

# Audit Committee

6<sup>th</sup> March 2023



**Report of:** Chief Internal Auditor

**Title:** Independent Review of Whistleblowing Arrangements 2022/23

**Ward:** Citywide

**Officer Presenting Report:** Simba Muzarurwi – Chief Internal Auditor

## Recommendation

The Audit Committee note the outcomes from the independent review of whistleblowing arrangements and endorse the actions being taken to address any issues identified.

## Summary

The Audit Committee is responsible for ensuring that arrangements are in place for the independent investigation, and follow-up action of whistleblowing allegations, in line with recommended best practice. A review of whistleblowing arrangements is undertaken every two years to enable the Audit Committee to exercise its governance role over whistleblowing arrangements. Following this management put in place appropriate arrangements designed to resolve any issues identified by the audit.

## The significant issues in the report are:

Internal Audit has the responsibility for managing the whistleblowing arrangements, so the Devon Audit Partnership (DAP) has undertaken an independent review to mitigate against the risk of self-review. DAP was appointed following a procurement process that involved requesting quotes from audit teams within Core Cities, South West Audit Partnership, Devon Audit Partnership and councils in the West of England Combined Authority region. The Council does not have any commercial relationship with DAP. The objective of the audit was to independently review the process for referring, assessing, investigating and managing potential whistleblowing allegations and the extent to which these arrangements are clear and accessible to staff, consistent with the Council's whistle-blowing procedure. A **substantial assurance** opinion was given which is the same as the one given in 2020/21 by the South West Audit Partnership.

The audit did not identify any significant weaknesses and only two low priority recommendations were made. The recommendations have been accepted and will be implemented within the agreed timeline. The report is at Appendix A.

## Policy

The Council is committed to conducting its business with honesty and integrity. In this context, the Council has a Whistleblowing Procedure which is designed to ensure that employees feel able to report any concerns they may have regarding wrongdoing or dangers arising from Council activities.

## Consultation

1. **Internal**  
Section 151 Officer, Corporate Leadership Board
2. **External**  
N/A

## Context

3. The Council is committed to conducting its business with honesty and integrity and to this end it expects that all employees operate with the same honesty and integrity. In this context, the Council has a Whistleblowing Procedure which is designed to ensure that employees can report any concerns they may have regarding wrongdoing or dangers arising from Council activities.
4. An independent review of the Council's whistleblowing arrangements has been undertaken by DAP. Appendix A provides full details of the key findings from the audit. DAP have provided a **substantial assurance** opinion based on the following:
  - There is a robust process in place to over-see the management arrangements and in some instances, investigating whistleblowing allegations
  - Proactive review and revision of management processes as required to ensure that improvements are continuously made.
  - Formal reporting of outcomes to the Audit Committee
5. DAP made two low priority and one opportunity recommendations which have been accepted relating to:
  - Formalising the monitoring of status of referrals and investigations
  - Updating the fraud management system timely
  - Considering adding guidance in the Whistleblowing Policy around how personal data will be used, secured and how long it will be retained.

These recommendations will be implemented within the agreed stated in Appendix A.

## Proposal

6. The Audit Committee note the outcomes from the independent review of whistleblowing arrangements and endorse the actions being taken to enhance effectiveness of processes.

## Other Options Considered

7. N/A

## **Risk Assessment**

8. Failure to define and promote whistleblowing arrangements and for employees to have confidence in Whistleblowing arrangements could result in malpractice going undetected, monetary loss and possible reputational damage to the Council.

## **Summary of Equalities Impact of the Proposed Decision**

No Equality Impact anticipated from this report.

## **Legal and Resource Implications**

|                   |  |
|-------------------|--|
| <b>Legal.</b>     | None Sought.   |
| <b>Financial.</b> | None Sought as there is no direct cost to this approach. |
| <b>Land.</b>      | N/A  |
| <b>Personnel.</b> | N/A  |

## **Appendices:**

Appendix A – Independent Review of Whistleblowing Arrangements 2022/23

## **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

### **Background Papers:**

PAS1998 Whistleblowing Code of Practice