



## MORLEY COLLEGE LONDON

### Anti -Fraud Policy

POLICY OWNER:	Chief Financial Officer
FINAL APPROVAL BY:	Governing Body
Policy Category:	Corporate
Approved by Policy Committee:	1 June 2020
Approved by Governing Body:	13 July 2020
Review Date:	31 July 2024

## 1. Introduction and Purpose

The legal definition of fraud as defined in the Fraud Act 2006 is: 'The making of a false representation or failing to disclose relevant information, or the abuse of position, in order to make a financial gain or misappropriate assets'.

The College has a duty to its stakeholders to take all reasonable steps to prevent fraud and theft occurring, whether perpetrated by staff, students, contractors and suppliers, other organisations or members of the public.

## 2. Scope of the Policy

All staff are responsible for reporting practices which they think may be fraudulent. However, prime responsibility for preventing fraud and theft lies with the Senior Leadership Team (SLT) through:

- a. Identifying risks
- b. designing, implementing, and operating internal controls
- c. fostering an environment that promotes compliance with internal controls
- d. promoting fraud awareness amongst staff
- e. fostering an anti-fraud culture.

The SLT will be supported by the Chief Finance Officer who shall be responsible for implementation and management of this policy.

The Audit Committee shall be responsible for overseeing this policy and ensuring that, subject to compliance with any directions from the Education and Skills Funding Agency, all allegations of fraud are properly investigated, and that appropriate action is taken.

All staff have a responsibility to be aware of fraud and to take steps to minimise risk of theft to the College. To this end staff should be aware of the Public Interest Disclosure process (Whistleblowing Policy) which is available on the College intranet.

The College is obliged to notify, through the Chief Finance Officer, the Education and Skills Funding Agency if fraud is deemed 'significant' e.g. the sum in question is potentially in excess of £10,000; the details of the offence are novel, unusual or complex; or they are likely to excite public interest.

## 3. Policy Statement

The College will maintain robust control mechanisms to both prevent and detect fraud and theft. All members of staff have a responsibility to protect the assets and reputation of the College and are expected to be alert to the potential for fraud and theft.

Mechanisms are in place for staff to report suspected frauds to management and in confidence.

This policy sets out procedures for fraud prevention, detection and investigation. The objective of the procedures is to encourage staff to be aware of fraud, bring suspected fraud to notice, provide a response plan for investigating and reporting fraud and ensure that alleged and proven fraud are dealt with in a consistent and timely manner.

Fraud is one or more of the following:

False representation. "False" in this respect means the representation made (19) (20) (21) (22) (23) (24) (25) (26) (27) (28) (29) (30) (31) (32) (33) (34) (35) (36) (37) (38) (39) (40) (41) (42) (43) (44) (45) (46) (47) (48) (49) (50) (51) (52) (53) (54) (55) (56) (57) (58) (59) (60) (61) (62) (63) (64) (65) (66) (67) (68) (69) (70) (71) (72) (73) (74) (75) (76) (77) (78) (79) (80) (81) (82) (83) (84) (85) (86) (87) (88) (89) (90) (91) (92) (93) (94) (95) (96) (97) (98) (99) (100)

Theft means dishonestly appropriating property, including money or other assets.

4. Examples of fraud

- Hourly Paid Lecturers claiming payment for hours they have not worked;
- False expenses claims – for example false claims for travel;
- Fraudulent job applications – for example false qualification claims;
- Working for another organisation whilst claiming sick pay from the College;
- Falsely ordering goods or services for personal benefit;
- Data fraud – for example knowingly submitting falsified records to funders.

## Annex A FRAUD RESPONSE PLAN

### Purpose

This response plan provides a documented framework for managers and staff to follow if fraud or theft is suspected or reported

It seeks to ensure that in the event of fraud or theft timely and effective action is taken to prevent further losses, identify fraudsters, safeguard evidence, minimise adverse effects on the organisation and learn lessons.

### Reporting fraud & theft

All actual or suspected incidents of fraud and theft should be reported without delay to the Chief Finance Officer, who will normally be the Investigating Officer. Where the Chief Finance Officer is suspected of fraud or theft the report should be made to the Clerk to the Governing Body and Company Secretary, who will be the Investigating Officer in those circumstances.

When reports of fraud or theft are made, the suspicions will be treated seriously, and all details provided will be recorded accurately and in a timely manner. The decision by someone to report a suspected fraud may be traumatic for them, and those reporting fraud are assured that all information will be treated in the strictest confidence.

Anonymity will be preserved if requested and where it is reasonably practicable to do so.

The Investigating Officer will be responsible for liaising in a timely manner with the Principal, the Chair of the Audit Committee, and Internal Audit.

At this stage, management should take steps to prevent further losses, for example by suspending payments without compromising evidence or alerting the alleged fraudsters.

Management should consider whether the potential seriousness of the fraud or theft is such that the College's insurers and / or funding bodies should be advised on the likelihood of a fraud report.

### Initial enquiry

On receiving details of a suspected theft or fraud, the Investigating Officer will undertake an initial review of the further action that will be required, liaising in a timely manner with the Principal and Internal Audit. The further action may include referral to:

- x

Conducting an investigation

