


LONDON SCHOOL
OF SCIENCE & TECHNOLOGY

# Anti-Fraud Policy

**Version 2.0**

Approved by the Board of Governors

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* The document owner is responsible for maintaining and updating the content of this document and ensuring that it reflects current practice at the School.

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## 1. PURPOSE

1.1. London School of Science and Technology (LSST) is committed to integrity, transparency, and compliance with legislation, including the Fraud Act 2006 and the Office for Students (OfS) regulatory requirements. As a registered provider receiving public funding, LSST upholds high standards of ethical conduct and financial accountability.

1.2. LSST is committed to the proper use of public and private funds and adheres to the Seven Principles of Public Life ("Nolan Principles") as detailed in Appendix 1.

1.3. Fraud, corruption, and dishonesty are unacceptable in any form. LSST applies a zero-tolerance approach, whether such misconduct is committed by staff, students, or third parties acting on its behalf.

1.4. Staff are expected to uphold the highest standards of honesty, integrity, and propriety in all duties.

1.5. This policy:

- Establishes responsibilities for preventing, detecting, and reporting fraud.
- Outlines procedures for handling suspected or actual fraud.
- Supports LSST's regulatory obligations, including the reporting of Reportable Events to the OfS.

## 2. SCOPE

2.1. This policy applies to:

- All LSST staff (academic, professional services, and support).
- LSST students acting on behalf of the institution.
- Contractors, consultants, agents, and third-party suppliers.
- All LSST departments and operations (e.g., finance, student services, admissions, IT).

## 3. DEFINITION OF FRAUD

3.1. Fraud is defined under the Fraud Act 2006 as dishonestly intending to make a gain or cause a loss through:

- False representation (e.g., forging signatures, falsifying invoices).
- Failure to disclose information (e.g., not disclosing conflicts of interest).
- Abuse of position (e.g., using authority for personal financial gain).

3.2. Examples at LSST might include:

- Claiming false travel or expense reimbursements.
- Falsifying student attendance or assessments.
- Misuse of LSST funds or resources for personal benefit.
- Collusion with suppliers to inflate invoices.

## 4. RESPONSIBILITIES

4.1. The Board of Governors has overall responsibility for approval of this Policy in accordance with its obligations to safeguard School assets.

4.2. The Audit Committee has delegated authority from the Board of Governors for reviewing and recommending the approval of the policy, together with receiving reports on any fraudulent activity and the actions taken to prevent recurrence.

4.3. The CEO acts as Accountable Officer under the OfS framework and ensures serious fraud or financial irregularity is reported as a Reportable Event to OfS.

4.4. The Director of Finance is responsible for the design and establishment of the internal financial control system, managing fraud risk in the context of overall risks of the School.

4.5. All staff and students must report any actual, suspected, or attempted fraud. They must comply with this and related policies at all times and are responsible for safeguarding LSST assets and systems.

## 5. PREVENTION AND INTERNAL CONTROLS

5.1. LSST implements the following anti-fraud measures:

- Segregation of duties and authorisation controls for all financial transactions.
- Mandatory staff training on fraud awareness and whistleblowing.
- Secure IT systems with access control and activity monitoring.

- Regular internal and external audits.

## 6. REPORTING SUSPECTED FRAUD

6.1. Employees and students are encouraged to raise any concerns they may have. Such concerns can be raised in the knowledge that they will be treated in confidence and in accordance with the Public Interest Disclosure Act 1998. This statute protects the legitimate personal interests of staff. The School Whistleblowing Policy provides further information.

6.2. All actual, suspected, or attempted fraud must be reported in accordance with LSST's Whistleblowing Policy. Reports should normally be made via whistleblowing@lsst.ac or to a Designated Officer or the CEO.

6.3. Reports may also be raised with a line manager; however, line managers must not investigate concerns themselves and must refer the matter immediately to a Designated Officer or via the whistleblowing reporting route.

6.4. All reports of suspected fraud will be treated as protected disclosures and handled in line with the Whistleblowing Policy's investigation procedures and safeguards. Reporting procedures are outlined in the Fraud Response Plan (Appendix 2).

6.5. Any allegations of fraud or irregularity will be properly and promptly investigated. Where allegations are made and are subsequently proved to be malicious and unfounded, this will be referred for consideration as a serious disciplinary offence under the School's disciplinary procedures.

## 7. OFS REPORTING REQUIREMENTS

7.1. In the event of a report which would amount to a potential breach of the University's conditions of registration with the Office for Students, including:

- A material adverse change.
- A significant and immediate threat to the School's financial position; significant fraud, or
- Impropriety, or major account breakdown.

7.2. The CEO will determine whether an incident qualifies as a Reportable Event and ensure timely submission to OfS.

## 8. RELATED LSST POLICIES

- Whistleblowing Policy
- Anti-Bribery Policy
- Code of Conduct
- Disciplinary Procedures
- Conflict of Interest Policy

## 9. CONSEQUENCES

9.1. Any employee, student, or third party acting on behalf of LSST who is found, following investigation, to have committed fraud or attempted fraud will be subject to action under the School's disciplinary or contractual procedures. For an LSST employee this may include disciplinary action up to and including summary dismissal for gross misconduct.

9.2. Fraud is a criminal offence, and where appropriate LSST may refer matters to external authorities, including law enforcement, and may seek to recover any losses incurred.

## 10. REVIEW OF WHISTLEBLOWING POLICY

10.1. The Board of Governors, through the Audit Committee, will receive annual assurance from the Executive Committee on the effectiveness of fraud prevention measures.

10.2. The Executive Committee ensures that whistleblowing protocols are communicated throughout LSST. All updates to this policy are subject to ratification by the Board of Governors.

# APPENDIX 1

The Seven Principles of Public Life from the Report of the Committee for Standards in Public Life (The Nolan Report):

**Selflessness**

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.

**Integrity**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that may influence them in the performance of their official duties.

**Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

**Accountability**

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

**Openness**

Holders of public office should be as open as possible about all their decisions and the actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

**Honesty**

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

**Leadership**

Holders of public office should promote and support these principles by leadership and example.

# APPENDIX 2

Fraud Response Plan

This plan sets out LSST's procedures for ensuring all reports or suspicions of fraud, theft, corruption, or dishonesty are handled swiftly, fairly, and effectively. It supports LSST's commitment to ethical conduct, integrity, and compliance with OfS and governance codes.

1. Reporting Suspected Fraud

Reports should normally be made via whistleblowing@lsst.ac , or to a Designated Officer or the CEO.

- LSST staff are encouraged to report concerns in good faith under the Whistleblowing Policy, which provides protection against retaliation.
- Reports will be treated with strict confidentiality.
- Staff must not attempt to investigate or confront suspects.

2. Initial Response

A Fraud Response Group (FRG) will be convened within one working day and may include:

- CEO (Chair)
- Director of Finance
- Head of Registry
- External/internal auditors (as required)

The FRG will:

- Assess the need for further investigation.
- Determine necessary safeguards (e.g., suspension, system access restriction).
- Decide if the police, legal advisors, or insurers need to be notified.
- Ensure reputational and operational risk is mitigated.

3. Investigation & Evidence Handling

- Investigations will be led by the Chair or an appointed independent investigator.
- Evidence will be preserved securely and lawfully.
- Digital access may be restricted, and systems audited where appropriate.
- Any action taken will comply with LSST's disciplinary and HR policies.

4. Suspension & Immediate Risk Management

To prevent further loss:

- Staff suspected may be suspended (with or without pay).
- Access to premises, IT systems, and assets will be withdrawn.
- Security and HR will coordinate safe suspension procedures

5. Recovery of Losses

- LSST will seek to recover losses in all cases.
- Legal advice may be obtained to freeze assets or initiate civil recovery.
- Insurers will be notified where applicable.

6. Review and Control Improvement

On conclusion of an investigation:

- A fraud report will be submitted to the Audit Committee and Board of Governors.
- It will outline the incident, actions taken, and any control weaknesses.
- Internal controls will be reviewed and strengthened where necessary.

7. Confidentiality & Reputation Management

All information relating to suspected or confirmed fraud will be treated in line with data protection, HR, and legal requirements.

LSST will manage communications carefully to protect its reputation.

# VERSION HISTORY

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|---|---|---|
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