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DIOCESE OF  
**ST ALBANS**  
MULTI-ACADEMY TRUST

# Trust Policy

# Fraud

<b>Policy type</b>	Trust wide
<b>Reviewal timeframe</b>	Every 3 years
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<b>Approved by</b>	Head of Service
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<b>Date of next review</b>	Sept 2028

This policy is a mandatory policy for all DSAMAT Academies and must be implemented without any amendments

*Enabling all to flourish: Rooted in God's love*



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## **Our mission, vision and values**

The Trust has a clear **mission** at its core, ensuring that all pupils are enabled to flourish, rooted in God's Love - academically, socially, spiritually, physically and mentally. This is central to our work and rooted in our Christian foundation (John 10 v 10). Our commitment to mutual flourishing within the school community is built upon our shared belief in Church of England principles. In our Trust, just as in the wider Church of England community, 'flourish' refers to prospering, thriving and growing – not shrinking out and dying. It means prayerfully encouraging all within our schools so that they might prove fruitful, successful and contented in the longer term. We seek to provide space generously for all to flourish in life and all of its structures. Equal treatment for all pupils, staff and the wider community is a core part of enabling this long term, holistic flourishing.

We have a clear **vision** about creating successful schools for the benefit of their communities and we expect any school in the Trust to continuously improve. All schools provide rich and diverse curricula which evolve to meet the needs of their children and local communities, as well as delivering educational excellence to enable them to continue to flourish in later life.

The way we work and deliver against our mission is critical to our Trust. We have shared, agreed **values** of:

Hope; Nurture; Equality; Respect; Collaboration

The Trust's vision is underpinned by a Christian values framework which is adopted by all schools. It provides clear expectations for all Trust employees on how we wish our values to impact on all areas of school life. It draws on, and is informed by, the National Church of England Vision for Education and the Diocesan Board of Education Vision.

Each school within the Trust has a personalised vision for education, developed locally to reflect the individual character and needs of the school community. This vision is underpinned by the Trust's wider vision, and agreed with the Trust, but it is owned and driven by the headteacher and their LGB.

## **Our community**

The Trust are dedicated to delivering education that serves local communities. Our schools are inclusive, welcoming those from all and no faiths, from all abilities and backgrounds. We believe in providing a high-quality education, underpinned by Christian values, which enables every child to flourish.

Underpinning all of the Trust's work is a belief in educational excellence. The Trust serves all stakeholders by providing schools with the highest levels of academic rigour and pastoral care.

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Our schools are places where children and young people develop and thrive intellectually, socially, culturally and spiritually. All of the Trust's schools teach a broad and balanced curriculum within national guidelines focusing on core skills. This is designed to ensure that all pupils reach their academic potential and seek to enrich their experience along the way. Pupils will be enabled to succeed in an atmosphere of high expectation, aspiring to educational excellence with a firm foundation of values.

This policy forms part of our Trust governance and ensures that we are held to the highest standards as we carry out our duties.

### **Statement of Intent**

This is the Diocese of St Albans Multi-Academy Trust (DSAMAT) over-arching Fraud policy and must be implemented and adhered to in each of the academies within the Diocese of St Albans Multi Academy Trust along with those working within the central team.

This policy will also be implemented and adhered to from the first day of any other academy joining the Trust. For the remainder of this document, the Diocese of St Albans Multi Academy Trust will be referred to as DSAMAT.



## INTRODUCTION

- 1.1 The DSAMAT aims to be an honest and ethical institution and as such is opposed to any means of Fraud. The Trust will seek to eliminate fraud by the way it conducts DSAMAT business. This document sets out the Trust's policy and procedures for dealing with the risk of significant fraud or corruption. In order to minimise the risk and impact of fraud, the Trust's objectives are, firstly, to create a culture which deters fraudulent activity, encourages its prevention and promotes its detection and reporting and, secondly, to identify and document its response to cases of fraud and corrupt practices.
- 1.2 In order to achieve these objectives, the Trust has taken the following steps:
- The publication of a formal statement of its expectations on standards of personal conduct, propriety and accountability;
  - The establishment of adequate and effective systems of internal financial and management control (and a clear requirement to comply with them), a Finance, People & Operations Committee and an Audit, Risk and Compliance Committee;
  - The publication of a formal statement (Whistleblowing Policy) of the procedures to be followed by employees who have a suspicion of, or concern about, possible or actual malpractice within the Trust and a fraud response plan which sets out the Trust's policies and procedures to be invoked following the reporting of possible fraud or the discovery of actual fraud.

## 2. DEFINITIONS

- 2.1 **Fraud** is a criminal offence, which is defined in the Fraud Act 2006 as:
- Deceiving through false representation.
  - Failing to disclose information where there is a legal duty to do so.
  - Abusing a position of trust.

**Corruption** is the offering, giving, soliciting or accepting of any inducement or reward which may influence the actions taken by the body, its members or officers.

**Theft** is dishonestly appropriating property belonging to another with the intention of permanently depriving the other of it.

**Bribery** is defined by the Bribery Act 2010 as inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages.

In this policy, 'fraud' will be used to refer to all the definitions outlined above.

Examples of what could constitute fraud include, but are not limited to, the following:

- Theft of cash
- Substitution of personal cheques for cash



- Travelling and subsistence claims for non-existent journeys or events, or inflating claims
- Manipulating documentation to increase salaries
- Payment of invoices for goods received by an individual rather than the academy
- Unauthorised borrowing of equipment
- Failure to declare a conflict of interest
- Concealing a generous gift or reward
- Creation of false documentation

### **3. PERSONAL CONDUCT**

3.1 The Trust aims to promote an organisational culture which encourages the prevention of fraud by raising awareness of the need for high standards of personal conduct. To help ensure that all employees are fully aware of the Trust's expectations regarding standards of personal conduct, appropriate guidance is provided by the following key statements:

- These regulations are binding on all members of staff, students, governors, trustees and constituent parts of the Trust. Refusal to observe them will be grounds for disciplinary action
- In disbursing and accounting for all funds, the Trust must demonstrate that it is adopting high standards of financial probity. Implicit within this regime is the requirement that officers and employees of the Trust must at all times conduct financial affairs in an ethical manner
- All budget holders and lay members of Trust committees are responsible for disclosing any personal, financial, or beneficial interest in any transaction with respect to the Trust or its related companies, minority interest companies and trading areas.
- Any person who is responsible for placing an order with a supplier (whether a contractor or not) with whom he/she has a personal interest must disclose this to the Trust. This should be disclosed to the Senior Finance Partner or Head of Finance.
- Officers or employees of the Trust shall never use their office or employment for personal gain and must always act in good faith with regard to the Trust's interests.
- Budget Holders are expected to always adhere to the Trust Finance Manual and to use their best efforts to prevent misuse or misappropriation of funds and other Trust property.

Taken together, these represent a statement of the framework within which officers and employees are expected to conduct themselves.



## 4. SYSTEMS OF INTERNAL CONTROL

- 4.1 The next line of defence against fraud is the establishment of operational systems which incorporate adequate and effective internal controls designed to minimise the incidence of fraud, limit its impact and ensure its prompt detection. These controls include high level management controls such as budgetary control (designed to identify fraud which results in shortfalls in income or overspendings against expenditure) and organisational controls such as separation of duties, internal checks and staff supervision. Personnel policies are also a key part of setting the culture and deterring fraud. This includes seeking to reduce the risk of employing dishonest staff by checking information supplied by employees and references obtained during the course of the recruitment process, including DBS checks.
- 4.2 The general framework of responsibilities for financial management and the policies relating to the broad control and management of the Trust are documented in the Trust Financial Manual. The Trust Finance Manual and any changes in financial regulations are issued and updated periodically by the CFO following approval by the Finance, People and Operations Committee on behalf of the Trust. They are binding on all officers, members of staff, students and constituent parts of the Trust and are distributed to Budget Holders and Business Leads across the Trust. All financial operations are covered by documented Financial Procedures which sets out in greater detail the expected controls which should operate within the key operational systems.

## 5. FRAUD RESPONSE

- 5.1 The Fraud Response Plan sets out the Trust's policies and procedures for ensuring that all allegations and reports of fraud or dishonesty are properly followed up, are considered in a consistent and fair manner, and that prompt and effective action is taken to:
- minimise the risk of any subsequent losses;
  - reduce any adverse operational effects;
  - improve the likelihood and scale of recoveries;
  - demonstrate that the Trust retains control of its affairs in a crisis; and
  - make a clear statement to employees and others that it is not a soft target for attempted fraud.
- 5.2 The plan includes both statements of general policy and specific steps to be taken when circumstances dictate and is necessary in order to reduce the following risks:
- inadequate communication so that action is late or inappropriate;
  - lack of leadership and control so that investigators are not properly directed and waste time and effort;
  - failure to react fast enough so that further losses are incurred or the evidence required for successful recovery or prosecution is lost;
  - adverse publicity which could affect confidence in the Trust; and



- creation of an environment which, because it is perceived as being ill-prepared, increases the risk of fraud.

## **6. FRAUD PLAN**

- 6.1 The main elements of the Trust's plan are as follows:
- 6.2 All officers, members of staff, students and constituent parts of the Trust are required to notify immediately the Head of Finance or the CFO postholder of any financial irregularity, or any circumstance suggesting the possibility of irregularity, affecting the financial procedures, cash, stores or other property of the Trust.
- 6.3 The CFO postholder will ascertain whether or not the suspicions aroused have substance. They will, if appropriate, conduct a preliminary investigation to gather factual information and reach an initial view as to whether further action is required. The findings, conclusions and any recommendations arising from the preliminary investigation will be reported to the CEO.
- 6.4 All officers, members of staff, students and constituent parts of the Trust are required to notify immediately the CEO, if they suspect the CFO postholder or the Head of Finance of any financial irregularity, or any circumstance suggesting the possibility of irregularity, affecting the financial procedures, cash, stores or other property of the Trust.
- 6.5 All officers, members of staff, students and constituent parts of the Trust are required to notify immediately the Chair of the Board of Trustees, if they suspect the CEO of any financial irregularity, or any circumstance suggesting the possibility of irregularity, affecting the financial procedures, cash, stores or other property of the Trust.
- 6.6 The CFO postholder will have the initial responsibility for co-ordinating the Trust's response. In doing this they will seek advice from a Human Resources Advisor, regarding potential employment issues. The CFO postholder will also seek expert legal advice from the Trust's Solicitors on both employment and litigation issues before taking any further action.
- 6.7 The CFO postholder is required to notify the Trust Board of any acts of fraud or financial irregularities. This action will be taken at the first opportunity following the completion of the initial investigations and will involve keeping the Chair of the Trust fully informed between committee meetings of any developments relating to control weaknesses, fraud or accounting breakdowns.
- 6.8 If evidence of a fraud is forthcoming then the Trust Board will inform the ESFA as required by the Funding Agreement and will consider whether or not to refer the matter to the police.



## **7. MONITORING AND REVIEW**

- 7.1 The Trust has delegated to the Trust senior leaders the responsibility for approving this policy.
- 7.2 The Trust leadership team and school leaders are responsible for the effectiveness of this policy. The policy will be promoted and published throughout the Trust.
- 7.3 The Trust has an annual compliance programme which is published in September for the year ahead. This programme includes internal compliance visits, internal scrutiny, and an annual audit.
- 7.4 The policy will be reviewed every three years or if there are changes to the relevant legislation.