

## THE TEACHING AGENCY

Decision of a Professional Conduct Panel and the Secretary of State

**Teacher:** Mrs Daphne Farrow

**Teacher ref no:** 7573128

**Teacher date of birth:** 23 September 1949

**TA Case ref no:** 0007288

**Date of Determination:** 28 February 2013

**Former Employer:** Rebecca Cheetham Nursery Education Centre,  
Stratford, London

### **A. Introduction**

A Professional Conduct Panel ("the Panel") of the Teaching Agency convened on 25<sup>th</sup> to 28<sup>th</sup> February 2013 at 53-55 Butts Road, Earlsdon Park, Coventry, CV1 3BH to consider the case of Mrs Daphne Farrow.

The Panel members were John Elliott (Lay Panellist – in the Chair), Lel Meleyal (Lay Panellist) and Gail Goodman (Teacher Panellist).

The Legal Adviser to the Panel was Nicholas Leale of Blake Laphorn Solicitors.

The Presenting Officer for the Teaching Agency was Margaret Bromley of Bevan Brittan Solicitors.

Mrs Farrow was not present but was represented by Mr Andrew Faux of Counsel.

The hearing took place in public and was recorded.

### **B. Allegations**

The Panel considered the allegations set out in the Notice of Proceedings dated 12<sup>th</sup> December 2012.

It was alleged that Mrs Farrow was guilty of unacceptable professional conduct in that whilst employed as Head Teacher at Rebecca Cheetham Nursery Education Centre (the School), Stratford, London, between 1 September 1988 and 22 October 2009, she:

1. between 2002 and 2009, failed to set up and maintain controls and transparency in relation to the management of her husband, Mr Farrow's:
  - a. time off in lieu;
  - b. overtime;

- c. supervision, in that there are several days unaccounted for;
2. failed to implement and maintain appropriate systems for:
    - a. registering the purchase and disposal of assets, particularly photographic equipment;
    - b. logging DVDs containing images of pupils in and out of the School, and recording the purpose for which they were used;
    - c. managing pupil admissions to the School, including failure to obtain sufficient proofs of address at admission and when a pupil moves from a fee-paying to a free place;
    - d. the accrual and recording of staff time off in lieu and annual leave;
    - e. raising and filing purchase orders;
    - f. ensuring invoices are signed and dated;
    - g. ensuring petty cash slips are signed;
    - h. recording Oyster card journeys for VAT purposes;
    - i. securing and recording clear consent from parents or carers in relation to the use of photographic images;
    - j. IT back up and computer security;
  3. failed to state on the Register of Pecuniary Interest Form that:
    - a. her husband worked for the School, from September 2001;
    - b. she had a pecuniary interest in Blue Boy Productions, her son's company;
  4. used photographic images of children beyond the boundaries of written consent given by parents, in particular in the January 2009 Activities leaflet for the School;
  5. used School/public funds inappropriately, in particular by:
    - a. loaning £2,500 to Individual A, the sister of the Chair of Governors, in April 2007, without a transparent and agreed process;
    - b. failing to attempt to recover the loan of £2,500 to Individual A in April 2007;
    - c. paying £180 for medical procedures for Individual B, an employee at the School, in 2007/2008 academic year, without a transparent and agreed process;
    - d. paying £145 to BUPA in the 2006/2007 academic year, for professional services in relation to Individual B;
    - e. allowing excessive purchasing of photographic equipment by her husband, Mr Farrow, including duplicate equipment, between 2002 and 2009;
    - f. failing to exercise proper financial controls in relation to the Outreach trip to Trinidad in February 2007;
    - g. offering free childcare to Senior Nursery Officers without evidenced approval from the Governing Body;
  6. failed to consult the Governing Body in the appropriate manner in relation to:
    - a. writing off £5,818 of fees owed by Individual C, a parent Governor, in March 2007;

- b. writing off £1,415.12 of fees owed by Individual D, a parent in January 2009;
- c. agreeing School Budgets for the 2007/2008 and 2008/2009 academic years;
- d. agreeing a finance policy for the 2008/2009 academic year;

7. breached procurement regulations and failed to ensure value for money through the engagement of:

- a. Basra Computer Services, since 2008;
- b. Blue Boy Productions, since 2008;
- c. Spring Cultivation Ltd, between July and December 2008;
- d. Jean Bolam, Early Years Coordinator, since 2006;
- e. Helen Griesel, Masseur, since 2006;
- f. LM Installations, between December 2007 and September 2008;
- g. Business Telecom Ltd, since September 2007;
- h. Science Projects Ltd, in June 2006;

8. failed to ensure appropriate financial control by making a husband and wife team (Basra Computer Services) responsible for complete finance processes without independent review.

### **C. Preliminary Applications**

#### Absence of the teacher

Mrs Farrow was not present at this hearing. Mr Faux, Counsel for Mrs Farrow, confirmed that she had chosen not to attend. She had retired from teaching, lives in Whitby and continued to enjoy the support of her Union, hence her representation by Mr Faux. She had submitted a number of documents in support of her case. All parties were content to proceed in Mrs Farrow's absence, in the knowledge that her evidence would not be provided in live form and was therefore likely to carry less weight than evidence given under oath that had been tested by questioning.

#### Application to Amend Allegations

The Presenting Officer applied to amend particular 3 (b) to read as follows :

"b. Blue Boy Productions was a business run and/or owned by your son."

In addition the Presenting Officer applied to amend particular 5 (f) to read as follows :

"f. In relation to the Outreach Trip to Trinidad in February 2007 failing to inform the governing body of the full details of the trip including the proposed members of the party, the total cost and how it would be funded and whether it was value for money."

The panel were advised that Rule 4.55 of the Disciplinary Procedures applied and that it had a discretion to make such amendments if they were made in the interests of justice.

The Panel announced that it was content to make the requested amendment to particular 3 (b) as the main thrust of the particular of allegation remained unchanged and the teacher had not been taken by surprise by the proposed amendment, having been informed of the Presenting Officer's intention on 14<sup>th</sup> February. Mr Faux had been able to take instructions in relation to the newly worded particular in the intervening period. The panel were therefore content that such an amendment was fair to both parties.

The panel announced that it was not content to make the requested amendment to particular 5 (f) as the proposal amounted to what was in effect a new particular of allegation and did not amount to an amendment. The new wording created a particular which at its heart alleged poor communication with the Governing Body as to various aspects of the Trinidad trip as opposed to inappropriate use of school/public funds. The panel stated that it would be unfair for Mrs Farrow to have to answer this allegation as a sub-particular to the stem of paragraph 5 of the particulars of allegation given the new proposed wording.

## **Summary of Evidence**

### Documents

In advance of the hearing, the Panel received a bundle of documents which included:

Section 1 – Pupil List – n/a

Section 2 – Notice of Proceedings and Teacher's response – pages 3-13

Section 3 – Agreed facts and witness statements – pages 15-122a

Section 4 – Teaching Agency Documents – pages 125-1830

Section 5 – Teacher's Documents – pages 1832-1886.

The Panel Members confirmed that they had read all of the documents in advance of the hearing.

The Panel had also received a 40-page document containing a schedule listing the location of each piece of evidence put forward in support of each particular of allegation.

During the course of cross-examination of John Douglas, Mr Faux introduced three further pages of evidence which were added to the bundle by agreement at pages 1887-1889.

### Brief summary of evidence given

Please note that this is intended to be a summary – it does not reflect the complete evidence given.

The Presenting Officer called the following witnesses:

i) Witness A – statement and attached documentation at pages 15-53.

Witness A was Head of Economic Wellbeing at London Borough of Newham at the relevant time. He acted as Investigating Officer on behalf of the Council following an audit review/investigation of the School conducted by Audit Manager Witness B which had raised a number of concerns surrounding Mrs Farrow's leadership and management of the school. Witness A reviewed the evidence put forward in the Audit Report in support of the areas of concern identified and, following interview of Mrs Farrow, produced a Disciplinary Investigation Report.

ii) Witness B – statement and attached documentation at pages 54-117.

Witness B has been an Audit manager employed by London Borough of Newham since 2003. She undertook an audit review of the school on instruction of the Council's Chief Internal Auditor. It began on 27 January 2009 and was submitted with findings and recommendations on 26 March 2009.

iii) Witness C – statement and attached documentation at pages 118-122. Ms Basra was a Bursar at the School from February 2001 to March 2008.

## **F. Decision and Reasons**

The Panel announced its decisions and reasons as follows:

We have now carefully considered the case before us and have reached a decision.

We confirm that we have read all the documents provided in the bundle in advance of the hearing and all other documents provided to us since the hearing began.

This case relates to a Head Teacher who was accused of various failings in management of people, systems, projects and finances at the school she led for 21 years.

### Findings of fact

Our findings of fact are as follows:

1(a), (b), (c)

We find these particulars proved. There was no transparent system in place in relation to Mr Farrow's work. Any 'system' that was in place was unfit for purpose and did not indicate what he was doing, why he was doing it and who had agreed he could do it. We accepted the evidence of the auditors that Mr Farrow was claiming overtime to the extent of 3.5 hours per day. This cannot be confirmed as properly claimed overtime in the absence of written explanation and records. It is essential that when allowing public money to be spent that the full details of time spent, a full justification is provided and the arrangements are supervised and open to scrutiny. In this case this did not happen, which is particularly serious due to Mrs Farrow's position as Head Teacher and as Mr Farrow's spouse.

2(a)

We find this particular proved. We accept the auditors' compelling evidence that there was no proper system in place in relation to assets generally but particularly in

relation to high value photographic goods (bundle page 96). Any relevant documentation is muddled and incapable of proper scrutiny. There is no evidence of review or monitoring of the purchases or disposal of photographic equipment.

2(b)

We find this particular proved. The auditors report (at page 97) provides strong evidence to show that DVDs containing images of young children at the school were not tracked either inside or outside the school. The lack of a system to log the whereabouts of such DVDs was a management failure by Mrs Farrow.

2(c)

We find this particular proved. The school's system for the management of pupil admissions did not comply with section 4 of London Borough of Newham's regulations as at page 248 of the bundle. This amounts to a management failure by Mrs Farrow.

2(d)

We find this particular proved. There was no transparent system in place in relation to time off in lieu and annual leave. Any 'system' that was in place was unfit for purpose and did not indicate what work had been done to qualify for time off in lieu. The register and outings book showed no record for the absence of some staff on some dates when it seems annual leave had been taken. We accepted the evidence of the auditors at pages 109 and 110 of the bundle. It is essential that time off in lieu and annual leave and the attendance of staff generally is properly monitored and the lack of a robust system was a management failure by Mrs Farrow.

2(e), (f), (g)

We find these particulars proved. Mrs Farrow has failed to comply with the clear direction set out in the Financial Guidance for Schools Procurement Code of Practice (bundle page 1018 paragraph 1.10). We accept the evidence of the auditors at page 106 of the bundle. A large proportion of purchases were found to have been made without written orders and 84% of inspected invoices were not signed and dated as approved for payment. In addition there was no proper petty cash accounting. A vast majority of petty cash slips were not signed off as approved. We find this to be a management failure by Mrs Farrow.

2(h)

We find this particular not proved. It is agreed that VAT does not apply to business travel.

2(i)

We find this allegation proved. The system in place was inadequate, unclear and inconsistent (auditors report at page 96 of the bundle). The leaflet referred to at the penultimate paragraph of page 96 is of particular concern as this document was provided to the general public without proper consent having been obtained.

2(j)

We find this particular proved. We accept the evidence of the auditors at page 109 of the bundle. We note that Mrs Farrow improved the system when the issue was brought to her attention.

## 3(a), (b)

We find these particulars proved. Mrs Farrow should have declared both interests on the basis of the Borough's Scheme for recording Pecuniary Interests at page 940 of the bundle and the Pecuniary Interest form itself (2005 and 2008 versions signed by Mrs Farrow at pages 426-429 of the bundle). Mr Farrow was employed by the school from 2001. Her son had been paid by the school from at least May 2008.

## 4

We find this particular proved on the same basis as 2 (i) above.

## 5(a), (b)

We find these particulars proved. Appendix 1 of Newham's Financial Guidance for Schools refers to schools contract standing orders. Standing Order 11 expressly prohibits the school from entering into a loan agreement (bundles pages 1011). Even if such a loan was able to be made by the school there is no evidence before us that the Governing Body were aware of the loan having been made or that it remained outstanding as the Governing Body minutes for the relevant period are completely silent on this point.

A Head Teacher can only demonstrate proper probity in relation to such action with public money by referring such an issue to the Governors for their approval.

## 5(c), (d)

We find these particulars proved. We are satisfied that the money was paid without any process of agreement by the Governing Body taking place, who will not have budgeted for such expenditure. There is no audit trail available in relation to the spending of this public money. A Head Teacher can only demonstrate proper probity in relation to such action in relation one particular member of staff by referring such an issue to the Governors for their approval. This is the only way to avoid allegations of favouritism or inconsistency in the way that different individuals are treated by way of such ad hoc arrangements.

## 5(e)

We find this particular proved. The school had one photographer and there can be no rational justification for the items bought and owned by the school which spent in excess of £25,000 on multiple pieces of equipment over a 7-year period.

## 5(f)

We find this particular proved. The costing of the trip was clearly not planned (and not approved by the Governing Body). We have reviewed the expenditure and are satisfied that there was insufficient scrutiny or control of the monies spent on the trip by Mrs Farrow. The expense claims submitted include regular expenditure on alcohol and expensive meals. This indicates that the trip was for both educational and recreational purposes. Mrs Farrow appears to have shown no regard to the fact that she was spending public money. The expenditure was well in excess of what appears to be allowed by way of the subsistence allowances that are listed at page 520 of the bundle.

## 5(g)

We find this particular proved. We are satisfied that this was allowed without any process of agreement by the Governing Body taking place. There is no audit trail

available. A Head Teacher can only demonstrate proper probity in relation to some members of staff by referring such an issue to the Governors for their approval. This is the only way to avoid allegations of favouritism or inconsistency in the way that different individuals are treated by way of such ad hoc arrangements. Furthermore, the financial position of the school was compromised as free places were taken when they could have potentially been filled by children whose parents may have paid fees for their children's attendance.

6(a), (b)

We find these particulars proved. We can find no evidence in the papers or from the evidence that we have heard of any or any appropriate consultation with the Governing Body to support Mrs Farrow's assertion that (a) was a correction rather than a writing-off. Furthermore, Mrs Farrow as Head Teacher would not have been able to authorise a write-off without consulting the full Governing Body. The Governing Body would only be able to approve if their finance policy allowed them to do so but at that time the Governing Body had no finance policy in place. This appears to have been a private agreement between the Head and a Governor which was not brought to the attention of the Governing Body. As such, this lacked probity and any kind of audit trail.

With regard to (b) similar circumstances prevail. The Governing Body was not consulted and the decision lacked probity or an audit trail.

6(c), (d)

We find these particulars proved. As Head Teacher, Mrs Farrow had a professional responsibility within the school and to the Governing Body to ensure that there was strict compliance with the setting of budgets in accordance with LEA guidance. We can find no evidence that this took place. We note that there is some evidence of budget setting being discussed at Finance Committees at a late stage in 2007/08. These discussions appear to have been repeatedly postponed. In our view this is a wholly inadequate and irresponsible manner in which to deal with school finances. Similarly, there is some evidence of discussion of a finance policy but again this was never agreed by the full Governing Body. We note that prior to this no Finance Policy was in place.

7(a)-(h)

We find these particulars proved.

The Procurement Code of Practice (page 1015 of the bundle) in the introduction states as follows:

"The Governing Body must have regard to value for money considerations, that is, of quality or fitness for purpose and delivery against price, in all purchases of works, equipment, goods and services. Except where there are good reasons to the contrary, contracts must be placed on a competitive basis, the lowest tender or price to be accepted; where a different decision is taken the reasons for it must be documented. Contracts should also be reviewed and re-negotiated at regular intervals where appropriate."

In relation to (a), a contract for £125,000 per annum, there is no evidence that the Head Teacher made any attempt to consider any other service provider nor was it considered and approved by the Governing Body. Consequently Mrs Farrow breached the Procurement Code. She accepts this.

In relation to (b) we do not agree with Mrs Farrow's assertion that this is a 'pay-as-you-go' contract. The Code, at page 1031, recommends that schools should enter into 'pay-as-you-use (hourly rate)' contracts with caution. The Code at page 1022 expressly prohibits divisible contracts. These arise, as here, where the school has failed to take account of the longer timescales that may be involved. The audit evidence shows that over a period of 2 years Blue Boy Productions was paid £12,791. This contract was also a clear breach of the Code in that it involved a relative of the Head Teacher.

In relation to (c) only one quote was received.

In relation to (d), this was an ongoing contract over a period of three years resulting in payment of £57,990. No alternative quotations were sought. Like particular (b) above this offends the Code.

In relation to (e) this was also an ongoing contract over a period of a number of years and although individual annual payments were below the £25,000 threshold (see reference at page 1010 of the bundle), the total was £29,000. Like particulars (b) and (d) this offends the Code.

In relation to (f), a contract for security and to renew fencing totalling £53,991.19 should have been awarded following a formal tender process. No such process took place.

In relation to (g) there was no formal tendering process undertaken. Mrs Farrow accepts this.

In relation to (h), we believe that it was possible for a formal competitive tendering process to have taken place.

8

We find this particular not proved. We have been unable to identify the conduct of the Head Teacher which is complained of in this particular so that we can be satisfied that on balance of probabilities that there has been a management failure on Mrs Farrow's part.

#### Findings as to Unacceptable Professional Conduct

We find that Mrs Farrow is guilty of unacceptable professional conduct. The failures we have found proved are wide-ranging and include core competencies expected of a Head Teacher. A Head Teacher should know and has a professional duty to implement and follow minimum legal standards set by the Department of Education and the Local Education Authority and the principles of public life.

The Head Teacher is the leading professional within the school and the principle adviser to the Governing Body. Head Teachers must ensure that Governing Bodies have all of the information they need to perform their role in order that school leadership and management is carried out in a respectful, inclusive and fair way. Mrs Farrow did not provide this information.

In our view Mrs Farrow has failed to show any proper or any professional regard for the policies and practices that should have been in place at the school. She has also failed to persuade us that she has any proper understanding of or that she has acted within the statutory frameworks that set out her professional duties and responsibilities as a Head Teacher.

### **Panel's Recommendation to the Secretary of State**

We have taken full consideration of the submissions made by Mr Faux in mitigation.

In this case we recommend the imposition of a Prohibition Order by the Secretary of State.

We form the view that a Prohibition Order would be a proportionate measure in the circumstances of the case. The factual allegations which have been proved are individually and collectively clear and serious departures from the personal and professional conduct elements of the TA Teachers' Standards.

Prohibition from teaching is the only outcome that ensures that public confidence in the profession is maintained and proper standards of conduct are declared and upheld.

Mrs Farrow made deliberate choices in the awarding of contracts and her treatment of individual members of staff and Governors. She has failed to act appropriately in her dealings with the school's Governing Body. Our findings of fact show that her integrity is compromised.

We are concerned that in putting her case Mrs Farrow has shown no insight or remorse and very limited acknowledgment of her management failures.

A Head Teacher is a role model for her staff and the school. Mrs Farrow has shown no proper regard for this responsibility.

In this case, we recommend that the Prohibition Order be imposed without limit of time and that it should therefore apply for life.

### **Secretary of State's Decision and Reasons**

**I have given very careful consideration to the matters relating to this case. The panel have found proved a wide-ranging set of allegations that go to the heart of the competencies expected of a Head Teacher.**

**Mrs. Farrow has clearly failed to show any proper regard for the policies and practices that should have been in place at the school. Nor has she acted within the statutory frameworks that set out the professional duties and responsibilities of a Head Teacher.**

**I agree with the panel's recommendation that Mrs Farrow be prohibited from teaching.**

**Mrs. Farrow has shown no obvious insight or remorse into the failings of her management of the school and I endorse the panel's view that the Prohibition Order should be without limit of time.**

This means that Mrs Daphne Farrow is prohibited from teaching indefinitely and cannot teach in any school, Sixth-form college, relevant youth accommodation or children's home in England. Furthermore, in view of the seriousness of the allegations found proved against her, I have decided that Mrs Daphne Farrow shall not be entitled to apply for restoration of her eligibility to teach.

This Order takes effect from the date on which it is served on the Teacher.

Mrs Daphne Farrow has a right of appeal to the Queen's Bench Division of the High Court within 28 days from the date she is given notice of this Order.

**NAME OF DECISION MAKER**

**Paul Heathcote**

**Date 28 February 2013**