



Allegations of Financial Impropriety  
Dated: March 2018  
Review: Period 1 Year  
Finance Committee

## **ARCHERS BROOK SEMH RESIDENTIAL SCHOOL**

### **ALLEGATIONS OF FINANCIAL IMPROPRIETY POLICY**

It is vital that organisations in both the Public and Private sector have in place rules and procedures to combat the risk of financial irregularities. Our process is as follows:-

1. A financial irregularity is a deliberate action which is not in accordance with established and authorised rules or procedures. Irregularities can involve the cash, accounting, stores or property of the School. If the intention is for the person concerned to obtain some financial gain or preferential treatment from public office, then the actions may be contrary to the Criminal Law concerning fraud and corruption. If employees are involved, the Disciplinary Procedure should be invoked.
2. It is the responsibility of all managers to prevent and detect fraud and corruption in the School's dealings by ensuring that all rules and procedures are rigorously followed.
3. The Governing Body is responsible for ensuring that financial systems are effective and operative. Particularly that they include measures to prevent and detect inaccuracies and fraud.
4. The Headteacher must be informed of any suspected irregularities immediately. The Headteacher has to decide whether to conduct an investigation herself or involve the Internal Audit Section of the LA in order to conduct an investigation. If the matter is felt serious enough, the headteacher may report the matter to the Police. The Governing Body must be informed at the first opportunity.
5. If criminal offences have been committed or are suspected to have occurred consideration will be given by the Governing Body to reporting the matter to the police, following consultation if appropriate with any or all of the County Solicitor and Secretary, the Director of Personnel and Policy and the Chief Officer.
6. The reasons for referring suspected irregularities to the police can be summarised as follows:
  - a they have expertise and authority
  - b. their investigations are completely independent;
  - c. they have access to any criminal records and cautions of individual offenders;
  - d. they have access to other powers e.g. arrest and search warrants, which can facilitate investigations;

- e. police investigation can demonstrate the seriousness and gravity with which the School views criminal activities;
- f. publicity given to prosecutions may have a deterrent effect.

7. Criteria to be taken into account include the following:

- a. where corruption is suspected it must be reported to the police;
- b. the nature and extent of the suspected criminal act;
- c. the seniority or level of responsibility of the individual (i.e. the more senior the more likely);
- d. any special circumstances e.g. irrespective of the seniority of the employee or the extent of the crime, the degree of trust placed in an individual must be taken into account.

8. If it is considered inappropriate to make a formal report to the police, a note should be made of the reasons and retained on file to protect the Governing Body involved against allegations of improperly concealing offences. The circumstances that could be relevant in deciding not to take such action include:

- a. small amounts of money or low value items involved;
- b. previous record of suspect person;
- c. attitude of suspected person e.g. if before the offence was revealed a confession was made and the person helped to explain the circumstances and offered restitution;
- d. personal circumstances or medical condition of the suspected person.

9. It is important that independent evidence of any of these circumstances is obtained and held on file if no formal action is to be followed.

10. The Internal Audit Section of the LA have established links with Cheshire Police and can obtain guidance and advice, particularly having regard to the Police's willingness and ability to carry out a full and prompt investigation. They can also provide advice on the suitability of applying any of the criteria in 7 (above). The final decision whether to report should be taken by the Governing Body.

11. The police will not take any action unless a complaint statement is signed.

12. In the event of a police investigation all staff should assign a high priority of full co-operation to enable the investigation to be completed quickly. If the suspect is a member of staff, this will reduce the time the person has to be kept off site and so will help control the loss to the School and reduce the stress on the suspect. A police investigation normally would take priority over any disciplinary action which may subsequently be taken.

13. All employees are encouraged to feel free to report any concerns without fear of intimidation. However, it must be emphasised that abusing the process by raising malicious allegations will be treated as a disciplinary matter.

Approved by the Governing Body on:

Signed:-