

Report of the Executive Director Core Services

AUDIT AND GOVERNANCE COMMITTEE – 17th March 2021

CONFIDENTIAL REPORTING (WHISTLEBLOWING) POLICY – ANNUAL REPORT

1. Purpose of the Report

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

2. Recommendation

- 2.1 **It is recommended that the Committee consider the report and the assurances it provides and commits to continue to support the Council's overall counter fraud culture and the work of Internal Audit and 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 any guidance as may have emerged and changed over the years. The Committee will recall that the title of the policy was changed to Confidential Reporting when it was last reviewed and approved by Cabinet in January 2020.
- 3.2 The specific confidential reporting arrangements are of course just one vehicle for concerns to be raised. The degree and extent of the specific use of the procedures is therefore not considered significant when taken with the other means by which concerns are raised. What is important of course is ensuring there are clear and understood routes for raising concerns and that there are suitable resources and arrangements in place to ensure appropriate investigations are undertaken.
- 3.3 Again as the Committee is aware a number of other policies, strategies and procedures were also reviewed and considered by the Committee (and approved by Cabinet). These policies were publicised internally. The Anti-Fraud week that was originally scheduled for May 2020 was postponed due to the pandemic but is being planned for November 2021 where this and the other anti-fraud policies will be re-publicised. Details of the plans for that week and the activities and initiatives will be brought to the Committee in due course.

4. Confidential Reporting Activity

4.1 As referred to above the confidential reporting 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 8 instances of contact, 6 received via email/letter and 2 through direct contact with one of the Corporate Whistleblowing Officers. Six of the concerns were raised anonymously. The table below summarises the 8 concerns raised.

		Nature of Concern	Action Taken	Status
1	Anonymous	Regarding management structure and behaviours.	Management investigation and staff sessions	Closed
2	Anonymous	Activity of an individual within a Council service	Further information to an existing investigation. Disciplinary action taken.	Closed
3	Anonymous	Use of social media by Council employees	Independent investigation undertaken.	Closed
4	Anonymous	Regarding management behaviours within a Council service	Considered as part of a wider service review.	Closed
5	Anonymous	Regarding behaviours of a senior manager	Limited investigation undertaken due to ability to corroborate.	Closed
6	Name provided	Alleged abuse of position within a Council service	To be investigated as part of an Internal Audit review.	Open
7	Name provided	Wrong advice given by a manager regarding self-isolation	Manager corrected and corporate communication provided to improve understanding	Closed
8	Anonymous	Regarding behaviours and activities at a Council service	Subject to a current investigation	Open

4.2 As can be seen there are 2 cases that remain open, one that will be considered as part of an Internal Audit in due course and another where there are continuing investigations being undertaken. Only one of the cases above resulted in formal disciplinary action.

4.3 As has been highlighted in previous reports, whilst this level of activity may be regarded as relatively 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; more positively, a low number could indicate on the one hand there are only a few instances of irregularity or concern that are being identified, or less positively, that the process for reporting is not trusted. A higher number of referrals could indicate a greater level of trust with the process but less positively, 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 when a matter is raised in the public interest and in good faith, but 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 The Committee will appreciate that dealing with concerns raised anonymously are often far more difficult to investigate, relying on the level of detail provided and the ability to corroborate. Great care is taken to try and establish the motives for an anonymous concern where there is an obvious risk of a matter being raised maliciously. However, all concerns raised are looked into and discussed with relevant senior officers.
- 4.6 In relation to the confidential reporting arrangements themselves, 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, it is felt that the arrangements are fit for purpose and no further review work is required at this time.

5. Risk Management Considerations

- 5.1 Having effective arrangements for confidential reporting 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 have been reviewed across all the Council's Business Units and will contribute to the Corporate Anti-Fraud Team's annual workplan.

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 confidential reporting 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

Confidential Reporting (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.

Telephone: 01226 773001 / 01226 773241

Date: 4th March 2021