



Carshalton High School for Girls

Fraud Response Plan

1. Introduction

The Academy has prepared the 'Fraud Response Plan' as a guide to staff and management where a fraud has been detected or is suspected. The objective of the plan is to ensure that timely and effective action is taken when fraud is suspected. The plan is in addition to the Academy's Fraud Policy Statement, in which fraud is defined and roles and responsibilities outlined.

The Academy's policy is that all allegations of fraud, whether internal or external will be investigated.

2. Initial Reporting

2.1 All staff should report any suspicions of fraud to the School Business Manager. If a member of staff feels unable, for whatever reason, to raise a concern about suspected fraud with the School Business Manager, then they may report their suspicions directly to the Headteacher or Chair of Governors.

2.2 When a report of suspected fraud is received, the School Business Manager must, where possible, determine if there is reasonable suspicion that a fraud has occurred. This exploration of the facts must be carried out discreetly and quickly. The preferred timescale for completion should be within 24 hours of the suspicion being raised.

2.3 Where the School Business Manager has determined that there is reasonable suspicion that a fraud has occurred, they are responsible for reporting the case immediately to the Headteacher and Chair of Governors (normally within one working day).

3. External Reporting

3.1 The Headteacher and Chair of Governors are responsible for reporting incidents of fraud to the Department for Education (DfE).

4. Conduct of Preliminary Enquiry

4.1 The relevant Headteacher or Chair of Governors will establish a Fraud Investigation Team (FIT). The exact composition of the team will be dependent on the nature of the suspected fraud but will typically include the School Business Manager who will be the Fraud Investigation Leader (FIL) and the Responsible Officer. Representation may be required from Audit, Human Resources and if required Legal. The decision regarding representation will be for the leader of the investigation to take. Those involved will need to be familiar with or get advice on fraud investigation techniques and be aware of the requirements of the Police and Criminal Evidence (PACE) Act 1984.

4.2 The fraud investigation team will prepare a fraud investigation plan, which will include:-

- Facts to be established;

- Evidence required;
- Interview plan;
- Relevant timeframes; and
- Evaluation and analysis.

4.3 Purpose of the Internal Investigation

The objective of the investigation is to:

- establish whether there is evidence that a fraud has occurred;
- collect sufficient evidence to support any complaint to the police;
- provide sufficient evidence for disciplinary or legal action.

5. Protecting the Evidence

5.1 When suspicions are raised, it is important that evidence is preserved and protected. Wherever possible the gathering relevant to the case prior to reporting to the police should be carried out by those carrying out the investigation. Consideration needs to be given by those obtaining the evidence to the Police & Criminal Evidence Act (PACE) 1984 (<https://www.gov.uk/guidance/police-and-criminal-evidence-act-1984-pace-codes-of-practice>). Lack of knowledge or expertise may lead to insufficient or unusable evidence being collected.

5.2 If initial examination confirms the suspicion that a fraud has been perpetrated, then to prevent loss of evidence, which may be essential for subsequent disciplinary action or prosecution, management should take steps to ensure that all original documentation is preserved in a safe place for further investigation.

5.3 The Academy's Board of Trustees may suspend the officer involved, pending the outcome of the investigation. Suspension itself does not imply guilt; it is another safeguard to prevent the removal or destruction of evidence.

6. Reporting to the Police

6.1 In line with the Academy's anti-fraud policy, the police will be consulted in all cases of suspected fraud. The police encourage organisations to consult with them at an early stage of an investigation and initial reports to the police, or requests for advice and guidance, can be made orally or in writing. Formal complaints should be made in writing and supported by evidential information.

6.2 When lodging a formal complaint, the Academy will present information on the alleged fraud to the police as an "Evidential Pack".

Evidential packs should contain a detailed summary of all relevant information surrounding the allegations made. This should include the nature of the allegations against the suspect, including the full name, address and date of birth of the suspect.

The package should also include:

- All available details of any other parties suspected of involvement in the alleged fraud, including the reasons for the suspicions;
- A brief summary of the allegations including estimated values of alleged crime and relevant dates;
- A full description of the nature of the crime and the circumstances surrounding it. This should include full details of any investigations already undertaken by the Academy or anyone acting on their behalf;
- Copies of all relevant documents, each individually numbered and identified in the summary;
- Copies of all statements obtained from suspects;
- Names and addresses of all witnesses identified at the time of reporting to the police, including copies of any statements;
- Any police reference numbers, which may already apply to any part of the case;
- A name and contact point.

6.3 The police will inform the Academy's Board of Trustees in writing of their decision to proceed with an investigation. Where it is decided not to proceed, the reasons for the decision will be included. The Public Prosecution Service will make the final decision as to whether or not a criminal prosecution will be undertaken.

7. Conducting the Internal Investigation

7.1 The FIT is responsible for gathering all relevant evidence that may relate to the suspected fraud. The progress and nature of the investigation will be determined by the scope, value and nature of the suspected fraud.

7.2 The FIT will complete the Evidential Pack and will present it to the Headteacher or Chair of Governors

7.3 Where the Academy's Board of Trustees considers that there are sufficient grounds for a formal complaint of alleged fraud to be reported to the police, the Board will do so, and, request that a police investigation be undertaken.

7.4 Where the case does not provide sufficient grounds for a formal complaint of alleged fraud and investigation by the police, the FIT will outline the reasons in a report, which will accompany the Evidential Pack.

8. Disciplinary Action

8.1 At the completion of the internal investigation, the Headteacher in consultation with the Chair of Governors will decide what disciplinary action should be taken. Where a police investigation is to be conducted, the Board will seek the advice of the

Academy's Solicitors as to whether it is appropriate to proceed with any internal disciplinary action.

8.2 It should be noted that the measure of proof used for a criminal conviction is "beyond reasonable doubt" whereas for internal disciplinary action, it is based on "the balance of probabilities". It is possible therefore for an officer to be found innocent of criminal charges by a court of law (or for the police to decide not to prosecute) but for that officer to still face a disciplinary penalty under the internal disciplinary process.

9. Recovery of Losses

9.1 The recovery of losses should be a major objective of any fraud investigation. To this end the quantification of losses is important. Repayment of losses should be sought in all cases. Legal advice should be sought, where necessary on the most effective actions to secure recovery of losses.

10. Follow-up Action

10.1 Following on from any fraud investigation, management shall review the systems in operation. The review should examine the current fraud risk arrangements to determine if there is any action needed to strengthen controls and therefore reduce the risk of another fraud in future. The Academy's Auditors are available to provide assistance in this exercise. Details of the review should be recorded in a report for the attention of Governors and Senior Managers.

11 Public Interest Disclosure – 'Whistleblowing'

11.1 The Public Interest Disclosure (NI) Order 1998 gives legal protection to employees against being dismissed or penalised by their employers as a result of publicly disclosing certain serious concerns provided that they are disclosed under procedures identified in the Act.

11.2 Normally, any concern about a workplace situation should be raised with the line manager or Headteacher, however it is recognised that because of the seriousness and sensitivity of some issues, together with the knowledge of who may be involved in the suspected wrong doing, this may be difficult.

11.3 For further information see the Academy's 'Whistleblowing Policy'.