

1.10 Fraud and Corruption

Introduction

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 is dedicated to investigating all instances of fraud committed against the London Borough of Barnet and its schools.

Scheme Requirements

The Scheme for Financing Schools includes the following provision, as paragraph 2.22

“All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

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.”

Action by schools

Schools are obliged to implement the requirements of the Scheme and to assist in meeting this requirement it is strongly recommended that the Governing Body approves a school policy in respect of Fraud and Corruption. A model policy is attached as Appendix A

The adoption of a policy document assists the Governing Body in meeting its responsibilities; it is essential however that procedures are put in place to ensure that the policy is implemented.

The adoption of a policy and its implementation will help the school answer Question 19 of the Schools Financial Value Standard – “are there adequate arrangements in place to guard against fraud and theft by staff, contractors and suppliers?”

A key area for the prevention of fraud is robust Internal Financial Controls and guidance is given in Section 4. The school’s internal financial procedures must be documented in the school’s Financial Policy & Procedures document and checks made to ensure systems are adhered to.

A key area for the prevention of corruption is sound procurement practice and guidance is given in Section 6. The school’s purchasing procedures must be documented the school’s Financial Policy & Procedures document and checks made to ensure systems are adhered to.