The Park Federation
ACADEMY TRUST

Fraud Policy and Response Plan

Approved by	Board of Directors		
Date	05 September 2026	**Next review due**	09/2027

Summary of Changes

Version	Date	Summary of Changes	Approved By
1	17th November 2014	First Approved	Dr Martin Young CEO
2	September 2019	Clarity on Conflict of Interest What to do if subject to a bribe Link to HR Policies	Dr Martin Young CEO
3	July 2020	No changes	Dr Martin Young CEO
4	July 2021	No changes	Dr Martin Young CEO
5	September 2022	No changes	Dr Martin Young CEO
6	September 2023	6.4 added to reflect notification of fraud to the ESFA	Dr Martin Young CEO
7	February 2024	Addition of Hannah Ball Academy	Dr Martin Young CEO
8	July 2024	No changes	Dr Martin Young CEO
9	August 2025	No changes	Dr Martin Young CEO
10	August 2026	Change of CEO Use of Key model Policy approved by Forbes Solicitors	Board of Directors

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1. Policy statement

The Park Federation Academy Trust has a zero-tolerance policy towards fraud, bribery and corruption. All staff, Board Directors (trustees), Academy Council members (local governors) and volunteers are expected to act with honesty and integrity, according to the principles set out in the codes of conduct for their role.

The Park Federation Academy Trust will thoroughly investigate any suspected or proven cases of fraud or attempted fraud. Disciplinary or legal action, or both, will be taken where appropriate.

The Park Federation Academy Trust will not pay ransoms for the restoration of systems following a cyber-attack.

1.1 Policy aims

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

- Promote an anti-fraud culture within the trust
- Define what constitutes fraud
- Outline the responsibilities of the trust 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 and guidance:

- Fraud Act 2006 – which sets out a definition of fraud
- Bribery Act 2010 – which sets out a definition of bribery
- Academy trust handbook – sections 6.9 to 6.13 provide information on the requirements on trusts for preventing and reporting fraud
- Schools resource management self-assessment checklist – which sets out the appropriate financial management and governance arrangements academy trusts should have in place
- Fraud awareness: good practice for education and training providers – guidance to help schools and trusts manage the risk of fraud
- Report fraud or financial irregularity to DfE – how to report suspected fraud or financial irregularity in academy trusts

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 to 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 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

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. Board of Directors/Trustees

- Act in accordance with the 7 principles of public life (the 'Nolan principles')
- Take full responsibility for the trust's financial affairs
- Make sure that the trust has an effective system of internal control to prevent and detect fraud
- Review and approve the fraud policy
- Take appropriate action if an executive leader or Board of Director/trustee is found guilty of fraud or attempted fraud.

4.2. Audit and risk committee

- Review the effectiveness of internal controls
- Consider the outcomes of internal and external audit work related to fraud risks
- Review the trust's risk register and makes sure risks are being addressed appropriately
- Monitor the implementation of this policy

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

4.4. Chief Operating Officer (COO)

- Develop and maintain internal financial controls
- Ensure financial records are full and accurate
- Maintain the trust's risk register
- Provide advice and guidance on fraud prevention and detection
- Lead or coordinate fraud investigations as appropriate

4.5. Principals/Academy leaders

- Implement this policy within their academy
- 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 school staff and volunteers

- Act with honesty and integrity
- Comply with the trust's financial regulations, staff code of conduct, and all other relevant policies and procedures
- Are vigilant and report any suspicions of fraud, bribery, or corruption immediately, in accordance with the procedures outlined in this policy
- Cooperate fully with any formal investigation

5. Prevention

5.1 Risk management

The risk of fraud, bribery and corruption is considered according to the processes set out in this policy and logged accordingly in the risk register.

The COO maintains the risk register on behalf of the Board of Directors. This is reviewed at least annually, or whenever a significant change occurs.

5.2 Procurement

All procurements must follow the trust's procurement procedures.

All suppliers and providers are subject to robust due diligence, to ensure they are not a fraud threat.

5.3 Cyberfraud

The trust's cybersecurity measures meet the Department for Education's cyber security standards for schools and colleges.

All new starters receive cybersecurity training and all staff, at all levels, attend regular up-to-date 'refresher' training.

The trust enforces strong password policies, and any employee who leaves has their account(s) disabled and permissions immediately removed from the trust's digital IT systems.

5.4 Financial control measures

The trust has adequate arrangements in place to safeguard against fraud and attempts to defraud. These include:

The following list includes of examples of best practice and is not intended to be exhaustive:

- Financial management checks, reconciling accounts at the end of each month and keeping an audit trail of documents
- Separation of duties, so no one member of staff is responsible for both validating and processing a transaction – for example, certifying that goods have been received and making the payment for them
- Strictly limited access to systems for authorising and making payments
- Spot checks on systems and transactions
- Investigation and logging of every incident of irregularity, including instances of attempted fraud
- Making staff members' financial responsibilities clear through the Finance Policy

5.5 Fraud awareness training

Staff at all levels are trained to be aware of fraud, including regular, relevant training on emerging and new technology-based frauds (such as cyberfraud, see section 5.3), to help create a counter-fraud culture where challenge and reporting are encouraged.

Staff with higher levels of financial responsibility are encouraged to attend external counter-fraud events and training sessions, as part of their ongoing professional development.

All staff are encouraged to sign up to the DfE's fraud alerts notification service to stay up to date on emerging issues related to fraud.

5.6 Testing

Internal systems are regularly tested to assess robustness against fraud and error. Testing is carried out by external parties in line with the Academy Trust Handbook and overseen by the Audit and Risk Committee.

6. Reporting suspected fraud

6.1 How to report

Staff are encouraged to report any concerns under the trust's whistleblowing procedures.

Academy-based staff should report their concern to the Principal or CEO. If the concern is about the Principal or other senior leaders or members of staff, or it is believed they may be involved in the wrongdoing in some way, the staff member should report their concern to the CEO or Chair of the Finance and Operations Committee or the Chair of the Board of Directors.

Central team staff should report their concern to the COO or CEO. If the concern is regarding the senior leaders of the COO, then it should be reported to the CEO. If the concern is about the CEO, or it is believed they may be involved in the wrongdoing in some way, central team staff should report the concern to the Chair of the Finance and Operations Committee or Chair of the Board of Directors.

Reports should ideally be in writing, detailing the nature of the suspicion and all individual(s) involved (if known). Anonymous reports will be considered, but may be more challenging to investigate.

Academy-based volunteers should follow the same reporting procedure as set out for academy-based staff in the whistleblowing policy.

Board of Directors and Academy Council members should follow the same reporting procedure as set out for central team staff.

6.2 Confidentiality

All reports will be treated with the utmost confidentiality, consistent with the need to conduct a thorough investigation.

The identity of the person(s) making the report will be protected, as far practically possible.

7. Fraud response plan

7.1 Investigation procedures

Initial assessment

The recipient of the report will immediately assess the credibility and potential impact of the allegation.

They will determine whether the allegation falls within the scope of this policy, and whether it should be escalated to a formal investigation.

If the allegation is deemed credible, the CEO/accounting officer, COO, the chair of the Finance and Operations committee will be informed promptly (if they did not receive the initial report) and a formal investigation will be initiated.

Formal investigation process

The COO will lead the investigation, or delegate as appropriate to internal or external auditors.

If the COO is implicated, the accounting officer and/or chair of the Finance & Operations committee or equivalent will take this decision.

The investigation will be conducted thoroughly, professionally, and confidentially. The aim of the investigation is to:

- Establish the facts
- If fraud or an attempt to defraud has been made, determine the extent of this
- Identify all those involved
- Quantify any losses
- Identify any weaknesses in controls that allowed the fraud, or attempt to defraud, to occur

All relevant evidence will be gathered and preserved, including financial records, electronic data and witness statements.

If a member of staff is suspected of fraud, we will follow the investigation procedure set out in our disciplinary procedures:

The lead investigator will hold a meeting with the employee in question, and seek HR advice as appropriate. The meeting will be held solely for the purposes of fact finding, and no decision on disciplinary action will be taken until after the investigation has been concluded or, if required, a formal disciplinary hearing has been held.

7.2 Reporting to the DfE

The board of directors/trustees must notify the DfE as soon as possible of all instances of fraud, theft or irregularity exceeding £5,000 individually, or £5,000 cumulatively in any financial year. Unusual or systematic fraud, regardless of value, must also be reported. The following information should be included, where possible:

- Full details of the events with dates
- The financial value of the loss
- Measures taken to prevent recurrence
- Whether it was referred to the police (and if not, why)
- Whether insurance or the risk protection arrangement have offset any loss

The DfE will not disclose the identity of any individual making a report without permission, unless there is a legal requirement to do so. If a report it made anonymously, it may not be able to investigate.

7.3 Reporting to the police

If there is evidence of criminal activity, the accounting officer will submit a report to Report Fraud on 0300 123 2040, or via the Report Fraud website.

This decision will be taken by the accounting officer in consultation with the chair of directors/trustees (or if the accounting officer is implicated, the chair of trustees in consultation with the chair of the finance and operations committee or audit and risk committee.

7.4 Additional reporting requirements

It is also important to report a fraud to organisations that might be related to how the fraud has been committed. Examples might include:

- An attempt to take money – inform the trust's bank or credit card provider
- An attempt to steal the identity of an individual or the credentials of the trust – 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 certificates – inform the relevant awarding body
- Exploitation of the friends and/or family of fraud victims whose details have obtained via fraud – warn these people, along with organisational contacts (such as contractors) whose details might have become known to or compromised by fraudsters

7.5 Suspension

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

Individuals running the trust (which includes but is not limited to directors/trustees) who are suspected of fraud, may be suspended by the Charity Commission (**note:** it is not necessary for trusts to report directly to the Charity Commission, but the case may be referred if regularity action is needed).

7.6 Disciplinary action

If the investigation concludes that fraud has occurred, we will take disciplinary action in accordance with the trust's 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.

Board Directors/Trustees who are found guilty of fraud will be removed in accordance with the trust's articles of association.

7.7 Recovery of losses

The trust 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 trust's insurance policies (if applicable)

8. Monitoring and review

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

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

9. Links to other policies

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