

Friern Barnet School

Anti-Fraud and Corruption Policy



Reviewed: February 2024

Rationale

The Scheme for Financing Schools states that 'All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets'.

Friern Barnet School is committed to ensuring that it acts with integrity and has high standards of personal conduct. Everyone involved with the school has a responsibility in respect of preventing and detecting fraud. The school also recognises the role of others in alerting them to areas where there is suspicion of fraud. In line with the Local Authority position the school, being an organisation dealing with public money, has a zero tolerance on fraud and corruption.

The Governing Body and Head Teacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them; and the consequences of breaching these controls. This information must also be included in induction for new school staff and governors.

This policy document assists the Governing Body in meeting its responsibilities.

Aims

This policy highlights anything that involves (or is thought to involve) irregularities concerning cash, resources or other property and any other suspected irregularity in the running of the school and assists the Governing Body and Head Teacher in meeting their responsibilities with regards to safeguarding school assets and funds.

The aim is that all staff are clear on procedures and practices and what to do in case of misconduct.

Practice

Fraud, Corruption and Bribery

Fraud is a criminal offence. The Fraud Act 2006 defines fraud as:

1. Deceit, the intention to deceive or secrecy: and
2. (a) an actual loss or gain;
(b) the intent to cause loss to another or expose them to the risk of it;
3. Dishonesty.

Offences of fraud can include abuse of position, making of a false statement, failure to disclose information, obtaining services dishonestly, deception, theft, misappropriation, embezzlement, forgery, corruption, extortion, false accounting, false representation, concealment of material facts, acts of conspiracy, collusion and aiding and abetting any act of dishonesty.

Bribery is a criminal offence and the Bribery Act 2010 introduces a clearer regime for tackling bribery. A definition is – inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages.

Corruption is defined as the offering, giving, soliciting or acceptance of an inducement or reward which may influence the actions taken by Friern Barnet School, its staff or Governors.

Examples of what could constitute fraud and corruption are -

- theft of cash
- being paid against a receipt supplied and claiming payment had not been received
- substitution of personal cheques for cash
- travelling and subsistence claims for non-existent journeys/events
- inflated travelling and subsistence claims

- manipulating documentation to increase salaries/wages received, e.g. making false overtime claims
- submission and payment of invoices for goods received by an individual rather than the school
- unauthorised borrowing of equipment
- breaches of confidentiality regarding information
- failure to declare a direct pecuniary or otherwise conflicting interest
- concealing a generous gift or reward
- unfairly influencing the award of a contract
- creation of false documents
- deception
- using position for personal reward
- failure to observe, or breaches of, regulations and/or other associated legislation laid down by the school

The above list is not exhaustive. If in any doubt about whether a matter is an irregularity or not, clarification must be sought from the Business Manager.

Council Policy

The London Borough of Barnet is committed to fighting fraud with high ethical and moral standards and recognises that any fraud perpetrated against the Council including its schools is costly, both in financial terms and reputation.

The Council is therefore committed to a programme of zero tolerance.

The Council is committed to nurturing a strong anti-fraud culture, which is key to the prevention and detection of fraud.

Its Corporate Anti-Fraud Team (CAFT) is dedicated to investigating all instances of fraud committed against the London Borough of Barnet and its schools.

Responsibilities

The Governing Body endorses the policy of the Council and is committed to take action to prevent, detect and deter fraud, corruption and bribery in all its activities.

This policy must be read in conjunction with the following policies – Whistleblowing, financial policies & procedures, including delegation and Safer Recruitment procedures.

The school will ensure probity in administration and governance by taking positive action against all forms of fraud, corruption or bribery affecting school business whether it is from internal or external sources.

Governors

There is a specific duty expected of the Governors to set an example to the employees of the school and the community by acting with integrity, honesty and in a trustworthy manner befitting the school.

Members of the Governing Body will set the standard for the school and therefore give their full support to all systems and controls in place to assure probity. In particular, governors have a personal responsibility to abide by the school's constitution, the Scheme for Financing Schools and Contract Standing Orders for Schools.

The Governing Body has a legal responsibility for the school budget and will ensure a sound system of internal control is in place in the use of delegated and other funds given to the school.

Head Teacher and senior staff

The Head Teacher and senior members of staff are expected to set high examples of conduct in their day-to-day work, which are beyond reproach.

The Head Teacher, with assistance from the school's Business Manager, bears overall responsibility for systems of financial control and may be liable to be called to account for specific failures.

However, all senior staff and other managers are responsible for ensuring an effective system of risk management and internal control exists within their areas of responsibility and that those controls operate effectively. Managers must take a lead in terms of fraud prevention and will be held accountable for not undertaking this as part of their position of trust and area of responsibility.

The Head Teacher is responsible for ensuring the school's policy in relation to fraud is communicated to all staff.

All Staff

This policy applies to all employees of the school. It also applies to consultants, temporary staff, contractors and vendors and any other parties with a business relationship with the school.

All members of staff are expected to share the commitment to help the school protect the public funds to which it has been entrusted. All staff have a duty to assist the school in the prevention of fraud and are expected to alert their line manager where they believe the opportunity for fraud exists because of weak procedures or lack of appropriate supervision. All employees are expected to report any cases of suspected fraud, no matter how trivial they may seem.

All staff are expected to be fully accountable during their employment with the school, to follow the school's policies, financial procedures and any relevant professional code and to comply with all laws and regulations applicable to the school's business.

As stewards of public funds, all staff must have, and be seen to have, high standards of personal integrity. Staff should not accept personal gifts, hospitality, or benefits of any kind from a third party that may be seen to compromise that integrity. Staff should ensure that if they do receive any gifts over a value of £20 that they make their line manager/SLT aware.

The Local Authority: Internal Audit

Internal Audit will report on the existence and effectiveness of control systems and as part of the audit process may advise on best practice. The findings and recommendations of reports will be implemented promptly.

Prevention

Prevention is the most desirable factor in dealing with any fraud.

Governors, school management and staff will carry out their responsibilities as outlined above and implement specific action as set out in the appendix – Implementation of Fraud Policy.

Detection

London Borough of Barnet (LBB) carries out audits of all schools based on an assessment of the risk management. Any suspected fraud or irregularity will be referred to the Corporate Anti-Fraud Team.

All staff have an obligation to report concerns to school management. In addition, a **Council Whistleblowing Hotline (020 8359 6123)** exists for cases where school staff or the Governors feel it is necessary to report their suspicions in a confidential manner. All staff will be made aware of the school's Whistleblowing Policy.

Investigation

Where any matter that might constitute fraud, theft, corruption or bribery comes to the attention of any governor, the Head Teacher or member of the SLT, it will be in the first instance investigated by the Head Teacher to ascertain the basic facts (or, in the case of the Head Teacher, the Chair of Governors will investigate to ascertain the basic facts).

Subject to the findings, the matter must be referred to the Corporate Anti-Fraud Team (CAFT) at LBB and a decision will be made as to whether it will be dealt with by CAFT, or a full internal investigation will be carried out.

The CAFT are responsible for investigating all allegations of suspected fraud. The Team has full right of access to examine any documents or contents of school property. This also includes examination of computers, and related equipment and interviews with staff.

The CAFT has been designated this responsibility to ensure consistency in dealing with all allegations of fraud, to ensure a detailed and proper investigation is carried out by skilled investigators, and to ensure the Council and its maintained schools' assets and interests are protected and/or recovered where applicable.

The CAFT will work closely with the Chair of Governors and Head Teacher in fraud related cases involving disciplinary investigation, action and hearings. Where fraud is proven, this constitutes gross misconduct and cases will be dealt with appropriately, according to school's disciplinary procedures.

Deterrence

The Governing Body views fraud as a serious offence against the school and employees will face disciplinary action if there is evidence to support any allegation of fraud. Disciplinary action may be taken in addition to any criminal proceedings, depending on the circumstances of each case.

The London Borough of Barnet has an established Prosecution Policy which clarifies the authority's position with regard to prosecutions and to deter those who may attempt to commit offences against the authority or its schools.

The Governing Body endorses the Council's Prosecution Policy and is committed to deterring potential cases of fraud through the implementation of robust systems and procedures and will act quickly and efficiently where fraud is alleged, leading to the most appropriate outcome.

It will take all steps possible to ensure appropriate penalties are sought in cases where fraud is proven, strenuously attempt recovery of any monies lost as a result of fraud and thoroughly assess the systems and processes to ensure fraud is minimised in future.

The Governing Body will ensure its policy is communicated to staff and the community.

Implementation of Fraud Policy

Action	Lead person
Governors to abide by the school's constitution, the Scheme for Financing Schools, Contract Standing Orders for Schools, and act within the law in an open, honest and trustworthy manner	Monitored by Chair of Governors and Chair of Finance Committee over the past year.
Ensure an effective system of internal financial control exists within the school, that it is clearly documented in the school's own Financial Procedures and that those controls operate effectively.	Head Teacher (with assistance of Business Manager)
Budget managers to assess risk involved in their area of responsibility; to review the control systems, and to ensure that controls are being complied with properly by undertaking regular checks.	Head Teacher in conjunction with Budget Holders (with assistance of Business Manager)

Ensure recruitment procedures established to ensure all staff are vetted correctly prior to commencing their employment.	Head Teacher (assisted by person carrying out HR procedures)
Ensure statements of employment or undertaking include reference to the school's Anti-Fraud & Corruption Policy	Head Teacher (assisted by person carrying out HR procedures)
Ensure Disciplinary procedures are in place to deal any acts of misconduct by school employees.	Chair of Staffing Disciplinary Committee (or similar)
Inclusion of Anti-Fraud and Corruption policy and Whistle-Blowing Policy in staff induction programmes	Head Teacher (assisted by person carrying out HR procedures)
Inclusion of Anti-Fraud and Corruption policy and Whistle-Blowing Policy in Governors' induction programmes	Chair of Governors (assisted by person carrying out HR procedures)
Staff should not accept personal gifts, hospitality, or benefits of any kind from a third party that may be seen to compromise their integrity.	Head Teacher to maintain a gifts and hospitality register
Publicise the school's commitment to fighting fraud, e.g. providing information on its website and school documents, such as the prospectus	Head Teacher