


Non-Executive Report of the: Audit Committee 16 th November 2017	
Report of: Asmat Hussain, Corporate Director, Governance and Monitoring Officer	Classification: Unrestricted
Whistleblowing – New policy and processes	

Originating Officer(s)	Paul Greeno, Senior Corporate and Governance Lawyer & Holly Bell, Trainee Solicitor
Wards affected	All

Summary

In January 2017 Grant Thornton UK LLP was commissioned to undertake a review of the whistleblowing arrangements of the Council. They produced a report outlining their findings and making a number of recommendations that they considered would produce a more effective whistleblowing framework for the Council and suggested an action plan.

Recommendations:

The Audit Committee is recommended to:

1. Note the revised Whistleblowing Policy, Procedure, Guidance for Managers and Guidance for Investigators at Appendices 1 to 4;
2. Note the proposed E-Learning module at Appendix 5;
3. Note the Council's proposed Action Plan for the implementation of a more effective whistleblowing framework at Appendix 6; and
4. Note that the Audit Committee will be the responsible committee for the oversight of Whistleblowing and will be asked to assess the effectiveness of the Policy as well as monitoring the implementation of the policy.

1. REASONS FOR THE DECISIONS

- 1.1 Having an effective Whistleblowing Policy and Procedure is a good first step to encourage employees to report any form of malpractice that is identified or discovered.

2. ALTERNATIVE OPTIONS

- 2.1 To decline to be the responsible committee for the oversight of Whistleblowing.

3. DETAILS OF REPORT

- 3.1 In June 2016 the Council published an updated Whistleblowing Policy as part of its improvements to its organisational culture. It was agreed with the Commissioners that the Council would arrange for an independent audit of the new procedures to and Grant Thornton was commissioned to undertake the review. The aim of the work was primarily to:

- understand the arrangements and culture in place
- compare to best practice, available guidance and codes of practice
- recommend change

- 3.2 Following consideration of the Grant Thornton findings, a new Policy has been drafted and is attached at Appendix 1. The main changes to this Policy are that

- The procedure aspects are within a separate Whistleblowing Procedure (see Appendix 2).
- The Policy focuses on employees and where members of the public have a concern then this should be reported through the Council's Corporate Complaints procedure.
- Clarification that employees includes permanent and temporary employees as well as agency workers and employees seconded to the Council.
- Confirmation that the Monitoring Officer is the responsible officer.
- Confirmation that the Monitoring Officer will maintain a confidential and secure register of all concerns raised.

- 3.3 As to the Whistleblowing Procedure, this specifies roles and responsibilities of the Monitoring Officer, Corporate and Divisional Directors, Line Managers, Councillors and Employees and other workers. It also outlines how to report a concern; the information that is required; and the procedure for investigating concerns.

- 3.4 In addition to the Policy and Procedure, supporting guidance has also been prepared for Managers and for Investigators. These are at Appendix 3 and 4 respectively.
- 3.5 All these documents have been produced in line with the recommendations from the Grant Thornton report and the Department for Business Innovation and Skills ('BIS') Guidance and Code of Practice for employers in respect of Whistleblowing.
- 3.6 The Whistleblowing Policy and supporting documents are being relaunched. The Council's Intranet page on Whistleblowing would have been updated by the date of the Committee with the revised Whistleblowing Policy etc. being published. An Article referring to the new Policy is being published in the internal newsletter th now. Articles will also be appearing in both the Members' Bulletin and the Managers' Briefing.
- 3.7 Further, all political group Leaders will be asked to encourage the promotion of the policy within their group membership and a mandatory e-learning module has been prepared to be added to new Learning Management System (LMS). This will form part of the Learning and Development Core Offer training packages for all staff. This module which is at Appendix 5 will be mandatory for all staff to undertake and will also be available for Councillors.
- 3.8 The Whistleblowing Policy and Procedure will also form part of the induction for Councillors and new employees.
- 3.9 As to oversight, this Audit Committee is to be the responsible committee for Whistleblowing. It will be asked to assess the effectiveness of the policy and also monitor the implementation of the policy. The Audit Committee will receive an annual report as well as regular monitoring reports.
- 3.10 No monitoring report is being presented at this meeting, but the following statistical information is given at this time.
- A new Whistleblowing process was initially introduced in April 2016. Between then and 19th October 2017, 105 concerns have been raised under the new Policy. However, as there was an overlap between the introduction of the new Policy and the investigation process being managed by the Monitoring Officer, 3 concerns raised in March 2016 are also included: thus making the total number 108.
 - In 2016, 31 concerns were raised (this includes 5 raised prior to March 2016).
 - So far in 2017, 82 concerns have been raised.
 - Of the 105 concerns only 37 have fallen within the framework of Whistleblowing Policy.
 - Of those 37 concerns, 25 have been investigated and closed.
 - Of those 25, 4 were upheld and 1 was partially upheld.
 - Of the remaining 12 being investigated, investigations in respect of 3 have been concluded and the investigation report to be reviewed.

- There are 9 ongoing investigations at various stages.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The cost of the Grant Thornton review was £52,000 and was funded through the Council's transformation reserve.
- 4.2 There are no other financial implications arising from the recommendations within this report. However, in the event that additional resources are required to improve existing arrangements, officers will be obliged to identify appropriate budgets and seek financial approval through the Council's agreed procedures.

5. LEGAL COMMENTS

- 5.1 Whistleblowing law is located in the Employment Rights Act 1996 (as amended by the Public Interest Disclosure Act 1998). It provides the right for a worker to take a case to an employment tribunal if they have been victimised at work or they have lost their job because they have 'blown the whistle'.
- 5.2 The law does not require employers to have a whistleblowing policy in place but it is accepted good practice for the Council, as an employer, to create an open, transparent and safe working environment where workers feel able to speak up. The existence of a whistleblowing policy shows an employer's commitment to listen to the concerns of workers. Further the BIS Guidance and Code of Practice provides that it is good practice for employers to have a whistleblowing policy or appropriate written procedures in place.
- 5.3 The revised policy confirms the employee's statutory rights and aims to create an organisational culture where employees feel safe to raise a concern in the knowledge that they will not be victimised in doing so.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 The review of whistleblowing is a continuation of the Council's improvement to its organisational culture. It demonstrates a commitment to put the concerns of employees and local people first and for fair and transparent decision making and which contributes to the delivery of One Tower Hamlets priorities and objectives.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 Whilst the report does not propose any direct expenditure, it is looking to put in place arrangements in the exercise of its functions having regard to efficiency and thereby also economy and effectiveness.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 It is not considered that there are any environmental implications.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 Ensuring a culture whereby persons feel empowered to raise concerns when there is a reasonable belief (and it is in the public interest) that one or more of a criminal offence, a breach of legal obligation, a miscarriage of justice, a danger to the health and safety of an individual, damage to the environment, and/ or a deliberate attempt to conceal one of these, has occurred or is likely to occur is an important part of risk management and should reduce risks.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 Ensuring a culture whereby persons feel empowered to raise concerns when there is a reasonable belief (and it is in the public interest) that a criminal offence, a miscarriage of justice is likely to occur should assist in reducing crime.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- 1 – Revised Draft Whistleblowing Policy
- 2 – Revised Draft Whistleblowing Procedure
- 3 – Revised Draft Guidance for Managers
- 4 – Revised Draft Guidance for Investigators
- 5 – Proposed ELearning Module
- 6 – Response to Grant Thornton Action Plan.

Local Government Act, 1972 Section 100D (As amended)

List of “Background Papers” used in the preparation of this report

- NONE.

Officer contact details for documents:

- N/A