# ANTI-FRAUD, BRIBERY AND ANTI-MONEY LAUNDERING POLICY

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| **Policy Owner:** | Chief Financial Officer |
| **ISSR Reference:** | Part 8 - Quality of Leadership in and Management of Schools |
| **Date of review:** | Summer 2026 |
| **Approved by:** | Group Board |
| **Date of next review** | Summer 2027 |

**Version Control Information**

| Reason for Amendment | Role | Date | Main Changes |
|---|---|---|---|
| Tier 1 policy formatted into SDEG house style and running order | Chief Financial Officer (CFO) | Group Board – Summer 2026 | Streamlined format, monitoring wording and policy links aligned to house style |

## 1. Aims

This is a Tier 1 Group Policy. It sets the Group-wide statement of intent, governance arrangements, responsibilities and minimum standards for preventing and responding to fraud, bribery, corruption and money laundering. It is supported by procedures, guidance, training, registers, risk assessments and local operating arrangements. Detailed operational requirements must sit in those supporting documents and must not dilute the requirements of this Policy.

This Policy should be read as the overarching Group framework for integrity, anti-fraud, anti-bribery and anti-money laundering. Detailed processes, checklists, training arrangements, reporting routes and operational guidance may be maintained and updated in supporting documents without requiring amendment to this Policy, provided they remain consistent with it.

St Dunstan's Education Group ('SDEG' or 'the Group') is committed to acting with integrity and protecting its charitable purpose, people, resources, assets and reputation. Fraud, bribery, corruption and money laundering divert resources from education, undermine confidence in the Group and may expose the Group and individuals to criminal, regulatory, financial and reputational consequences.

This Policy establishes the Group's overarching principles, governance arrangements, responsibilities and minimum standards for preventing, detecting and responding to fraud, bribery, corruption and money laundering.

This Policy applies to:

- all SDEG schools and nurseries;
- Professional Services functions and Group Directors;
- subsidiary companies and their boards;
- the Group Board, Local School Boards and other governance bodies;
- DET and PSLT members, Heads, Nursery Leaders, budget holders and managers;
- all employees and workers; and
- any individual or organisation acting for, or on behalf of, SDEG.

It applies to all activities undertaken on behalf of the Group, whether charitable, educational, commercial, fundraising or subsidiary activity.

Each school, service and subsidiary must maintain the procedures, controls, records and training necessary to implement this Policy. Local arrangements may reflect operational context but must remain consistent with Group requirements, applicable law and the Group's governance and delegated authority arrangements.

This is a Tier 1 Group Policy approved by the Group Board. It establishes the minimum Group standard. Failure to comply may be addressed through applicable employment, governance, contractual, disciplinary or other procedures.

The Group will:

- maintain a zero-tolerance approach to fraud, bribery, corruption and deliberate abuse of position for personal gain;
- maintain proportionate controls to prevent, detect and respond to financial crime and other dishonest behaviour;
- ensure decisions and transactions are appropriately authorised, evidenced, transparent and capable of withstanding scrutiny;
- protect Group funds, assets, services and reputation;
- ensure that funds received by the Group are accepted only where appropriate due diligence and risk assessment have been undertaken;
- ensure concerns are raised promptly and investigated appropriately; and
- maintain effective training, assurance, monitoring and record-keeping arrangements.

The Group Board retains ultimate accountability for the governance and stewardship of the Group. The CEO is accountable to the Group Board for delivery of strategy and organisational performance within approved resources. The CFO owns this Policy and is the Group's principal lead for financial controls, financial crime risk, implementation and investigation, supported by the appropriate executive, professional services and operational leaders.

All individuals acting on behalf of the Group are expected to exercise sound judgement, comply with applicable law and Group policies, and raise concerns where something appears dishonest, improper, unusual or inconsistent with the Group's requirements.

**2. Legislation and Regulatory Framework**

This Policy is informed by, and should be applied consistently with, applicable legislation and regulatory guidance, including:

- Bribery Act 2010;
- Fraud Act 2006;
- Proceeds of Crime Act 2002 (POCA), as amended;
- Money Laundering Regulations 2017, where applicable; and
- relevant charity law and Charity Commission requirements concerning the receipt and use of Group funds.

The Group will keep relevant legal and regulatory developments under review and reflect material changes in supporting arrangements. Where legal requirements impose a higher standard than this Policy, the legal requirement prevails.

**3. Roles and responsibilities**

**3.1 Group Board of Governors**

- holds ultimate accountability for Group governance and stewardship;
- approves this Policy and oversees the effectiveness of arrangements for preventing and responding to fraud, bribery and money laundering;

- provides appropriate challenge and assurance through the Group's governance framework;
- oversees significant matters escalated in accordance with this Policy; and
- ensures that the Group's governance arrangements operate within the Group's authority framework.

### 3.2 Chief Executive Officer

- is accountable to the Group Board for organisational leadership and delivery within approved resources;
- ensures material concerns are appropriately escalated through the Group governance structure;
- supports a culture of integrity and appropriate challenge; and
- where a concern relates to the CEO, ensures the matter is referred directly to the Chair of the Group Board.

### 3.3 Chief Financial Officer

- owns this Policy and oversees its implementation;
- maintains appropriate financial control, accountability and assurance arrangements designed to prevent and detect fraud, bribery and financial irregularity;
- leads the Group's response to reported financial crime concerns and investigates or commissions investigation as appropriate;
- assesses suspicious payments and determines whether further evidence or explanation is required;
- where appropriate, determines whether a Suspicious Activity Report (SAR), request for a Defence Against Money Laundering (DAML) or Charity Commission report is required;
- maintains records of decisions and evidence supporting them; and
- provides appropriate assurance and escalation to DET, PSLT and the Group Board.

### 3.4 DET

- provides executive challenge and oversight of material financial, operational and conduct risks;
- supports consistent implementation of this Policy across schools and Group functions; and
- ensures material concerns and actions are escalated through the appropriate governance route.

### 3.5 PSLT and functional leaders

- implement appropriate controls within their functions;
- ensure staff understand relevant requirements and escalation routes;
- identify and escalate material risks or concerns; and
- support the CFO in investigations, assurance and remediation where required.

### 3.6 Heads and Nursery Leaders

- ensure this Policy is implemented within their setting;
- promote a culture in which concerns can be raised without retaliation;
- ensure relevant staff complete required training;
- maintain appropriate local controls and records; and
- escalate suspected fraud, bribery, corruption, money laundering or other material irregularity promptly.

### 3.7 Budget holders, managers and staff

- comply with this Policy and relevant supporting guidance;
- exercise appropriate care when making or approving decisions on behalf of the Group;
- remain alert to unusual transactions, requests or behaviour;
- protect Group resources and information;
- complete required training; and
- report concerns promptly through the appropriate route.

### 3.8 Local School Boards and Subsidiary Boards

- provide local or subsidiary oversight, scrutiny and challenge within delegated authority;
- receive appropriate assurance on significant risks and incidents; and
- recognise that ultimate Group authority and accountability remain with the Group Board.

## 4. Anti-fraud, bribery and anti-money laundering framework

### 4.1 Zero tolerance

The Group will not tolerate fraud, corruption or abuse of position for personal gain in any area of its activities. The Group expects staff, governors, volunteers, contractors, suppliers and other third parties acting for or on behalf of SDEG to act with integrity.

### 4.2 Fraud

Fraud includes deliberate deception, concealment, misrepresentation or abuse of position intended to create a financial or other gain for the perpetrator or a related person or entity and/or cause loss to another. It may include the deliberate misuse of the Group's name, resources, assets or services for personal or related-party benefit.

### 4.3 Corruption

Corruption will normally involve dishonest or improper conduct accompanied by a bribe, threat, reward or other inducement.

### 4.4 Bribery

Bribery is not tolerated. The Bribery Act 2010 creates offences including giving or receiving a bribe, bribing a foreign public official and failing to prevent bribery. Individuals must not:

- give, promise, offer or authorise a payment, gift or hospitality intending to obtain or reward a business advantage;
- give, promise, offer or authorise a payment to a government official or representative to facilitate or expedite a routine procedure;
- accept a payment from a third party where they know or suspect it is offered in expectation of a business advantage;
- accept a gift or hospitality where they know or suspect it is offered in expectation of an advantage in return; or
- retaliate against or threaten a person who refuses to participate in bribery or raises a concern.

### 4.5 Facilitation payments

Facilitation payments are not permitted. Any request for an unofficial payment to secure or expedite an action must be reported promptly to the CFO.

### 4.6 Third parties and contracts

The Group expects suppliers, contractors, professional advisers, agents and other organisations with which it deals to act with integrity. Where proportionate, contracts should include appropriate provisions concerning fraud, bribery and corruption and the consequences of misconduct. Suspected serious misconduct may result in contract termination and referral to the appropriate authorities.

### 4.7 Money laundering and illicit funds

The Group could be used as a vehicle through which criminals seek to launder the proceeds of crime. The Group, or an individual, may be at risk of committing an offence if illicit funds are accepted, handled or dealt with where there is knowledge or reasonable suspicion concerning their source.

### 4.8 What staff should look for

Money laundering can involve payments that disguise the origin of funds. In the Group context, risk may arise in relation to fees, third-party payments, donations, advance fee payments, unusual refunds or requests to return funds to an account different from the original payer. These examples are not exhaustive.

### 4.9 Risk-based approach

The Group will apply a proportionate, risk-based approach. Staff are not expected to examine every payment in detail against every red flag. However, where a payment falls within an

identified higher-risk category, or something otherwise appears unusual or suspicious, the matter must be referred to the CFO before the payment is accepted or otherwise dealt with.

**4.10 Higher-risk payment categories**

- donations over £10,000;
- cash payments over £100;
- payments from high-risk countries; and
- payments involving Politically Exposed Persons (PEPs).

The CFO should maintain the current list of high-risk countries and provide appropriate guidance to staff.

**4.11 Donations and provenance**

The Group should know, at least in broad terms, where substantial donations originate and should be able to identify and obtain reasonable assurance about the provenance of substantial donations. Due diligence should consider the risks to the Group, whether it is appropriate to accept the donation, whether the source appears legitimate, and whether any conditions attached to the donation are appropriate.

For donations over £10,000, the relevant staff member must complete the Group's current red-flag checklist before acceptance. If any red flag is identified, the concern must be referred to the CFO immediately. Final approval thresholds for accepting gifts remain governed by the applicable Gift Acceptance and Ethical Fundraising arrangements.

**4.12 Refunds and repayments**

Refunds or repayments of sums paid to the Group should normally be made only to the bank account from which the original payment was made. Any request to make a repayment to a different account, particularly an account belonging to another person or entity, must be referred promptly to the CFO.

**4.13 Assessment of suspicious payments**

Where a red flag is identified, the CFO will consider the circumstances and may seek further information, including:

- confirmation of who is making the payment;
- an explanation of why the payment is being made in a particular way or from multiple sources;
- evidence of the source of funds; and
- appropriate open-source checks concerning the payer or donor.

Following appropriate enquiries, the CFO will determine whether the payment can be accepted, whether further evidence is required, whether a SAR should be submitted, and

whether a report to the Charity Commission should be considered. The CFO will retain a record of the decision and supporting evidence.

**4.14 NCA reporting and DAML**

Where the CFO has reasonable suspicion or knowledge that funds may be illicit, the CFO will consider the requirement to submit a SAR to the National Crime Agency (NCA) and, where relevant, seek consent to proceed with the transaction. Where a DAML is requested, the Group must not accept, return, pay away or otherwise use the suspicious payment until the applicable process and time limit have been completed.

Staff must not disclose or discuss a suspicion or report in a way that could prejudice an investigation. Where appropriate, the CFO will also consider whether notification to the Charity Commission is required.

**4.15 Gifts and hospitality**

This Policy does not replace the Group's specific requirements for gifts and hospitality. Offers of gifts and hospitality above the applicable de minimis level must be recorded, whether accepted or declined, in accordance with the Group's Finance Policy and supporting Gifts and Hospitality arrangements.

**4.16 Conflicts of interest**

Individuals must declare and appropriately manage actual, potential or perceived conflicts of interest in accordance with the Group's conflicts arrangements. A conflict must not be allowed to influence a procurement, payment, recruitment, fundraising, donation or other decision.

**4.17 Third-party payments**

Particular care must be taken where a payment is made by someone other than the person or entity expected to make the payment. Staff should understand the connection between the third party and the underlying obligation and escalate anything unusual or unexplained to the CFO.

**4.18 Duty to raise concerns**

Staff and anyone acting for or on behalf of the Group are an important part of the Group's defence against fraud, bribery, corruption and money laundering. They must raise concerns where they suspect that this Policy or applicable law has been breached, or where a transaction, request or behaviour appears dishonest, improper or suspicious.

**4.19 Reporting route**

Concerns should normally be raised with the CFO in the first instance, in accordance with the Group's Speaking Up (Whistleblowing) Policy. Where the concern relates to the CEO, it should be raised with the Chair of the Group Board. Where a concern relates to the CFO, an

appropriate alternative route under the Group's governance or whistleblowing arrangements must be used.

Concerns will be handled confidentially to a reasonably practicable extent. Depending on the nature and seriousness of the concern, investigation may be undertaken by the CFO, CEO, Group Board or an appropriately independent person, and serious matters may be referred to the police, NCA, Charity Commission or other relevant authority.

**4.20 No retaliation**

The Group will not tolerate retaliation against or threats towards anyone who refuses to participate in improper conduct or raises a genuine concern.

**4.21 Investigation and remediation**

Investigations will be proportionate to the nature and seriousness of the concern. Relevant evidence and decisions must be documented. Where control weaknesses are identified, the responsible leader must implement appropriate corrective action and the matter must be escalated where material.

**4.22 Escalation**

Material incidents, significant control failures and matters that could materially affect the Group's financial position, reputation, regulatory standing or charitable purpose must be escalated through the appropriate management and governance route. Escalation does not transfer ownership; accountability remains with the responsible lead unless formally reassigned.

**4.23 Training**

All budget holders must complete the Group's required anti-bribery training annually and follow the associated guidance when making decisions on behalf of the Group. The Group will provide appropriate training and guidance to help staff identify money laundering and other financial crime red flags and understand the required escalation route.

**4.24 Monitoring and assurance**

The Group will maintain proportionate monitoring and assurance arrangements. First-line responsibility sits with operational leaders, budget holders and managers who operate and monitor controls. Second-line oversight is provided by Finance, the CFO and relevant management and governance forums through policy compliance, review and challenge. Third-line assurance may be provided by external audit, specialist reviews or other independent assurance.

| Assurance line | Primary responsibility |
|---|---|
| First line | Budget holders, managers, Heads, Nursery Leaders and Directors: day-to-day controls, review and escalation. |
| Second line | Finance, CFO, DET and PSLT: oversight, policy compliance, challenge, monitoring and management assurance. |
| Third line | External audit, specialist reviews and independent assurance: objective review of governance, risk and control arrangements. |

**4.25 Records**

Records must be complete, accurate, appropriately authorised and retained in accordance with the Group's records management requirements. Records should provide sufficient evidence of due diligence, decisions, investigations, approvals, training and assurance.

The CFO will retain appropriate records of decisions concerning suspicious payments, including the evidence supporting the decision and any reporting or regulatory action taken.

**4.26 Confidentiality and tipping off**

Where a money laundering concern has been reported, staff must not discuss the concern with other staff, pupils, parents, donors or other persons unless authorised to do so. Unauthorised disclosure may prejudice an investigation and may itself create legal risk.

**4.27 Implementation**

The CFO will oversee implementation of this Policy and ensure that supporting procedures, guidance, training, registers and assurance arrangements are maintained. Leaders and managers are responsible for implementation within their areas.

**5. Monitoring**

This Policy will be reviewed at least annually by the CFO and sooner where there is material change in governance, law, regulation, financial crime risk or operating arrangements. Approval remains with the Group Board.

Effectiveness will be assessed through reported incidents, training completion, control reviews, assurance activity, audit findings, management feedback, regulatory developments and governance scrutiny.

At every review, the policy will be approved by the Group Board of Governors.

**6. Links with other policies**

- Finance Policy

- Gifts and Hospitality Policy / arrangements
- Code of Conduct
- Speaking Up (Whistleblowing) Policy
- Gift Acceptance and Ethical Fundraising Policy
- Risk, Assurance & Compliance Policy
- Scheme of Delegation / Delegated Authority Matrix
- relevant procurement, expenses, credit card, fundraising and financial procedures

**Appendix 1: Money laundering red-flag checklist**

The following checklist is based on the existing Group checklist and is not exhaustive. If any answer is 'yes', or if something otherwise seems unusual, the payment must be referred to the CFO for further consideration before acceptance or other action.

| Potential red flag | Ask… |
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| 1. Transactions | Are payments unusual because of their size, frequency or manner of execution? For example, are there many small payments from different accounts? |
| 2. Bank account | Is the payment being made from an account that is not in the same name as the payer? |
| 3. Arrangements | Do complex or illogical arrangements make it unclear who is making the payment? Is the payer seemingly unconnected to the pupil, parent or donor? |
| 4. Third-party payments | If the payment is from a third party, is the connection between that person and the pupil, parent or donor unclear? |
| 5. Internet search | Are there adverse media reports suggesting the payer may be involved in criminal activities? |
| 6. Erroneous payments | Has the Group been asked to reverse a payment said to have been made in error, or repay it to someone other than the original payer? |
| 7. Country of residency | Is the parent/payer resident in, or recently relocated from, a high-risk country? Obtain the current list from the CFO. |
| 8. PEP | Is the parent or person paying the fees a Politically Exposed Person? If so, is their business activity unusual given their public role? |
| 9. Assets | Do the person's apparent assets seem inconsistent with their known legitimate income? |
| 10. Resources | Are the funds being provided by bearer's cheque or cash? |
| 11. Identity | Is the payer difficult to identify? |
| 12. Early or quick payments | Is the payer unusually anxious to make a payment, or unable to justify why it must be made quickly or early? |
| 13. False documents | Do any documents appear to be falsified? |
| 14. Representative | Have you or another professional been instructed at a distance, asked to act outside your usual specialty, or offered an unusually high fee? |