



European Union
European
Social Fund

Procedures Manual

01.06.22

FRAUD POLICY

PURPOSE

To define the College’s policy in relation to the prevention and detection of fraud

SCOPE

All areas of College activity

RESPONSIBILITY Vice Principal Finance and Resources

FRAUD POLICY

West Suffolk College is primarily funded by public funds and is a high-profile institution in the local community. As such it is essential that all financial and other business dealings within the College are beyond reproach, for the protection and benefit of both individual members of staff and the institution.

It is recognised that the College is a large and complex organisation that seeks to minimise bureaucracy in dealing with its customers but recognises that this offers a significant opportunity for fraud or financial irregularity.

For the purposes of this policy fraud is considered to be theft of College property, in terms of cash or materials, or misappropriation of College facilities (e.g. telephone). Fraud or financial irregularity may involve either the provision of misleading information or the withholding of information with the intent to deceive. This could well involve persons in positions of authority and, while theft in its simplest form is no less serious, deception may be far more significant in its effect on the College.

The College seeks to prevent fraud by the adoption of a series of procedures which cover:

- Culture
- Prevention
- Detection and investigation
- Publicity and training

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Culture

The College has a continuing commitment to a culture of openness, integrity and accountability in all its financial and business dealings. The College expects corporation members and staff at all levels to lead by example ensuring adherence to legal requirements, rules, procedures and practices. The College also expects that individuals and organisations (e.g. suppliers, contractors and service providers) with whom it comes into contact, will act with integrity and without thought of actions involving fraud and corruption.

The College has published a [Whistle-blowing Policy \(01.15.01\)](#) and all staff have been trained in the procedures to be followed if they have any concerns regarding any financial or other irregularity within the College.

The College also has a [Complaints Procedure \(01.08.01\)](#) which allows members of the public or external bodies to raise any issues of concern regarding the activities of the College.

Prevention

The College recognises that a key preventative measure in reducing the opportunity for fraud and corruption is to ensure that adequate systems of internal control are in place and that these are published and reviewed on a regular basis.

This College procedures manual is monitored by the Executive Director of Curriculum and Improvement and there is a regular schedule of review. In addition the internal auditors will include as a matter of course all published systems in the various audits that they carry out during the year. All staff appointments are subject to the receipt of signed application forms, written references and, as far as possible, enquiries are made to ensure that staff appointed are of suitable integrity.

Within the Terms of Employment Contract staff are required to disclose outside interests which may impinge upon the College and in particular any pecuniary interests of other employment in which they are involved.

Failure to comply with the regulations concerning the above two paragraphs is covered by the College disciplinary procedure which is made available to every member of staff.

Corporation members make an annual declaration of interests and they are required to operate within the code of conduct and the College's financial regulations. The College has a published Governance Framework which contains details of roles, responsibilities, conduct, standing orders, terms of reference and the College's Instrument and Articles of Government.

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The College financial regulations are reviewed on an annual basis and are derived from the CIPFA college model of financial regulations.

The College also actively participates with other external bodies and colleges through the auspices of the Association of Colleges in the Eastern Region (ACER), notably in the Principals' and the Finance Managers' networks where issues such as the Prevention of Fraud and Corruption are discussed.

Detection and Investigation

Action to be taken in the event of detection of fraud and corruption is dealt with within the College's whistle-blowing policy.

The internal audit programme is designed to look at financial and non-financial aspects of the College's activity. Increasingly the auditors are being encouraged to deal directly with departmental and functional heads of department rather than through one or two members of the senior management team. Department heads are encouraged to talk openly and freely to the internal auditors who will use their professional experience and knowledge to produce a report which will be reviewed with the appropriate Senior Manager.

The internal auditors will then report to the Audit and Risk Management Committee and any points of disagreement with College officials need to be noted. If the internal auditors feel the need they have the opportunity to report direct to the Corporation or the Chair of Governors.

The external auditors also have the powers to independently investigate fraud and corruption and the College can use their services for this purpose.

In practice many potential frauds or financial irregularity will relate to minor issues which should be detected by proper vigilance in operating College procedures. Examples of this would be: fraudulent claims for travel and subsistence, pilfering of stock, or improper or inaccurate claims for overtime. In circumstances such as these it is the responsibility of the department head to deal with the issue and, if necessary, invoke the disciplinary procedure.

It needs to be recognised that fraud may be deliberate or it may be as a result of lack of knowledge, lack of due diligence or (gross) negligence.

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