POLICY FOR	**Anti- Fraud Policy and Fraud Response Plan**
PERSON RESPONSIBLE	**Headteacher**
REVIEW DATE	**September 2026**
NEXT REVIEW DATE	**September 2027**
APPROVED BY	**Governors**
APPROVAL DATE	**September 2026**

Policy Statement

As a maintained school within Kent County Council, The Malling School will maintain robust systems of control to safeguard public money and assets against fraud, theft, bribery, corruption and other financial irregularity. The Governing Body and Headteacher will ensure that relevant policies, procedures and controls relating to fraud, theft, bribery and corruption are communicated to staff and governors, including through induction and appropriate training.

The school's financial controls will be operated in accordance with the Kent County Council Scheme for Financing Schools, applicable KCC Financial Regulations, KCC Schools Financial Controls and the school's Finance Policy.

The Malling School is committed to the prevention of fraud, bribery and corruption and the promotion of an anti-fraud, bribery and corruption culture.

The Malling School takes a risk-based approach to fraud, bribery and corruption and requires all staff, governors and volunteers to act honestly and with integrity at all times, and to report all suspicions of fraud or financial wrongdoing.

The Malling School 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.

This policy applies to all staff (full time, part time, temporary and casual), consultants, volunteers and the school’s Governing Body.

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 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.
- Fraudulently requesting or making changes to bank account or payment details for staff, suppliers or contractors.
• Phishing, spear-phishing, email compromise or other cyber-enabled fraud intended to obtain passwords, authentication information or redirect school funds.

Definition of Bribery and Corruption

The Malling School defines corruption 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;
- Bribery of a foreign public official;
- 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 their private lives;

- Lobbying, any activity carried out by companies, associations, organisations and individuals to influence a government or institution's policies and decisions in favour, cause or outcome.

Key Responsibilities

The Governing Body are responsible for:

- Overseeing the financial performance of the school, including its assets, making sure the school's money is well spent and measures are in place to prevent losses or misuse, including arrangements for preventing and detecting fraud.
- Obtaining assurances (including independent assurance) the schools' policies and procedures are being adhered to, in particular around financial policies / procedures and cyber security

Reviewing the school's fraud, theft, bribery and corruption risk assessment through the school's risk management arrangements, ensuring that appropriate controls are in place and monitored, and receiving an annual report on the school's fraud, bribery and corruption risks and compliance with this policy. Ensuring that staff and governors are made aware of the school's arrangements for preventing and detecting fraud and theft and the consequences of breaching those controls.

The Head Teacher is responsible for:

- Developing, implementing and maintaining adequate systems of internal control that prevent and detect fraud.
- Testing the system of internal control and seeking independent assurance when appropriate.
- Regularly reviewing the school's anti-fraud, bribery and corruption policy and compliance with it to ensure it remains effective and relevant to the needs of the school.
- Reporting compliance with the policy on at least an annual basis to the Governing Body.
- Reporting allegations of actual, attempted or suspected fraud, theft, bribery or other financial irregularity through the appropriate Kent County Council Counter Fraud / Internal Audit arrangements and, where appropriate, to the Governing Body and other relevant authorities. The Headteacher should seek advice from KCC's Counter Fraud / Internal Audit service at the earliest opportunity where fraud, theft or financial irregularity is suspected, including where there is uncertainty about the appropriate reporting or investigative

arrangements. Ensuring that allegations of actual, attempted or suspected fraud, theft, bribery, corruption or financial irregularity are dealt with appropriately and promptly. Where appropriate, matters will be referred to Kent County Council Internal Audit/Counter Fraud for advice or investigation, and the school will cooperate fully with any investigation. Disciplinary and/or legal action will be commenced where appropriate.Maintaining and reporting the fraud, bribery and corruption risks to the governing body and staff.

Ensuring that the school's financial controls and procedures remain consistent with the Kent County Council Scheme for Financing Schools, applicable KCC Financial Regulations, KCC Schools Financial Controls and the school's Finance Policy.

Staff are responsible for:

- Familiarising themselves with the types of fraud, bribery and corruption risks that might affect the school.
- Ensuring they adhere to the agreed policies and procedures, thereby protecting the school's reputation and assets from fraud.

  Reporting actual, attempted or suspected fraud, theft, bribery, corruption or financial irregularity promptly to the Headteacher or, where appropriate, the Chair of Governors and/or Kent County Council Internal Audit/Counter Fraud. Reporting actual, attempted or suspected fraud, theft, bribery or financial irregularity promptly to the Headteacher or, where appropriate, the Chair of Governors and/or Kent County Council's Counter Fraud / Internal Audit service.
- Assisting in the investigation of suspected fraud when requested to do so, for example by providing witness statements.

Fraud Risk Assessment and Internal Controls

The school will maintain a proportionate approach to identifying and managing fraud, theft, bribery and corruption risks. Fraud risks will be considered as part of the school's wider risk management and financial control arrangements.
The school will maintain appropriate controls to prevent and detect fraud, including appropriate segregation of duties, authorisation controls, reconciliation processes, procurement controls, payroll controls, asset controls and appropriate controls over electronic payments and changes to bank details.
Fraud risks will be reviewed periodically and following any significant incident, change in circumstances or identified weakness in internal controls.
The school's fraud risk assessment will form part of the school's wider risk management arrangements and will be reported to the Governing Body at least

annually and following any significant incident, material change in circumstances or identified weakness in internal controls.

Training and Awareness

The school will ensure that relevant staff and governors receive appropriate information and training regarding fraud, theft, bribery and corruption risks, the school's financial controls, whistleblowing arrangements and cyber-enabled fraud risks. Fraud awareness will form part of induction for relevant new staff and governors and will be refreshed where appropriate.

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.

Honesty –

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Leadership – Holders of public office should promote and support these principles by leadership and example

Reporting Suspicions.

The Governing Body and staff are an important element in the school's stance on fraud and are required to raise any concerns that they may have. The Head Teacher and Governors will deal with any financial irregularities robustly.

Staff should promptly report any concerns about actual, attempted or suspected fraud, theft, bribery, corruption or financial irregularity to the Headteacher. However, if the concerns relate to the Headteacher, staff should report their concerns to the Chair of Governors.

Where the suspected fraud involves compromised email accounts, phishing, suspicious requests to change bank or payment details, loss of passwords or authentication credentials, or other cyber-enabled fraud, the matter should be reported immediately through the school's IT/security arrangements and to KCC Counter Fraud / Internal Audit as appropriate. Staff should not respond to or investigate the suspected fraud themselves.

Members of staff, the Headteacher and Governors should seek advice from Kent County Council's Counter Fraud / Internal Audit service about how to deal with an allegation of fraud, theft, bribery or financial irregularity. Concerns should be reported promptly and should not be investigated independently by school staff.

The Public Interest Disclosure Act 1998 protects employees who raise concerns about certain matters of public interest in good faith. Staff can obtain independent advice about whistleblowing from Protect, where appropriate. The school's Whistleblowing Policy provides further information about internal and external reporting arrangements. https://protectadvice.org.uk/.

A copy of the school's Whistleblowing Policy can be found on the school staff drive.

Concerns should be reported promptly using the current Kent County Council Internal Audit/Counter Fraud reporting arrangements. Where there has been a financial loss due to fraud or other financial irregularity, this must be reported to KCC Internal Audit in accordance with the Kent County Council Scheme for Financing Schools.

Fraud, Bribery and Corruption Response Plan

The Malling School has established guidelines for senior staff and the Governing Body 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 (see Appendix 1).

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

If fraud, theft, bribery, corruption or other financial wrongdoing is suspected, the matter should be reported promptly through the appropriate school and Kent County Council Internal Audit/Counter Fraud reporting arrangements. Where there has been a financial loss due to fraud or other financial irregularity, the school must report the loss to KCC Internal Audit in accordance with the Kent County Council Scheme for Financing Schools. The service can advise on the appropriate course of action, including how to minimise the risk of further loss, preserve evidence and avoid alerting a suspected perpetrator. They are responsible for the investigation of fraud and financial irregularities that occur against Kent County Council and Schools.

They 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.

You can report the concerns by;

Email: Internal.Audit@kent.gov.uk
Telephone: 03000 41 78 88
Online: Use the current Kent County Council Counter Fraud / Internal Audit reporting arrangements.

Step 2. Securing Evidence

Staff should record factual information that may assist the investigation, including:

- dates and times of relevant events;
- names of individuals, organisations and suppliers involved, where known;
- details of relevant transactions, invoices, payments or account changes;
- details of relevant emails, messages or other communications;
- details of actions or incidents personally observed;
- relevant reference numbers, account information or transaction details; and
- any other information requested by KCC Counter Fraud / Internal Audit.

Staff should not undertake their own investigation, attempt to interview suspected individuals or collect information beyond what is reasonably available to them in the course of their normal duties.

Where the concern involves email compromise, phishing or other cyber-enabled fraud, staff should not delete, forward externally or alter potentially relevant emails or electronic evidence unless instructed to do so by the school's IT provider or KCC Counter Fraud / Internal Audit.

Staff should not remove, dispose of, alter or destroy any physical evidence such as original invoices, receipts, letters, cheques and application forms unless you have sought advice from the Counter Fraud Team as this could alert the suspect and tip them off.

Under no circumstances discuss the matter with colleagues as this could be discussed with the suspect.

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 allegation concerns the theft, loss or compromise of banking credentials, passwords, PINs, payment details or other authentication credentials, the relevant bank, payment provider, IT provider and/or other appropriate service should be notified immediately in accordance with the school's financial and ICT procedures.
Where the concern relates to a request to amend supplier, contractor or staff bank details, no change should be made until the request has been independently verified using established contact details already held by the school. Staff should not rely solely on email instructions or contact details contained within the request.

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

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 school does not tolerate reprisals, victimisation or harassment and will take all reasonable action to protect them.
The school will take reasonable steps to protect individuals who raise concerns in good faith from retaliation, victimisation or detrimental treatment. Concerns will be

handled sensitively and information will be shared only where necessary and appropriate.

In addition, the school 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 school will advise or arrange for them to receive advice and support about the process being followed.

This policy should be read in conjunction with:

Finance Policy
Whistlingblowing Policy
Staff code of conduct
Gifts & Hospitality Policy
ICT Aceptable Use Policy
Disciplinary Policy
Risk Management Policy
Business Continuity Plan

Appendix 2

School Fraud Risks

Type of Risk: Staffing	**Example Risks**
Recruitment	A senior member of staff recruits family member or friend, or friends or family members are recruited through an agency rather than as a direct appointment. 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.
Application	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. 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. Whilst checks on teacher qualifications are more common and therefore easier to do, it is the checks on nonteaching staff and teaching assistant qualifications that can cause problems.
Inappropriate Pay Awards including: • Increments • Honorariums • Bonuses • Allowances	A member of staff falsifies information in order to obtain an excessive pay award which may include those elements listed opposite. This type of fraud may also include conspiracy or collusion between the head teacher, governing body and financial managers and may result in financial and reputational damage to the school. This also happens as a result of poor judgement by the school's management team or governors, and it is not necessarily fraud.
Off Payroll Payments	Payments to staff are made through petty cash or by other means in order to avoid the individuals and the school's duty to pay tax or national insurance. 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.
Long Term Sickness	A member of staff represents themself as sick and finds employment elsewhere whilst continuing to receive payment from the school. This may result in financial loss as the school may need to appoint extra resources to cover the absence.

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"	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 rollover a contract. This may result in a breach of procurement regulations which may not represent value for money, reputational damage and potential legal action by other contractors.
Leasing (particularly ICT hardware such as whiteboards and photocopiers)	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.
Inappropriate Personal Use of Goods or Services	A staff member uses school money to procure goods or services for their own use, rather than for the benefit of the school. As a result, the school may suffer financial loss and reputational damage.

Type of Fraud Risk: Theft	**Example Risks**

Cash and Assets: • 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)	There are many areas of school business where there is a risk of theft - 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. As a result of IT theft, the school may also lose confidential information and may suffer financial loss through penalties and reputational damage.
Premises Rental	A member of school staff rents out part of the school building for an event without following the schools lettings policy and procedures, for a lesser fee or no fee at all. 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.

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 of accounts. This is often used to disguise fraud or theft in other areas.
Staff Loans	The school gives a loan to a member of staff which is outside of regulations and does not arrange a repayment plan. As a result, the school may suffer financial loss and reputational damage.
Inappropriate increase in finance through falsely stating SEN	The school exaggerates the number of pupils receiving free school meals, or incorrectly accounts for pupils that leave during the year, and as a result receives funding to which the school is not entitled.
numbers, student numbers, or free school meals	This may cause reputational and financial damage to the school.

Type of Fraud Risk: Bribery	**Example Risks**
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: • Exam • Procurement	The risk that building contractor offers the head teacher 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.

Fraud Risk Assessment

Risk Type	**Cause or Source of the risk**	**Risk Event**	**Consequence**	**Overall Risk Owner (accountab le manager)**	**Controls in place**	**Control Owner(s)**
Corporate Card	**Staff Misuse**	There is a risk that staff issued with a Corporate Card will use the card for personal purchases	**Financial** **Reputational**	**Headteacher**	All cards issued are subject to school CC policy. All purchases made by a purchase order and authorised	**Director of Business**

Appendix 2

Cyber Security	**Email**	There is a risk a member of staff will open an email with document malware/ ransomware	**Financial Operational Safeguarding**	**Headteacher**	Cyber security policy in place All staff regularly trained Internet safety paramount in all school operations	**ICT Manager**
Cyber Security	**Spearphishing Smishing**	There is a risk a member of staff will respond to targeted communication trying to obtain money or data from the school.	**Financial Operational Safeguarding**	**Headteacher**	All staff regularly trained Monitored by finance and ICT departments	**ICT Manager**

Procurement	**Intercepted invoices**	There is a risk that invoices received via email for suppliers are intercepted and bank account details changed.	**Financial loss**	**Headteacher**	Robust finance processes in place for checking bank account details prior to payment New suppliers are vetted with any that are not VAT registered or a limited company contacted for tax details to check through HMRC.	**Director of Business**

Procurement	**Bribery/ Corruption**	There is a risk that contracts are awarded to friends/ family members. Which could cost the school more, or the job may not be completed to a good standard.	**Reputational**	**Headteacher**	Register of business interests in place All suppliers vetted prior to use	**Director of Business**
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.	**Reputational**	**Headteacher**	Recruitment processes are robust, all roles advertised and a rigorous selection undertaken	**Director of Business**
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**	**Headteacher**	Safeguarding in recruitment training undertaken All applications scrutinised prior to interview and anomalies questioned in the interview process. All staff DBS checked	**Director of Business**

Appendix 2

Payroll	**Pay awards**	There is a risk that members of staff may award themselves bonus pay awards without approval of the governing body or falsify information in order to obtain the award.	**Financial**	**Headteacher**	Vigorous process undertaken for all pay awards All approved by governors	**Headteacher**
Income	**Theft**	There is a risk members of staff could divert income intended for the school into their own bank account or accept cash and not record it using it for their personal items.	**Financial Reputational**	**Headteacher**	All income is properly recorded prior to receipt where possible Staff policies shared highlighting expectations Staff disciplinary policy in place	**Director of Business**
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 financially.	**Financial loss**	**Headteacher**	Regular monitoring and reporting to Headteacher and Governors Accurate record management in place	**Director of Business**

Appendix 2

Assets	**Theft**	There is a risk that members of staff use the school's resources or take home assets purchased and belonging to the school without returning them.	**Financial loss**	**Headteacher**	Refer to staff handbook Asset registers kept and checked	**Headteacher**
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**	**Headteacher**	This is not possible due to the PFI status of the school	**Mitie**