actions

When any suspected fraud is identified, staff must immediately raise concerns to the Finance Director. If there are concerns about the Finance Director, staff should report their concerns to the High Master.

The suspected individual should not be contacted to determine facts or demand restitution, or for any other reason.

Any evidence should be preserved; do not alter, destroy or remove any documents that may be of use.

Facts, suspicions, and allegations must be treated as confidential and not shared with other colleagues - only share information on a need-to-know basis.

Malicious allegations may result in disciplinary action.

The Governing Body must be informed of any act of fraud or attempted fraud in the following circumstances:

a) All confirmed cases of fraud not prevented by the School's anti-fraud processes;
b) all cases of attempted fraud committed by a member of staff;
c) any act of fraud or attempted fraud that risks or causes **significant** harm to beneficiaries/staff, loss of money/assets, damage to property, or damage to the School's reputation. This shall be assessed in accordance with the Charities Commission's Serious Incident reporting guidelines;
d) the fraud poses a direct safeguarding risk (e.g. recruitment or qualification fraud);
e) the fraud intends to benefit the school, thus creating a risk to the school of criminal prosecution under Economic Crime and Corporate Transparency Act 2023; or
f) the fraud incident falls outside of routine scenarios and exposes a critical weakness in governance.

External Reports - when it is applicable, fraud may be alerted to police, external auditors and regulators or Action Fraud (the UK's national reporting centre for fraud and cybercrime for England, Wales, and Northern Ireland).

4.2 Investigation

The School will carry out all investigations in accordance with legal requirements and School policy.

- A senior staff member will be appointed to carry out the investigation.
- In some cases, an external specialist may be appointed to conduct the investigation.
- Evidence (all relevant documents, financial records and electronic data) will be compiled, secured and logged.
- Interviews will be conducted with relevant staff. A representative from the Human Resources Department will attend all interviews.
- A written investigation report will be produced summarising findings, evidence, and recommendations.

4.3 Further Action

If fraud is established, disciplinary action will be taken in accordance with the School's Disciplinary Policy and Procedure.

Where appropriate, the case will be referred to the police for criminal investigation.

The School may take action to recover any losses. This may include (but is not limited to) deductions from salary payments, civil claims or restitution.

The School is not obliged to pursue an insurance claim for losses where a civil claim is viable.

The School's insurers may make a claim to pursue losses on the School's behalf.

Contracts with external third parties found to be complicit in fraud may be terminated.

4.4 Conclusion

Following any fraud investigation, a debrief will be conducted and recorded by the Finance Director to establish any lessons learned and required changes to procedures.

5. Review of This Policy

This policy will be reviewed biennially or sooner in response to any change in legislation.