Prevention of Fraud

Approved by:	Chief Executive	**Date:** September 2019
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Contents

1.Purpose:

All staff have a responsibility to protect the assets of the Academy Trust. This procedure is to ensure that staff have a mechanism with which to report suspected fraud. The management of the Academy Trust then must have the means to investigate cases of suspected fraud.

2.Scope:

The Business Manager is responsible for ensuring compliance with the Trust Policies and Procedures. This procedure applies to all Trust staff.

3.Associated documents:

- Register of Pecuniary Interests.

4.Procedure:

- Any employee that suspects fraud has a duty to report their suspicions. Normally, this should be reported to the employee's line manager. If this is not possible, the suspected fraud should be reported directly to the Business Manager or the CEO. Any line manager notified of suspicions must notify the Business Manager and CEO. In cases where one of these parties is the one suspected of fraud, the other party should be notified.

- All reports of suspicion of fraud are to be documented thoroughly. All parties reporting these suspicions are held in confidence when ever possible. All aspects of the investigation must be treated as confidential to protect all parties involved.

- The Business Manager and the CEO are responsible for investigating all allegations of fraud. They should involve other parties sparingly and as appropriate to the investigation. Available resources, such as the internal/externa auditors should be consulted, if deemed beneficial. Witness statements should be taken, if appropriate, from the person reporting their suspicions and from other parties interviewed.

- If a fraud is strongly suspected, steps must be taken to mitigate the potential loss to the company arising from the fraud. For example, a cashier should be assigned to different duties while the investigation is ongoing.

- When convincing evidence is found, advice should be sought from the legal advisers.

- The Trustees should be advised when an investigation shows that fraud is likely, regardless of the size or monetary value involved in the fraud. They should also be advised as to the action recommended. It is the decision of the Trustees if the fraud is to be reported to the police for prosecution.

- All occurrences of fraud should be studied to determine whether sufficient procedures and controls exist to prevent fraud. Remedial actions should be put in place to prevent a recurrence.

- Significant levels of fraud, those with a value greater than £5000 should be reported to the ESFA.

- The reporting party should be notified of the outcome of the investigation.

5.Records

Record	Where kept	Retention time (Min)	Disposal authority
Report of Fraud	**Trust Office**	**Current Year plus 6 years**	**Business Manager**
Fraud Investigation Papers	**Trust Office**	**Current Year plus 6 years**	**Business Manager**

6.PREVENTION OF FRAUD

All organisations are likely to be affected in some way by dishonest, fraudulent or corrupt activity by members of the public or staff. Examples in a trust/school context could include the falsification of time sheets or purchasing through trust/school of goods for personal use.

If you suspect dishonesty or fraud within the workplace, there are a few simple guidelines which should be followed.

DO .... **Make an immediate note of your concerns.**
Note all relevant details, such as what was said in e-mails, telephone or other conversations, the date, time and the names of any people involved.

DO ......**Tell Your Suspicions To Someone With The Right Authority And Experience.**
This would usually be your line manager or the Business Manager, or the CEO.

DO .... Deal with the matter promptly, if you feel your concerns are warranted.
Any delay may cause the trust/school to suffer further financial loss.
DON'T ...... **Do nothing**
DON'T ...... **Be afraid of raising your concerns**
You will not suffer any recrimination from the trust/school if you tell them of a reasonably held

suspicion

DON'T ..... **Approach or accuse individuals directly**
DON'T ..... **Try to investigate the matter yourself**
These are special rules surrounding the gathering of evidence for use in criminal cases. Any attempt to gather evidence by people who are unfamiliar with these rules may destroy the case.

DON'T ......**Tell anyone except those with proper authority**