Elmley Dray School

Fraud Policy

& Response Plan

1. Policy statement

Elmley Dray School has a zero-tolerance policy towards fraud, bribery and corruption. All staff, governors and volunteers are expected to act with honesty and integrity, according to the principles set out in our codes of conduct for their role.

Elmley Dray School will thoroughly investigate any suspected or proven cases of fraud or attempted fraud. Disciplinary or legal action, or both, will be taken where appropriate.

1.1 Policy aims

This policy sets out the school's approach to preventing, detecting, and responding to fraud. It aims to:

- Promote an anti-fraud culture within the school
- Define what constitutes fraud
- Outline the responsibilities of the school community in preventing and reporting suspected fraud, or attempts to defraud
- Establish clear procedures for reporting and investigating suspected fraudulent activities
- Set out the actions that may be taken in response to suspected and confirmed fraud

2. Legislation and guidance

This policy reflects the following legislation, guidance, and contractual requirements, including those arising from the school's contract with Kent County Council (KCC):

- Fraud Act 2006
- Bribery Act 2010
- Fraud awareness: good practice for education and training providers
- The principles of the Schools Financial Value Standard (SFVS), to support effective financial oversight and value for money

- Relevant financial and governance requirements set out in the school's contract with Kent County Council
- Kent Scheme for Financing Schools, where applicable to KCC-funded provision

3. Definitions

3.1 Fraud

Fraud is deception carried out by a person in order to:

- Gain an unfair advantage for themselves or another, or
- Cause loss to another, or put another at risk of loss

It may involve:

- Supplying false information (known as 'false representation')
- Failing to disclose information that you are legally required to disclose
- Abusing a position of financial responsibility

Examples of fraud in the education sector may include:

- Theft, such as retaining cash collected for school dinners or school trips, or taking away school assets for personal use
- False claims, such as travel which did not take place or claims for unworked overtime
- Unauthorised purchase of school 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
- 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 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

3.2 Bribery

Bribery is the giving, promising or offering, or receiving or soliciting something of value, as a means to influence the actions of an individual or organisation in a position of power.

3.3 Corruption

Corruption is the abuse of entrusted power for private benefit that usually breaches laws, regulations, standards of integrity and or standards of professional behaviour.

4. Roles and responsibilities -

4.1 Headteacher

- Ensure robust internal financial procedures and controls are in place (may be delegated to the Finance Manager)
- Ensure all staff comply with this policy
- Conduct or delegate preliminary enquiries into suspected fraud
- Report suspected fraud to the Director of the CIC and, where required, to KCC and other authorities
- Take appropriate disciplinary action where fraud is proven
- Ensure serious incidents are reported to relevant external bodies

4.2 Finance Manager

- Establish and maintain robust financial procedures and internal controls
- Support the Headteacher in compliance with financial policies
- Support investigations into suspected fraud
- Maintain appropriate financial records and audit trails
- Advise on financial risk and control measures

4.3 Director of the CIC

- Provide strategic oversight of financial governance and risk
- Ensure compliance with legal, regulatory and contractual obligations
- Seek assurance that appropriate controls are in place
- Oversee serious investigations where appropriate
- Approve this policy

4.4 All staff and volunteers

- Act with integrity and honesty
- Comply with financial regulations and policies
- Report suspicions of fraud immediately
- Cooperate with investigations

4.5 Governors

- Act in accordance with the 7 Nolan principles of public life
- Maintain a basic understanding of the school's financial cycle and legal requirements on accountability, spending and procurement
- Oversee school spending
- Seek assurance from the headteacher and senior leaders that the school has adequate financial controls, also policies and procedures that are robust, understood and adhered to by all staff and volunteers
- Regularly review and approve the fraud policy and response plan
- Take appropriate action if a governor is found guilty of fraud or attempted fraud

5. Prevention

5.1 Procurement

All procurements must follow the school's procurement procedures and any applicable KCC contractual requirements.

5.2 Cyberfraud

The school maintains appropriate cyber security measures and provides regular staff training. The school holds Cyber Security Essentials accreditation.

5.3 Financial control measures

The school maintains appropriate checks including separation of duties, audit trails, spot checks, and clear financial responsibilities.

5.4 Fraud awareness training

Staff receive regular training to promote a strong counter-fraud culture.

5.5 Testing

Internal systems are regularly tested, including through external audit where appropriate.

6. Reporting suspected fraud

Concerns should be reported immediately to the Headteacher. If the concern involves the Headteacher, it should be reported to the Director of the CIC and Chair of Governors. If it involves the Director, it should be reported to the Chair of Governors.

Reports should preferably be in writing.

7. Fraud response plan

7.1 Investigation procedures

Once a report is received, the school will take the following steps:

Initial assessment:

- The headteacher (or director or chair of governors, as appropriate) will immediately conduct an initial assessment of the allegation, to determine its credibility and potential impact on the school
- The headteacher (or director or chair of governors, as appropriate) will immediately inform the governing board if the suspicion appears credible, and can be backed up by evidence
- The headteacher (or director or chair of governors, as appropriate) will immediately inform the local authority

Securing evidence:

- The headteacher (or director or chair of governors, as appropriate) will take immediate steps to gather and secure all relevant evidence (for example, financial records, computer files, physical assets) to prevent its destruction or alteration
- The headteacher (or director or chair of governors, as appropriate) may take the decision to restrict access to relevant financial systems

Formal investigation:

Formal investigations may be carried out internally or by external specialists. KCC will be notified where required by contract.

7.2 Reporting to the police

Where there is evidence of criminal activity, a report will be made to Action Fraud or the police. This decision will be made by the Headteacher in consultation with the Director of the CIC and Chair of Governors.

7.3 Additional reporting requirements

It is also important to report fraud to any organisation(s) that might be related to how the fraud has been committed/the type of fraud. Examples might include:

- An attempt to take money – inform the school’s bank or credit card provider

- An attempt to steal the identity of an individual or the credentials of the school – inform relevant government departments or public bodies such as HMRC, the Department for Work and Pensions (DWP) or the Department for Business and Trade (DBT)
- An internet or phishing scam – you can report as a cyber incident here.You can forward suspicious emails to: report@phishing.gov.uk and forward texts to: 7726.
- A data breach – may need to be reported to the Information Commissioner's Office (ICO)
- Using a particular online platform – inform the provider of the platform, e.g. the social media company
- An impact on an insurance policy – inform the insurance company
- Misuse of official certificates – inform the relevant awarding body
- Exploitation of the friends and/or family of the victim(s) whose details have been obtained via fraud – warn these people along with organisational contacts (such as contractors), whose details might have become known to or compromised by fraudsters

7.4 Suspension

If there is a reasonable suspicion that an employee has committed fraud, the employee may be suspended in accordance with the school's disciplinary policy. This is not an assumption of guilt.

If there is reasonable suspicion that a governor has committed fraud, they will be suspended in accordance with The School Governance (Roles, Procedures and Allowances) (England) Regulations 2013.

7.5 Disciplinary action

If the formal investigation concludes that fraud (or attempted fraud) has been committed by a member of school staff, the school will take disciplinary action in accordance with the staff disciplinary policy.

Fraud is a serious offence and will typically lead to gross misconduct proceedings, which may result in dismissal.

Any disciplinary action will be separate from, but may run in parallel with, any criminal investigation.

Governors who are found guilty of fraud will be removed in accordance with The School Governance (Constitution) (England) Regulations 2012 (see schedule 4 for the list of disqualifications).

7.6 Recovery of losses

The school will take all reasonable steps to recover any funds or assets lost due to fraud. This may include:

- Seeking restitution from the individual(s) involved
- Pursuing civil legal action
- Claiming on the school's insurance policies (if applicable)

8. Monitoring and review

The governing board will review this policy annually, or whenever there are significant changes to relevant legislation or the school's financial practices, or following an incident of fraud or attempted fraud.

Lessons learned from any incident will be used to strengthen controls and update this fraud response plan.

9. Links to other policies

- Whistleblowing policy
- Staff code of conduct
- Staff disciplinary procedures

Version control - Approval and review

Version No.	Reviewed By	Approved By	Approval Date	Main Change	Review Period
1	Emily Hollis	Hayley Furnell	11 February 2026	Initial standalone policy approved	Annually

Hayley Furnell, Director,
on behalf of Elmley Dray School School School
Dated: 11 February 2026
Next review: August 2026