

Report of the Executive Director – Core Services

AUDIT COMMITTEE – 22nd JANUARY 2020

CORPORATE WHISTLEBLOWING POLICY – ANNUAL REPORT

1. Purpose of the Report

- 1.1 This annual report presents the Audit Committee with a review of the activities and current issues regarding the Council's Corporate Whistleblowing Policy and supporting procedures.

2. Recommendation

- 2.1 It is recommended that the Audit Committee consider the report and the assurances it provides and commits to supporting the Council's overall counter fraud culture and the work of the Corporate Anti-Fraud Team.**

3. Background

- 3.1 The Council has had a Corporate Whistleblowing Policy since 2000. It has undergone a number of reviews and revisions to ensure it remains fit for purpose and meets best practice and guidance as may have emerged and changed over the years.
- 3.2 The last revision/refresh was recently with the Audit Committee considering it at its December meeting. Cabinet approved the Policy at its meeting on 8th January.
- 3.3 As the Committee will recall the review of the Policy included changing its name to the Confidential Reporting (Whistleblowing) Policy. The review also examined the latest guidance to ensure the Policy was meeting best practice.
- 3.4 The specific whistleblowing arrangements are of course just one vehicle for concerns to be raised. The degree and extent of the use of the whistleblowing procedures is therefore not considered significant. What is important of course is ensuring there are a number of clear and understood routes for raising concerns and that there are suitable resources and arrangements in place to ensure appropriate investigations are undertaken.
- 3.5 Again as the Committee is aware a number of other policies, strategies and procedures were also reviewed and considered by Committee (and approved by Cabinet). Now these have been updated these will be publicised internally. Part of that publicity will dovetail into the preparations for the Anti-Fraud week scheduled for early May. Details of that week and the activities and initiatives will be brought to the Committee in due course.

4. Whistleblowing Activity

- 4.1 As referred to above the whistleblowing arrangements are part of a wider framework of how employees, particularly can raise concerns. However, specifically in relation to the use of the whistleblowing arrangements, during the last 12 months there have been 4 instances of contact, 3 via email and one through direct contact to one of the Corporate Whistleblowing Officers. None of the four concerns were raised anonymously.
- 4.2 A brief analysis of those is that 2 have been investigated and are now closed and 2 remain subject to live investigations. The two investigated did not involve significant concerns and related generally to issues around operational procedures. In both cases a satisfactory outcome was achieved with appropriate actions arising from the concerns raised. Neither involved issues of staff conduct requiring disciplinary proceedings. The two live investigations will be reported to the Committee in due course as appropriate.
- 4.3 As has been highlighted in previous reports, whilst this level of activity may be regarded as low, it is difficult to speculate what would be an appropriate figure. There are several ways to judge the volume of referrals through this process; a low number could indicate on the one hand there are only a few instances of irregularity or concern that are being identified or that the process is not trusted. A higher number could indicate a higher level of trust with the process but an indication that there are more instances of irregularity occurring.
- 4.4 Using the procedure does of course provide the additional protection of a protected disclosure and employees raising concerns do not necessarily look for that assurance – which is in fact reassuring that they have confidence that concerns will be acted on in an appropriate way.
- 4.5 Of particular focus is to have regard to the extent to which firstly, we feel the policy and procedures meet best practice, secondly, that we have appropriate means to publicise the policy, and thirdly, that when the arrangements are used, there is an appropriate response – i.e. the arrangements work. In all three aspects, in combination, the review of the policy and the publicity that will now follow along with the experiences of the four ‘cases’, provides a good basis to have positive assurance.

5. Risk Management Considerations

- 5.1 Having effective arrangements for whistleblowing is a key element to any organisation’s attempts to minimise the risk and incidence of fraud, corruption and other wrongdoing. Whilst fraud risk cannot be reduced to nil, having good

policies and procedures supported by proactive awareness and regular reviews can contribute considerably to minimising this risk.

- 5.2 Fraud and corruption risks feature within the Strategic Risk Register (SRR) and as such are recognised as an Authority-wide threat.

6. Financial Implications

- 6.1 There are no financial implications arising directly from this report. The very modest annual costs associated with publicity materials, the telephone 'hotlines' and dedicated P.O. box number are met within the Internal Audit budget.

- 6.2 There are however indeterminate but potentially significant financial implications arising from whistleblowing in terms of the issues raised and their specific consequences. It is also impossible to calculate the cumulative deterrent effect of the whole suite of policies and procedures that may have prevented wrongdoing occurring.

7. Employee Implications

- 7.1 As with the financial implications, there are no employee implications arising directly from this report.

- 7.2 There are of course major implications for employees, elected and co-opted members and all those likely to utilise the Policy and arrangements in fulfilling their duty to report concerns. In raising a concern in the public interest through this Policy, or in the other ways identified in the Policy, employees are afforded employment protection provided by the Public Interest Disclosure Act. Those individuals who become the subject of concerns raised will be themselves subject to the normal procedures around investigations and any subsequent disciplinary procedures.

8. Background Papers

Whistleblowing Policy and supporting guidance.

Contact Officers: Executive Director – Core Services and the Head of Internal Audit, Anti-Fraud and Assurance as the Council's designated Corporate Whistleblowing Officers.

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