

Counter Fraud Policy

Our Mission

Raising Aspirations, Unlocking Potential, Advancing Futures

Our Values

Excellence, Passion, Teamwork, Integrity, Innovation,
Sustainability, Valuing Others and Supportiveness

Sparsholt College Group

The Sparsholt College Group (the College Group) includes Sparsholt College, Andover College, University Centre Sparsholt, Sparsholt College Services, Westley Enterprises and Andover Town Football Club. College Group policies apply to each part of the group unless specified otherwise.

The Counter Fraud Policy was approved by the Board of Governors in March 2026 for immediate implementation.

Originator:	Chief Financial Officer Head of Corporate Governance
Located:	College Group websites College Group intranet
Due for review:	March/April 2029

COUNTER FRAUD POLICY

1. Purpose and Commitment

Sparsholt College Group (the College Group) is committed to the highest standards of integrity, ethical behaviour and stewardship of public funds. We recognise our responsibility to prevent, detect, deter, and respond to fraud, bribery, corruption, and irregularity.

This Policy reflects:

- The DfE's guidance *Fraud awareness: good practice for education and training providers*, which provides sector-wide expectations on prevention, detection, reporting and investigation of fraud, including cyber-enabled threats and AI-based impersonation risks.
- The Economic Crime & Corporate Transparency Act 2023 including the new "failure to prevent fraud" corporate offence.
- The DfE College Financial Handbook which sets out statutory expectations for colleges in relation to fraud, theft, irregularity and cybercrime.
- FE sector emerging risks highlighted through internal audit, external audit and national sector risk reporting.

The College Group adopts a zero-tolerance approach to fraud and corruption and will take decisive action, including investigation, disciplinary action, police referral, regulatory reporting and recovery of losses.

2. Definitions

The College Group recognises definitions from:

- Fraud Act 2006
- Bribery Act 2010
- DfE guidance on irregularity and fraud
- The Economic Crime & Corporate Transparency Act (corporate failure-to-prevent offence)

Fraud may be internal or external, opportunistic or planned, and may be facilitated through digital or AI-assisted methods.

3. Policy Framework and Principles

The College Group's approach is built on three pillars - Acknowledge, Prevent, Pursue.

3.1 ACKNOWLEDGE – Understanding and Assessing Fraud Risks

The College Group will:

- Maintain a Fraud Risk Register, reviewed termly by the Strategic Leadership Team (SLT) and annually by the Audit Committee.
- Review findings and sector intelligence from internal and external auditors, the Department for Education, Jisc and other national bodies.
- Ensure awareness of the College Group’s obligations, including the duty to maintain effective internal controls and respond promptly to fraud and irregularity.

3.2 PREVENT – Creating a Robust Anti-Fraud Culture and Controls

The College Group will:

- Promote a culture consistent with our College Group values, ensuring that all members of staff understand their responsibilities through induction, training updates and ongoing communications.
- Maintain strong financial controls including segregation of duties, authorisation thresholds, procurement checks and supplier management,
- Maintain clear processes for gifts, hospitality, conflicts of interest and expenses.
- Ensure cyber-security controls to mitigate risks including phishing, malware, AI-based impersonation and account compromise.
- Devise and maintain a policies infrastructure which sets out expected standards, procedures and response mechanism.
- Undertake periodic spot checks, due diligence, and assurance for partner or subcontracted provision.
- Ensure governance oversight through the Board, Audit Committee and internal audit function.

3.3 PURSUE – Detection, Reporting and Response

The College Group will:

- Respond promptly to allegations or suspicions of fraud or irregularity.
- Protect whistleblowers and encourage reporting through clear channels.
- Refer matters to the Audit Committee, DfE, external auditors, the police and other agencies as appropriate.
- Document lessons learned and strengthen controls following incidents.
- Investigate all allegations promptly, confidentially and proportionately.
- Follow Financial Regulations, Whistleblowing and Disciplinary policies & procedures as relevant.

- Seek recovery of losses through civil and criminal processes.
- Identify lessons learned and strengthen controls accordingly.

4. Responsibilities

The key areas of responsibility for counter fraud are:

- *Board of Governors*
 - Approves this Policy.
 - Ensures internal audit covers financial controls and fraud risks.
 - Receives reports via the Audit Committee on fraud risk, incidents and assurance.
- *Strategic Leadership Team*
 - Owns the Fraud Risk Register.
 - Ensures policies, systems and internal controls remain robust and compliant.
 - Promotes a culture of integrity and transparency.
 - Maintains cybersecurity systems in conjunction with the Head of IT Services
- *Chief Financial Officer*
 - Operational lead for fraud prevention and investigation.
 - Steers training and fraud communications.
 - Oversees financial controls and supplier due diligence.
- *Managers and Staff*
 - Comply with all College Group policies and financial and operational controls.
 - Remain vigilant to fraud indicators and report concerns immediately.
- *Students, Contractors and Volunteers*
 - Expected to uphold the College Group's values, comply with relevant policies and report any concerns.

5. Fraud Indicators

Indicators will be monitored in line with the DfE guidance, including:

- Personal and behavioural red flags (eg unexplained lifestyle, reluctance to take leave)
- Organisational and control red flags (eg lack of transparency, weak controls, rapid staff turnover)
- Transactional red flags (eg invoice anomalies, duplicate payments, unusual procurement patterns)
- Methods used to commit or conceal fraud (eg document alteration, avoidance of controls, push-payment scams)
- Cyber and AI-enabled risks (eg deepfake voice/imagery, phishing, account compromise)

These are integrated into awareness training and the fraud risk register.

6. Training and Awareness

The College Group will:

- Include fraud awareness in Induction for all new staff.
- Provide regular staff training updates on fraud awareness and cybersecurity.
- Issue annual communication to managers and staff reinforcing key messages.
- Provide tailored training and sector alerts for Finance (including Procurement), HR and SLT as relevant.

10. Key Actions Summary

Aim	Action	Frequency	Owner
Zero-tolerance culture	Review & approve Counter Fraud Policy	3-yearly	Governors/SLT
Policy framework	Review & update associated policies	As per each policy	Governors/SLT
Awareness	Staff induction; training updates; annual communication	Ongoing; annual	CFO Head of HR
Risk Identification	Maintain & review fraud risk register & fraud log; review internal/external audit findings	Termly; as published	SLT / CFO
Prevention	Maintain/strengthen internal controls; review finance & procurement policies; review outcomes of internal audits	As required	SLT / CFO/ Audit Committee
Assurance	Review annual Counter Fraud report; consider key controls as part of the internal audit strategy	Annual	Audit Committee/ Board
Response	Investigate incidents; apply sanctions; recover losses; strengthen controls	As required	SLT

11. Policy Infrastructure

This policy sits alongside:

- Financial Regulations
- Conflicts of Interest, Anti-Bribery, and Gifts & Hospitality Policy
- Conflicts of Interest Policy - Academic
- Codes of Conduct for Staff and Governors

- Whistleblowing (Duty to Act) Policy
- Data Protection Policy
- Staff Disciplinary Policy
- Staff Recruitment Policy
- IT Policy
- Audit Committee Terms of Reference