Anti-Fraud, Bribery, Corruption and Gifts & Hospitality Policy

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Responsible Officer: CEM / GLD
Approved by: Governing Body

Contents

1. Policy statement
2. Legislation and guidance
3. Definitions
4. Roles and responsibilities
5. Prevention
6. Gifts and hospitality
7. Reporting suspected fraud
8. Fraud response plan
9. Recovery of losses
10. Monitoring and review
11. Links to other policies

1. Policy statement

Droitwich Spa High School and Sixth Form Centre are committed to maintaining the highest standards of honesty, integrity and accountability in all its activities. Fraud, bribery and corruption are unacceptable and will not be tolerated.

The school operates a zero-tolerance approach to fraud and financial irregularity. All staff, governors, volunteers and contractors are expected to act with honesty and integrity and to safeguard the resources of the school.

Any suspected or proven cases of fraud or attempted fraud will be thoroughly investigated. Disciplinary action, legal action, or both, may be taken where appropriate.

This policy supports the school's commitment to strong governance, financial transparency and effective internal control.

1.1 Policy aims

This policy aims to:

- Promote a culture of openness, honesty and accountability across the school
- Preventing fraud, bribery and corruption through strong financial management and internal controls
- Ensure staff and governors understand their responsibilities in preventing and detecting fraud
- Provide clear procedures for reporting suspected fraud or irregularities
- Establish a clear response plan for investigating and managing allegations
- Ensure appropriate action is taken where wrongdoing is identified

2. Legislation and guidance

This policy reflects the requirements and guidance set out in:

- Fraud Act 2006
- Bribery Act 2010
- Academy Trust Handbook
- Department for Education guidance on reporting fraud and financial irregularities
- Schools Resource Management Self-Assessment Checklist
- Fraud awareness: good practice for education and training providers

The school will comply with all relevant legislation and regulatory expectations when preventing, detecting and responding to fraud.

3. Definitions

3.1 Fraud

Fraud is deception carried out by a person to:

- Gain an unfair advantage for themselves or another, or
- Cause loss to another, or expose another to the risk of loss

Fraud may involve:

- False representation
- Failure to disclose information when legally required
- Abuse of a position of trust or financial responsibility

Examples of fraud in an education setting may include:

- Theft, such as retaining cash collected for school dinners or school trips, or taking away school or trust assets for personal use
- False claims, such as travel which did not take place or claims for unworked overtime
- Unauthorised purchase of school or trust equipment for personal use
- Improper use of petty cash for personal purposes
- Failing to charge appropriately for goods or services, such as not charging for school rooms used for private functions or providing improper gifts or hospitality
- Processing false invoices for goods or services not received, and pocketing the proceeds
- Making false entries on the payroll, such as inventing a fictitious employee and arranging to be paid an additional salary
- Payment of inappropriate bonuses
- Misusing school or trust financial systems to run a personal business
- Separating purchases to avoid tendering thresholds
- Suppliers or contractors failing to deliver the agreed goods or services, but still being paid in full

This list is not exhaustive.

3.2 Bribery

Bribery is the offering, promising, giving, accepting or soliciting of an advantage or incentive to influence actions or decisions.

3.3 Corruption

Corruption is the abuse of entrusted power for private benefit and may breach legal, financial or professional standards.

4. Roles and responsibilities

4.1 Governing Body

The Governing Body has overall responsibility for ensuring that effective systems of internal control are in place to prevent and detect fraud.

Governors will:

- Act in accordance with the Seven Principles of Public Life (Nolan Principles)
- Approve and review this policy
- Ensure effective financial governance arrangements are in place
- Review serious financial irregularities or fraud incidents
- Ensure appropriate action is taken where fraud is identified

4.2 Audit / Finance Committee

The relevant governing body committee will monitor the effectiveness of financial controls and internal systems designed to reduce the risk of fraud. The Finance/Audit Committee will include fraud prevention and financial irregularity as a standing agenda item to demonstrate active monitoring, even where there are no incidents to report. The governing body may appoint a Link Governor for Finance or Risk to provide additional oversight of fraud prevention arrangements and internal assurance.

Responsibilities include:

- Reviewing audit findings relating to fraud risks
- Monitoring implementation of audit recommendations
- Reviewing fraud incidents and lessons learned

4.3 Accounting officer

- Maintain oversight of the trust's financial transactions, including the implementation of robust internal controls
- Ensure compliance with the Academy trust handbook
- Ensure all staff, trustees, local governors and volunteers are aware of their responsibilities under this policy
- Maintain the trust's risk register

4.4. Chief financial officer (CFO)

- Develop and maintain internal financial controls
- Ensure financial records are full and accurate
- Provide advice and guidance on fraud prevention and detection
- Lead or coordinate fraud investigations as appropriate

4.5. School leaders

- Implement this policy within their school
- Ensure all staff are aware of and adhere to financial regulations and controls
- Ensure all staff are aware of the whistleblowing process and procedures
- Report any suspected fraud immediately in accordance with this policy

4.6 All staff and volunteers

All staff and volunteers must:

- Act with honesty and integrity
- Follow financial procedures and internal controls
- Remain alert to the possibility of fraud or corruption
- Report concerns immediately in accordance with this policy
- Cooperate fully with any investigation

5. Prevention

The school maintains systems and internal controls designed to reduce the risk of fraud.

5.1 Financial control measures

These include:

- Segregation of duties within financial systems
- Clearly defined roles and delegated authority levels
- Restricted access to financial systems
- Monthly reconciliation of accounts
- Maintenance of audit trails for financial transactions
- Internal and external audit review
- Spot checks of financial systems and processes

5.2 Procurement controls

All procurement activities must follow the school's Finance Policy and procurement procedures.

Appropriate due diligence is undertaken on suppliers to ensure legitimacy and value for money.

5.3 Risk management

Fraud risks are considered as part of the school's wider risk management processes and are recorded within the school's risk register.

The risk register is reviewed regularly to ensure appropriate controls are in place.

5.4 Fraud awareness

The school promotes awareness of fraud risks and prevention measures. Staff involved in financial processes receive guidance and training on identifying fraud risks and maintaining effective internal controls.

Staff will also be informed of emerging fraud risks identified within the education sector.

5.5 Cyber fraud

The school recognises the increasing risk of cybercrime including phishing emails, invoice scams and fraudulent payment requests. The school's approach to cyber-related fraud risks will align with the School Cybersecurity Handbook 2025–2026 and the school's developing Cyber Security Framework. Staff awareness resources and guidance will be used to support vigilance against phishing, payment diversion scams and other cyber-enabled fraud risks.

To mitigate these risks the school will:

- Maintain appropriate cyber security controls
- Provide guidance on identifying phishing or scam emails
- Verify requests to change supplier bank details
- Remove system access promptly when staff leave employment
- Ensure correct approval for payments.

Any suspected cyber fraud must be reported immediately.

5.6 Testing

Internal systems are regularly tested to assess robustness against fraud and error. Testing is carried out by internal audit.

6. Gifts and hospitality

The acceptance of gifts and hospitality can create conflicts of interest and must be carefully managed.

The following rules apply:

- Acceptance of gifts should be the exception
- Small token gifts (e.g. flowers, diaries or similar) under £30 may be accepted
- Gifts above this value must be declared to the Co-Headteachers and recorded in the Register of Business Interests
- Gifts or hospitality from organisations tendering for school contracts must never be accepted

If items purchased for the school include a promotional gift, they must be used for school purposes or given to the Co-Headteachers for charitable use.

Hospitality must always be proportionate and appropriate to professional circumstances.

Paid holidays, accommodation or travel offered by suppliers must not be accepted.

If staff are unsure whether a gift or hospitality offer is appropriate, they must consult the Co-Headteachers.

The school may operate approved staff recognition or recruitment incentive arrangements, such as long service awards or employee referral payments for introducing successful candidates for employment. These payments are formal schemes approved by the Governing Body.

Such payments are not considered gifts or hospitality for the purposes of this policy, provided they are awarded in accordance with the school's agreed procedures and are appropriately authorised and recorded.

Any payments made outside these approved arrangements must not be accepted and should be reported to the Co-Headteachers.

The following general rules apply and must guide decisions on receipt of gifts and hospitality as an employee of the school:

- To accept gifts should be the exception. You may accept small 'thank you' gifts of token value, such as a diary, a coffee mug or bunch of flowers, not over £25 in value. You should notify the headteacher if any gift or hospitality over this value for entry in the Register of Business Interests.
- Always say "no" if you think the giver has an ulterior motive. Be sensitive to the possibility that the giver may think that even small gifts or simple hospitality will elicit a prompter service or preferential treatment.
- Never accept a gift or hospitality from anyone who is, or may be in the foreseeable future, tendering for any contract with the school, seeking employment with the school or is in dispute with the school, even if you are not directly involved in that area of work.
- Where items purchased for the school include a 'free gift', such a gift should either be used for School business or handed to the headteacher to be used for charity raffles.
- If you are in doubt about the acceptability of any gift or offer of hospitality, it is your responsibility to consult the headteacher.

A gauge of what is acceptable in terms of hospitality is <u>whether this school would offer a similar level of hospitality in similar circumstances.</u>

- Occasional working lunches with customers, providers or partners are generally acceptable as a way of doing business provided, they are not to an unreasonable level or cost.
- Invitations to corporate hospitality events must each be judged on their merit. Provided the general rules have been considered, it may be acceptable to join other company/organisation guests at:
    - sponsored cultural and sporting events, or other public performances, as a representative of the Academy.
    - special events or celebrations.

But, consider the number of these events, and always take into consideration what public perception is likely to be if they knew you were attending.

- Acceptability depends on the appropriateness of the invitations, in terms of the level of hospitality, the frequency and the status of the invited employee. In all such cases the Headteacher must be consulted.
- Paid holidays or concessionary travel rates are not acceptable. Neither are offers of hotel accommodation nor the use of company villas/apartments.
- If you are visiting a company to view equipment that the school is considering buying, you should ensure that the school pays expenses of the trip. Acceptance of refreshments and/or a working lunch may be acceptable, but care must be taken to ensure that the school's purchasing and/or tender procedures are not compromised.
- Acceptance of sponsored hospitality that is built into the official programme of conferences and seminars related to your work are acceptable.
- Offers to speak at corporate dinners and social gatherings, or events organised by, for example, a professional body, where there is a genuine need to impart information or represent the school must be agreed in advance with a Headteacher. Where your spouse or partner is included in the invitation,

and approval has been given for you to attend, it will be acceptable for your spouse or partner to attend as well, but if expenses are incurred, these will be met personally.

- Any invitation you accept should be made to you in your professional/working capacity as a representative of the school.

7. Reporting suspected fraud

All staff and volunteers have a responsibility to report suspected fraud or financial irregularities.

Concerns should be reported as soon as possible to the Co-Headteachers.

If the concern involves the Co-Headteachers, it should be reported to the Chair of Governors.

Reports should ideally be made in writing and include:

- Details of the suspected fraud
- Names of individuals involved (if known)
- Any supporting evidence available

All concerns will be treated seriously and handled confidentially where possible.

Individuals raising concerns in good faith will be protected from victimisation in accordance with the Whistleblowing Policy.

Anonymous reports will be considered but may be more difficult to investigate.

8. Fraud response plan

8.1 Initial assessment

The recipient of a report will assess the credibility and seriousness of the allegation and determine whether a formal investigation is required.

If appropriate, the Co-Headteachers will inform the Chair of the Audit / Finance Committee.

8.2 Investigation process

Investigations will aim to:

- Establish the facts
- Identify individuals involved
- Quantify any financial loss
- Identify weaknesses in internal controls

Evidence may include financial records, electronic data and witness statements. Investigations will be conducted confidentially and professionally.

8.3 Suspension

Where appropriate, employees suspected of fraud may be suspended in accordance with the school’s disciplinary procedures. Suspension does not imply guilt. Where an investigation substantiates concerns of fraud or financial irregularity, possible outcomes may include disciplinary action in line with the staff disciplinary policy; referral to the police or Action Fraud where criminal activity is suspected; recovery of financial losses where appropriate; notification to relevant regulators or the Department for Education where required; and a review of internal controls to prevent recurrence.

8.4 Reporting requirements

Serious financial irregularities must be reported to the Governing Body.

In accordance with the Academy Trust Handbook, the Department for Education must be notified of:

- Fraud or financial irregularity over £5,000
- Unusual or systematic fraud regardless of value

Where appropriate, matters may also be reported to:

- The police or Action Fraud
- Insurers
- Banks or financial institutions
- Relevant regulators

9. Recovery of losses

Where fraud results in financial loss, the school will take all reasonable steps to recover funds.

This may include:

- Seeking repayment from individuals involved
- Pursuing civil legal action
- Claiming through insurance arrangements where appropriate

10. Monitoring and review

This policy will be reviewed **annually by the Governing Body** to ensure it remains effective and reflects current legislation, guidance and best practice.

The policy may also be reviewed following any fraud incident or changes in regulatory requirements.

Lessons learned from incidents will be used to strengthen internal controls.

11. Links to other policies

This policy should be adopted alongside the following school policies:

- Finance Policy
- Whistleblowing Policy
- Staff Code of Conduct
- Disciplinary Policy
- Procurement Procedures
- Data Protection Policy

Droitwich Spa High School and Sixth Form Centre take its responsibilities as a data controller and data processor seriously and are committed to using any personal data collected and held in accordance with the law. The schools policies, privacy notices and forms in relation to personal data are available for you to view on our web site at www.droitwichspahigh.worcs.sch.uk or by using the https://website.droitwichspahigh.worcs.sch.uk/index.php/communications/information-management-and-data-protection/

The School's Data Protection Officer is can be contacted at Droitwich Spa High School and Sixth Form Centre, Briar Mill, Droitwich, WR9 0AA or by email at privacy@droitwichspahigh.worcs.sch.uk