



Kim Webber B.Sc. M.Sc.  
Chief Executive  
52 Derby Street  
Ormskirk  
West Lancashire  
L39 2DF

Monday, 22 July 2019

**TO: COUNCILLORS**    **C COOPER, N PRYCE-ROBERTS, T BLANE, C DERELI,**  
**J GORDON, J MEE, M NIXON, P O'NEILL, E POPE,**  
**A PRITCHARD AND I RIGBY**

Dear Councillor,

A meeting of the **AUDIT & GOVERNANCE COMMITTEE** will be held in the **CABINET/COMMITTEE ROOM, 52 DERBY STREET, ORMSKIRK L39 2DF** on **TUESDAY, 30 JULY 2019** at **6.30 PM** at which your attendance is requested.

Yours faithfully

Kim Webber  
Chief Executive

**AGENDA**  
**(Open to the Public)**

**1. APOLOGIES**

**2. MEMBERSHIP OF THE COMMITTEE**

To be apprised of any changes to the membership of the Committee in accordance with Council Procedure Rule 4.

**3. DECLARATIONS OF INTEREST**

67 - 68

If a Member requires advice on Declarations of Interest, he/she is

advised to contact the Borough Solicitor in advance of the meeting. (For the assistance of members a checklist for use in considering their position on any particular item is included at the end of this agenda sheet).

**4. PUBLIC SPEAKING** 69 - 72

Residents of West Lancashire on giving notice, may address the meeting to make representations on any item on the agenda except where the public and press are to be excluded during consideration of the item. The deadline for submission is 10.00am on Friday 19<sup>th</sup> July 2019.

**5. MINUTES** 73 - 78

To receive as a correct record the minutes of the meeting held on the 28 May 2019.

**6. GRANT THORNTON - AUDIT FINDINGS REPORT** 79 - 80

To consider the report of the Borough Treasurer.

**7. APPROVAL OF STATEMENT OF ACCOUNTS** 81 - 82

To consider the report of the Borough Treasurer.

**8. INTERNAL AUDIT ACTIVITIES - QUARTERLY UPDATE** 83 - 94

To consider the report of the Borough Treasurer.

**9. ANTI-FRAUD AND CORRUPTION REVIEW** 95 - 112

To consider the report of the Borough Treasurer.

**10. WHISTLEBLOWING CODE** 113 - 128

To consider the joint report of the Borough Solicitor and Borough Treasurer.

**11. RIPA ACT - REGULAR MONITORING OF USE OF POWERS**

Improved monitoring of activity under the Regulation of Investigatory Powers Act 2000 (RIPA) introduced by the relevant Code of Practice, recommends that Members receive reports regularly from Officers on RIPA Activity.

There is no relevant activity to report since the last meeting of the Committee.

**12. WORK PROGRAMME** 129 - 130

To consider the future Work Programme of the Committee.

**We can provide this document, upon request, on audiotape, in large print, in Braille and in other languages.**

**FIRE EVACUATION PROCEDURE: Please see attached sheet.**

**MOBILE PHONES: These should be switched off or to 'silent' at all meetings.**

For further information, please contact:-

Kirsty Breakell on 01695 583312

Or email [kirsty.breakell@westlancs.gov.uk](mailto:kirsty.breakell@westlancs.gov.uk)

**FIRE EVACUATION PROCEDURE FOR:  
COUNCIL MEETINGS WHERE OFFICERS ARE PRESENT  
(52 DERBY STREET, ORMSKIRK)**

**PERSON IN CHARGE:** Most Senior Officer Present  
**ZONE WARDEN:** Member Services Officer / Lawyer  
**DOOR WARDEN(S)** Usher / Caretaker

**IF YOU DISCOVER A FIRE**

1. Operate the nearest **FIRE CALL POINT** by breaking the glass.
2. Attack the fire with the extinguishers provided only if you have been trained and it is safe to do so. **Do not** take risks.

**ON HEARING THE FIRE ALARM**

1. Leave the building via the **NEAREST SAFE EXIT**. **Do not stop** to collect personal belongings.
2. Proceed to the **ASSEMBLY POINT** on the car park and report your presence to the **PERSON IN CHARGE**.
3. **Do NOT** return to the premises until authorised to do so by the **PERSON IN CHARGE**.

**NOTES:**

Officers are required to direct all visitors regarding these procedures i.e. exit routes and place of assembly.

The only persons not required to report to the Assembly Point are the Door Wardens.

**CHECKLIST FOR PERSON IN CHARGE**

1. Advise other interested parties present that you are the person in charge in the event of an evacuation.
2. Make yourself familiar with the location of the fire escape routes and inform any interested parties of the escape routes.
3. Make yourself familiar with the location of the assembly point and inform any interested parties of that location.
4. Make yourself familiar with the location of the fire alarm and detection control panel.
5. Ensure that the zone warden and door wardens are aware of their roles and responsibilities.
6. Arrange for a register of attendance to be completed (if considered appropriate / practicable).

**IN THE EVENT OF A FIRE, OR THE FIRE ALARM BEING SOUNDED**

1. Ensure that the room in which the meeting is being held is cleared of all persons.
2. Evacuate via the nearest safe Fire Exit and proceed to the **ASSEMBLY POINT** in the car park.
3. Delegate a person at the **ASSEMBLY POINT** who will proceed to **HOME CARE LINK** in order to ensure that a back-up call is made to the **FIRE BRIGADE**.
4. Delegate another person to ensure that **DOOR WARDENS** have been posted outside the relevant Fire Exit Doors.

5. Ensure that the **ZONE WARDEN** has reported to you on the results of his checks, **i.e.** that the rooms in use have been cleared of all persons.
6. If an Attendance Register has been taken, take a **ROLL CALL**.
7. Report the results of these checks to the Fire and Rescue Service on arrival and inform them of the location of the **FIRE ALARM CONTROL PANEL**.
8. Authorise return to the building only when it is cleared to do so by the **FIRE AND RESCUE SERVICE OFFICER IN CHARGE**. Inform the **DOOR WARDENS** to allow re-entry to the building.

**NOTE:**

The Fire Alarm system will automatically call the Fire Brigade. The purpose of the 999 back-up call is to meet a requirement of the Fire Precautions Act to supplement the automatic call.

### **CHECKLIST FOR ZONE WARDEN**

1. Carry out a physical check of the rooms being used for the meeting, including adjacent toilets, kitchen.
2. Ensure that **ALL PERSONS**, both officers and members of the public are made aware of the **FIRE ALERT**.
3. Ensure that **ALL PERSONS** evacuate **IMMEDIATELY**, in accordance with the **FIRE EVACUATION PROCEDURE**.
4. Proceed to the **ASSEMBLY POINT** and report to the **PERSON IN CHARGE** that the rooms within your control have been cleared.
5. Assist the **PERSON IN CHARGE** to discharge their duties.

It is desirable that the **ZONE WARDEN** should be an **OFFICER** who is normally based in this building and is familiar with the layout of the rooms to be checked.

### **INSTRUCTIONS FOR DOOR WARDENS**

1. Stand outside the **FIRE EXIT DOOR(S)**
2. Keep the **FIRE EXIT DOOR SHUT**.
3. Ensure that **NO PERSON**, whether staff or public enters the building until **YOU** are told by the **PERSON IN CHARGE** that it is safe to do so.
4. If anyone attempts to enter the premises, report this to the **PERSON IN CHARGE**.
5. Do not leave the door **UNATTENDED**.





	This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to M's knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest.
Securities	Any beneficial interest in securities of a body where— (a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

*"body in which the relevant person has a beneficial interest" means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest; "director" includes a member of the committee of management of an industrial and provident society;*

*"land" excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income; "M" means a member of a relevant authority;*

*"member" includes a co-opted member; "relevant authority" means the authority of which M is a member;*

*"relevant period" means the period of 12 months ending with the day on which M gives notice to the Monitoring Officer of a DPI;*

*"relevant person" means M or M's spouse or civil partner, a person with whom M is living as husband or wife or a person with whom M is living as if they were civil partners;*

*"securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.*

**'non pecuniary interest'** means interests falling within the following descriptions:

- 10.1(1)(i) Any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
- (ii) Any body (a) exercising functions of a public nature; (b) directed to charitable purposes; or (c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union), of which you are a member or in a position of general control or management;
- (iii) Any easement, servitude, interest or right in or over land which does not carry with it a right for you (alone or jointly with another) to occupy the land or to receive income.
- 10.2(2) A decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a connected person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward, as the case may be, affected by the decision.

**'a connected person'** means

- (a) a member of your family or any person with whom you have a close association, or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in sub-paragraph 10.1(1)(i) or (ii).

**'body exercising functions of a public nature'** means

Regional and local development agencies, other government agencies, other Councils, public health bodies, council-owned companies exercising public functions, arms length management organisations carrying out housing functions on behalf of your authority, school governing bodies.

A Member with a personal interest who has made an executive decision in relation to that matter must ensure any written statement of that decision records the existence and nature of that interest.

**NB** Section 21(13) of the LGA 2000 overrides any Code provisions to oblige an executive member to attend an overview and scrutiny meeting to answer questions.



## **PUBLIC SPEAKING – PROTOCOL**

**(For meetings of Cabinet, Overview & Scrutiny Committees, Audit & Governance Committee and Standards Committee)**

### **1.0 Public Speaking**

- 1.1 Residents of West Lancashire may, on giving notice, address any of the above meetings to make representations on any item on the agenda for those meetings, except where the public and press are to be excluded from the meeting during consideration of the item.
- 1.2 The form attached as an Appendix to this Protocol should be used for submitting requests.

### **2.0 Deadline for submission**

- 2.1 The prescribed form should be received by Member Services by 10.00 am on the Friday of the week preceding the meeting. This can be submitted by e-mail to [member.services@westlancs.gov.uk](mailto:member.services@westlancs.gov.uk) or by sending to:

Member Services  
West Lancashire Borough Council  
52 Derby Street  
Ormskirk  
West Lancashire  
L39 2DF

- 2.2 Completed forms will be collated by Member Services and circulated via e-mail to relevant Members and officers and published on the Council website via Modgov. Only the name of the resident and details of the issue to be raised will be published.
- 2.3 Groups of persons with similar views should elect a spokesperson to speak on their behalf to avoid undue repetition of similar points. Spokespersons should identify in writing on whose behalf they are speaking.

### **3.0 Scope**

- 3.1 Any matters raised must be relevant to an item on the agenda for the meeting.
- 3.2 The Borough Solicitor may reject a submission if it:
- (i) is defamatory, frivolous or offensive;
  - (ii) is substantially the same as representations which have already been submitted at a previous meeting; or
  - (iii) discloses or requires the disclosure of confidential or exempt information.

#### **4.0 Number of items**

- 4.1 A maximum of one form per resident will be accepted for each Agenda Item.
- 4.2 There will be a maximum of 10 speakers per meeting. Where there are more than 10 forms submitted by residents, the Borough Solicitor will prioritise the list of those allowed to speak. This will be considered having regard to all relevant matters including:
- a. The order in which forms were received.
  - b. If one resident has asked to speak on a number of items, priority will be given to other residents who also wish to speak
  - c. Whether a request has been submitted in relation to the same issue.
- 4.3 All submissions will be circulated to Members of the relevant body and officers for information, although no amendments will be made to the list of speakers once it has been compiled (regardless of withdrawal of a request to speak).

#### **5.0 At the Meeting**

- 5.1 Speakers will be shown to their seats. At the commencement of consideration of each agenda item the Leader/Chairman will invite members of the public to make their representations. Residents will have up to 3 minutes to address the meeting. The address must reflect the issue included on the prescribed form submitted in advance.
- 5.2 Members may discuss what the speaker has said along with all other information, when all public speakers on that item have finished and will then make a decision. Speakers should not circulate any supporting documentation at the meeting and should not enter into a debate with Councillors.
- 5.4 If residents feel nervous or uncomfortable speaking in public, then they can ask someone else to do it for them. They can also bring an interpreter if they need one. They should be aware there may be others speaking as well.
- 5.5 Speakers may leave the meeting at any time, taking care not to disturb the meeting.

(Please see attached form.)



## REQUEST FOR PUBLIC SPEAKING AT MEETINGS

**MEETING & DATE** .....

**NAME** .....

**ADDRESS** .....

Post Code .....

**PHONE** .....

**Email** .....

Please indicate if you will be in attendance at the meeting

**YES/NO\***

\*delete as applicable

Note: This page will not be published.

(P.T.O.)



# Agenda Item 5

## AUDIT & GOVERNANCE COMMITTEE

**HELD:** Tuesday, 28 May 2019

Start: 6.30pm

Finish: 7.30pm

### PRESENT:

Councillor: C Cooper (Chairman)

Councillors: N Pryce-Roberts T Blane  
A Blundell C Coughlan  
C Dereli J Gordon  
J Mee I Moran  
P O'Neill I Rigby

Also in attendance: Councillors K Mitchell & J Thompson  
Georgia Jones (Grant Thornton)

Officers: Marc Taylor – Borough Treasurer  
Jacqueline Pendleton – Internal Audit Manager  
Jane McNeice – Data Access & Storage Governance Officer  
Kay Lovelady – Principal Solicitor  
Julia Brown – Member Services/Civic Support Officer  
Kirsty Breakell – Member Services/Civic Support Officer

### 1 APOLOGIES

There were no apologies for absence received.

### 2 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of Councillors M Nixon, A Pritchard and E Pope, and the appointments of Councillors C Coughlan, I Moran and A Blundell respectively, for this meeting only, thereby giving effect to the wishes of the Political Groups.

### 3 DECLARATIONS OF INTEREST

There were no declarations of Interest received.

### 4 PUBLIC SPEAKING

There were no items under this heading.

### 5 MINUTES

RESOLVED: That the minutes of the meeting held on the 29 January 2019 be approved as a correct record and signed by the Chairman.

**6 GRANT THORNTON - PROGRESS UPDATE**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 67-72 of the supplementary agenda dated 21 May 2019 and pages 67-74 on the supplementary agenda dated 24 May 2019, of the book of reports. The purpose of the report was to receive an update from the Council's external auditors, Grant Thornton, on a range of different matters.

The Chairman invited Georgia Jones from Grant Thornton to present the Progress Report to the Committee.

Comments and questions were raised in respect of the following:-

- Calculation used to determine audit fees
- External audit fees and delivery of work on time
- How value for money study, is chosen

RESOLVED: That the Progress Report and Planned Audit Fee letter be noted.

(Note 1: Georgia Jones (Grant Thornton) left the meeting at the conclusion of this item.

(Note 2: Report marked in error as Agenda Item 8 – Annual Governance Statement, when should be marked as Agenda Item 6 – Grant Thornton Progress Report Appendix 1)

**7 GRANT THORNTON - CERTIFICATION LETTER**

This item was withdrawn.

**8 ANNUAL GOVERNANCE STATEMENT**

Consideration was given to the report of the Borough Treasurer as set out on pages 11 -18 of the Book of Reports which sets out the Annual Governance Statement 2018/19.

Comments and questions were raised in respect of the following:

- The role and core functions of an audit committee as identified in CIPFA's publication *Audit Committees – Practical Guidance for Local Authorities* and had not received a copy of this – a link will be provided to all Councillors to this documentation.

RESOLVED: That the Annual Governance Statement 2018/19, set out in appendix 1 be approved and commended to the Leader and Chief Executive for signature.

**9 STATEMENT OF ACCOUNTS**

Consideration was given to the report of the borough Treasurer as set out on pages 19-20 of the Book of Reports which provides details on the preparation of the Statement of Accounts for the year ended 31 March 2019.

The Borough Treasurer outlined the report and confirmed the framework is still in effect. He advised that the only significant issues are the financial challenges which are facing all Local Authorities.

RESOLVED: A. That the report be noted.

B. That a further report to approve the audited statement of accounts be produced for the next meeting of the Committee.

#### **10 INTERNAL AUDIT ANNUAL REPORT**

Consideration was given to the report of the Borough Treasurer as set out on pages 21-30 and pages 73-78 of the supplementary agenda dated 21 May 2019 of the Book of Reports, presenting the 2018-19 Internal Audit Annual Report for consideration.

The Chairman invited Jacqueline Pendleton, Internal Audit Manager, to present the 2018-19 Internal Audit Annual Report.

Comments and questions were raised in respect of performance indicators and customer satisfaction surveys.

RESOLVED: That the Internal Audit Annual Report for 2018-19 be noted.

#### **11 INTERNAL AUDIT ACTIVITIES - QUARTERLY UPDATE**

Consideration was given to the report of the Borough Treasurer contained on pages 31- 46 and pages 79 – 86 of the supplementary agenda dated 21 May 2019 of the Book of Reports advising of the progress against the 2018/19 Internal Audit Plan.

The Chairman invited Jacqueline Pendleton, Internal Audit Manager, to present the 2019/19 Internal Audit Plan.

Questions and Comments were raised as follows:

- 3 matters having limited assurance – These will come before the Committee in July 2019.

RESOLVED: That Members noted the progress in the year to date.

#### **12 INTERNAL AUDIT STRATEGY AND AUDIT PLAN 2019/20**

Consideration was given to the report of the Borough Treasurer contained on pages 47–58 of the Book of Reports, providing Members with the background to the preparation of the 2019/20 Internal Audit Plan, to be presented for approval.

The Chairman invited Jacqueline Pendleton, Internal Audit Manager, to present the 2019/20 Internal Audit Plan.

RESOLVED: That the internal Audit Plan 2019/20 attached at appendix 1 is approved to take effect from 1 June 2019.

**13 RIPA ACT REGULAR MONITORING OF USE OF POWERS**

In relation to the quarterly monitoring of activity under the Regulation of Investigatory powers Act 2000 (RIPA), the Borough Solicitor reported that there were no relevant activity to bring to the attention of the Committee since the last meeting.

RESOLVED: That the report be noted.

**14 ELECTRONIC RECORDS STORAGE AND MANAGEMENT**

To consider the report of the Borough Solicitor contained on pages 59–64 of the Book of Reports to update Members of programmed work in relation to the Council's electronic records storage and management.

The Data Access & Storage Governance Officer outlined the report for the Committee.

Questions and comments were raised as follows:

- Number of reports being overdue – BTLS have now given dedicated project management support and new dates have been agreed, which will be circulated to Members.

RESOLVED: That the report be noted.

**15 WORK PROGRAMME**

Consideration was given to the Committee's Work programme as set out on page 65 of the Book of Reports.

Councillor Dereli raised questions with regards to training and the length of the training sessions – After discussion, the motion was withdrawn to allow more time to consider the suggestions raised.

It was noted that:

- The Whistleblowing Code be added to the work programme for July 2019 meeting
- Training issues – To be referred to Member Development.

RESOLVED: (A) That the Work Programme be noted  
(B) That the Whistleblowing Code be added to the work programme for July 2019  
(C) That the exploration of training for Audit & Governance be referred to Member Development Commission.

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**Chairman**









## AUDIT AND GOVERNANCE COMMITTEE:

30 July 2019

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**Report of:** Borough Treasurer

**Contact for further information:** Marc Taylor (Extn. 5092)  
(E-mail: [marc.taylor@westlancs.gov.uk](mailto:marc.taylor@westlancs.gov.uk))

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**SUBJECT: GRANT THORNTON - AUDIT FINDINGS REPORT**

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Wards affected: Borough wide

### **1.0 PURPOSE OF THE REPORT**

1.1 To receive a report from our External Auditors setting out their findings on the audit of the accounts and value for money.

### **2.0 RECOMMENDATION**

2.1 That the report be noted.

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### **3.0 BACKGROUND**

3.1 A report on the Statement of Accounts for 2018-19 was considered by this Committee at its meeting in May. The unaudited accounts were published at this time and a notice placed on the Council website to make Members of the Public aware of their rights to inspect the accounts.

3.2 During June and July a team of auditors from Grant Thornton has spent several weeks auditing the accounts and reviewing the Statement. The External Auditors are now required to present their findings from this audit in a report to Members.

## **4.0 AUDIT FINDINGS**

- 4.1 At the time of writing this report the external auditors had completed most of their audit on the accounts, and the results of this work are set out in the Appendix. This shows that it is expected that the Council will receive an unqualified opinion on its accounts and provides a positive conclusion on value for money.
- 4.2 Representatives of Grant Thornton will attend the Committee meeting to present their findings and answer any questions that Members may have on the audit of the accounts.

## **5.0 SUSTAINABILITY IMPLICATIONS**

- 5.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

## **6.0 RISK ASSESSMENT**

- 6.1 The audit of the Statement of Accounts is part of the overall control framework that is designed to ensure that the Council properly accounts for the use of its assets and resources.

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### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

### **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

### **Appendices**

Appendix – Grant Thornton Audit Findings Report (TO FOLLOW)



30 July 2019

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**Report of:** Borough Treasurer

**Contact for further information:** Marc Taylor (Extn. 5092)  
(E-mail: [marc.taylor@westlancs.gov.uk](mailto:marc.taylor@westlancs.gov.uk))

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**SUBJECT: APPROVAL OF STATEMENT OF ACCOUNTS**

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Wards affected: Borough wide

### **1.0 PURPOSE OF THE REPORT**

1.1 To approve a Letter of Representation and the Council's annual Statement of Accounts.

### **2.0 RECOMMENDATIONS**

2.1 That the Letter of Representation set out in Appendix 1 be endorsed.

2.2 That the Statement of Accounts set out in Appendix 2 be approved.

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### **3.0 BACKGROUND**

3.1 A report on the Statement of Accounts for 2018-19 was considered by this Committee at its meeting in May, and the unaudited accounts were published on the Council's website at this time. The external auditors have now largely completed their audit on these accounts, and details of their findings are contained in a separate report elsewhere on this agenda.

3.2 It is part of the terms of reference of this Committee that it will approve the Council's Statement of Accounts each year. The Accounts and Audit Regulations require that this approval has to take place by 31<sup>st</sup> July.

#### **4.0 LETTER OF REPRESENTATION**

- 4.1 It is standard practice that the Council should provide its External Auditors with a Letter of Representation to confirm a range of issues in relation to the accounts, including the fact that the accounts have been properly prepared and that all relevant information has been provided.
- 4.2 A copy of this letter is contained in Appendix 1 and Members are asked to consider and endorse this document for signature by the Borough Treasurer.

#### **5.0 APPROVAL OF STATEMENT OF ACCOUNTS**

- 5.1 The external auditors have presented their findings from their audit of these accounts in a separate report elsewhere on the agenda. Their report identifies a number of issues on the accounts and that it is expected that an unqualified opinion will be provided on them. A full copy of the statement incorporating any agreed amendments is contained in Appendix 2. Members are now asked to approve the Statement in accordance with the Accounts and Audit Regulations.

#### **6.0 SUSTAINABILITY IMPLICATIONS**

- 6.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

#### **7.0 RISK ASSESSMENT**

- 7.1 The audit of the Statement is part of the overall control framework that is designed to ensure that the Council properly accounts for the use of its assets and resources.

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#### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

#### **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

#### **Appendices**

Appendix 1 – Letter of Representation (TO FOLLOW)

Appendix 2 – Statement of Accounts (TO FOLLOW)



## AUDIT AND GOVERNANCE COMMITTEE:

30 July 2019

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**Report of:** Borough Treasurer

**Contact for further information:** Jacqui Pendleton (Extn. 2603)  
(E-mail: [Jacqueline.pendleton@westlancs.gov.uk](mailto:Jacqueline.pendleton@westlancs.gov.uk))

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**SUBJECT: INTERNAL AUDIT ACTIVITY – QUARTERLY UPDATE**

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Wards affected: Borough wide

### **1.0 PURPOSE OF THE REPORT**

1.1 To advise of progress against the 2019/20 Internal Audit Plan.

### **2.0 RECOMMENDATION**

2.1 That Members note progress in the year to date.

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### **3.0 BACKGROUND**

3.1 This Committee approved the 2019/20 Internal Audit Plan and reports on progress against this plan are presented to each meeting of the Committee.

3.2 This report summarises progress to date for the period 1<sup>st</sup> June 2019 to 5<sup>th</sup> July 2019. This work will inform the overall opinion in the Internal Audit Annual Report which will be presented to this Committee on 26<sup>th</sup> May 2020.

### **4.0 INTERNAL AUDIT ACTIVITY TO DATE**

4.1 An appendix summarising progress to date and any significant issues arising is attached and the Internal Audit Manager will attend the meeting to present the report should Members have any questions.

4.2 Progress against the revised plan to date is satisfactory with 16% of audits commenced or completed, for the period 1<sup>st</sup> June 2019 to 10<sup>th</sup> July 2019.

## **5.0 ELECTRONIC RECORDS STORAGE AND MANAGEMENT UPDATE**

- 5.1 The Audit & Governance Committee meeting held on 28 May 2019 requested a further update regarding the electronic records storage project (the Project) at the next meeting to be held on 23 July 2019.
- 5.2 The following information has been provided by the Borough Solicitor in line with other updates made on the Project through the medium of this report.
- 5.3 Good progress has been made since the last Audit & Governance update. All Directorates, within WLBC, have access to the new network drive. BTLS are maintaining their support for the project in order to drive through to project completion and to deliver within the set timescales.
- 5.4 All Directorates are to have transferred their data to the new network folder drive by Friday, 30 August 2019. Any data remaining on the 'old' network drive after this date, excluding remaining databases and applications, will have their permissions reset to allow managers and/or Information Asset Owners to be able to review and decide if the data is required or should be deleted within a short timescale.
- 5.5 The new network drive will be managed in the relevant service assisted by reports from BTLS. The reports are currently being sent to the Data Access and Storage Governance Officer. Once the Digital Data and Information Governance project (DDIGP) ends the reports will then be sent to the Information Asset Owners providing an effective means to manage volumes of data held and alert IAOs to any need for action.
- 5.6 Going forward under the SORP arrangements now approved the completion of DDIGP should put the Council in a better position to manage any changes in data handling arrangements that are approved.
- 5.7 BTLS have advised that it is good practice not to hold databases and applications on the same drive as the general workspace (G: drive); therefore any databases that remain on the G: drive will be moved, as part of the Windows 10 upgrade work which is being progressed.
- 5.8 The Data Access and Storage Governance Officer is currently compiling a register of software applications that are held on the G:drive, following advice from BTLS on best practice and these will also be moved to a separate drive as part of the Windows 10 upgrade.
- 5.9 The DDIGP provided WLBC with the opportunity to review how data was stored on the network and as issues relating to databases and applications emerged, it has meant that best practice can be embedded for this data also. Some of this work will need to be picked up by subsequent projects such as the Windows 10 upgrade.
- 5.10 A further report will be provided to the next meeting of the Audit and Governance Committee.



## **6.0 SUSTAINABILITY IMPLICATIONS**

6.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

## **7.0 FINANCIAL AND RESOURCE IMPLICATIONS**

7.1 The financial and resource implications arising from activity identified in this report are included in existing budget provisions.

## **8.0 RISK ASSESSMENT**

8.1 This report summarises progress against Internal Audit's work programme to date. Internal Audit's work is a key source of assurance to this Committee in relation to the risk management, control and governance processes the Council has in place to secure its objectives.

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### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

### **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

### **Appendices**

1. Internal Audit Quarterly Update.





## **INTERNAL AUDIT SERVICE**

# **INTERNAL AUDIT ACTIVITY - QUARTERLY UPDATE 2019/20**

## 1. Summary of Progress against the 2019/20 plan.

- 1.1 For the period 1<sup>st</sup> June 2019 to 10<sup>th</sup> July 2019 progress against the plan for the financial year 2019/20 has been satisfactory with 16% of planned audit work either in progress or being near completion. Due to the new audit reporting cycle there is no comparative data available, however, we think that steady progress has been made to date.

### Audit Plan Progress

Title	Stage of Audit	Assurance reported to A&G Committee
Sale of Council Houses		
Property Service - Legionella Checks		
Property Services - Electric	Fieldwork Completed	
Chapel Gallery		
Stripe Payment Method		
Civic Bulky Collections		
Vehicle Maintenance Contract		
Enforcement Charges	Fieldwork in progress	
Land Charges		
Members Services		
Corporate Credit Card		
Benefits		
Creditors		
Debtors		
Council Tax	Audit Brief Issued	
Council Tax Support Scheme		
NDR		
Housing Rents	Audit Brief Issued	
Payroll		
Income Management		
Treasury Management		
Main Accounting		
Recovery of Arrears		
Contracts and Procurement		
Performance Indicators		
Sustainable Organisation Review Project (SORP)		
Service Now - Customer Relationship Management		
Development Company		
Property Services Contractor Follow Up Audit Review		
ICT Audit		
Prevention of Fraud and Corruption	Fieldwork Commenced	
Annual Governance Statement		
Summary		
Work complete	0	0%
Work in progress	5	16%
Work not commenced	27	84%
Total	32	100%

1.2 Since the last report to the Audit and Governance Committee, five audits relating to financial year 2018/19 have been completed to final report stage. There are currently seven at Draft Report Issued stage and these will be finalised in the coming weeks. There is one audit review (GDPR) which is at fieldwork stage but nearing completion, however, it should be noted that this is a complex review which will add significant value to the Council.

## 2. Audit Opinions and Priorities for Recommendations

### 2.1 Assurance rating system

2.1.1 This report records the levels of assurance provided by Internal Audit's work. The following categories are used to record the level of assurance.

**Full assurance:** there is a sound system of internal control designed to secure objectives and controls are being consistently applied.

**Substantial assurance:** there is a generally sound system of internal control in place designed to secure objectives and controls are generally being applied consistently. Some weaknesses in the design or operation of the controls put the achievement of particular objectives at risk.

**Limited assurance:** weaknesses in design or inconsistent application of controls put the achievement of objectives at risk.

**No assurance:** weak controls or significant non-compliance with controls could result (or have resulted) in failure to achieve objectives.

#### 2.1.2 Recommendation Priority Levels

Recommendations made in all internal audit reports are given a priority level as set out in the table below:

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact of frequency presents risk to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

2.3 No system of internal control can eliminate every possible risk and increasing the level of control in a system frequently increases costs. Balancing risk appropriately against the costs of control is management's responsibility.

2.4 Internal Audit's role is to evaluate and improve the effectiveness of risk management and control processes.

- 2.5 It is important to recognise that the scope of the work in each area examined defines the limits of the assurance which can be provided and to give context to the assurance provided work is summarised in the reports set out below.

### 3. Assurance reports:

Details of the final reports relating to 2018/19, issued during the period 1<sup>st</sup> June 2019 to 10<sup>th</sup> July 2019 are as follows:

Audit Title	Assurance Opinion	Recommendations		
		P1	P2	P3
Home Care Link	Limited	1	0	0
Caretaking	Limited	2	10	2
Home Finder	Substantial	0	2	1
Refuse and Recycling	Substantial	2	5	0
Housing Rents	Substantial	0	3	0

#### 3.1 Home Care Link (Limited Assurance)

- 3.1.1 The purpose of this audit was to provide an opinion on the procedures and controls within the service and make suggestions for improvement going forward.
- 3.1.2 This in-depth review included a number of process walks and conversations with staff so as to understand their day to day roles and responsibilities. High Level process maps were compiled by the Internal Auditor and areas for improvement were documented in a detailed action plan with each individual action categorised as either High, Medium or Low.
- 3.1.3 There were a number of areas of weakness that had already been identified by Homecare Link Management and these were also detailed in the action plan for completeness. It should be noted that the areas of weakness were in relation to system processes and not in relation to the level of care given to customers.
- 3.1.4 Internal Audit's findings included issues regarding time consuming year end processes, a lack of reconciliation processes, and unmanageable peaks and troughs in respect of start of financial year correspondence. In addition, it was identified that the charging structure needed to be reviewed and the retention of records and documentation should be in line with the Councils retention policies.
- 3.1.5 The Home Care Link management team are currently working through the actions identified within the audit and are making good progress. A revisit is scheduled for September 2019 to validate the actions against the findings with the aim to meet the recommendations. The outcome of the revisit will be reported to this committee in October 2019.

### 3.2 Caretaking (*Limited Assurance*)

3.2.1 The purpose of this audit was to provide assurance that management have the appropriate procedures and controls within their system to ensure that:

- Assets are properly safeguarded
- Financial risks are addressed
- Health and safety procedures are in place and adhered to
- The team are delivering an efficient and effective service
- The service complies with data protection

3.2.2 From the work carried out in relation to the systems and procedures in place for the Caretaking service a number of areas for concern were highlighted by Internal Audit. This led to a Limited Assurance audit opinion. The main areas for concern noted include the following:

- Key holding arrangements for council equipment and vehicles require improvement
- Council Contract Procedure Rules and Financial Regulations are not always being followed
- Caretaking Management do not have appropriate systems and procedures in place to monitor over time, hours worked, or breaks taken
- Appropriate budget monitoring is not undertaken by management
- Staff records do not hold appropriate information e.g. DVLA checks, working time regulation opt out forms
- There is no system, electronic or manual, in place for staff to record their working hours or holiday entitlement
- A satisfaction survey has not been provided to residents for a number of years
- Management inspections of the work undertaken by the Caretaking Team have not been undertaken for some time
- Review of the Health and Safety (H&S) gateway found incomplete H&S risk assessments and insufficient evidence in relation to Caretakers training records. The team were subject to a separate Health and Safety Audit where a number of findings and recommendations were made, these recommendations are subject to separate Action Plans and are being monitored by the Corporate Health and Safety Team.

3.2.3 As the audit opinion was limited assurance, a review of the work undertaken by the service to address the findings and recommendations in the action plan will be reviewed in no more than 6 months' time and an update will be provided to this committee.

### 3.3 Homefinder - (*Substantial Assurance*)

3.3.1 The purpose of this audit was to provide assurance to management that procedures and controls within the system ensure that:

- Current guides and procedures are in place
- Risks are adequately documented on Pentana
- The website has the latest guidance and a privacy notice displayed

- Homefinder applications have appropriate checks and evidence on file
- Applications follow the process on how a property is allocated
- Applications are not held on the system longer than necessary and follow the data retention and disposal rules
- Properties are advertised promptly
- Staff declare any interests
- Keys are properly controlled
- A register of all vacant properties is kept
- The appropriate checks are completed on a property prior to letting
- New tenancies are input into QL and adequate documentation is retained
- Spot checks are undertaken to ensure tenants are living in the property that they have been signed up to

3.3.2 From the work carried out by Internal Audit it was noted that the service is well managed. There were issues of a minor nature identified during the review and in particular, a review is required to ensure that there is compliance with the data retention and disposal schedule in relation to successful applications.

#### 3.4 Refuse and Recycling (*Substantial Assurance*)

3.4.1 The purpose of this audit was to provide assurance to management that procedures and controls within the system ensure that:

- There is a system in place for "sign up" to the garden waste service, with controls in place for income management and measures in place to ensure the service is delivered to only those who have a valid contract in place.
- Progress on the implementation of route optimisation software is satisfactory.
- Progress on the implementation of "in cab" technology and its current and future use is satisfactory.
- Risk assessments and internal controls currently documented on Street Scenes Risk Register are adequately and accurately being tracked through the Pentana system.
- Performance against indicators and service action plans relevant to refuse and recycling are monitored and reported.
- There is a process for assessing and addressing health and safety risks for refuse operatives.

3.4.2 From the work carried out by Internal Audit it was noted that the service is generally operating satisfactorily. There are two Priority 1 recommendations, these relate to the requirement of ensuring the guidance given to operators of the In-Cab technology is in-line with current legislation; and terms and conditions for garden waste include a privacy notice as required for GDPR purposes.

#### 3.5 Housing Rents (*Substantial Assurance*)

3.5.1 The purpose of this audit was to provide assurance to management that procedures and controls within the system ensure that:



- Rent levels are reviewed annually in accordance with statutory guidelines
- Revised rents have been agreed by members
- Any changes to the rent accounts have the appropriate evidence and have been processed correctly
- Periodic reconciliations are carried out between QL and the asset register
- QL and the uplift spreadsheet property numbers agree
- Housing Benefits are informed in a timely manner of the rent increase
- Leaseholder lists are maintained and annual charges made
- Rents are reconciled to General Ledger
- Paperless DD through Allpay is fully implemented and operating as required.

3.5.2 Based on the work carried out by Internal Audit, the overall arrangements in place for Housing Rents were found to be good. However, there are some areas of improvement that can be made in respect of leaseholder service charges and keeping customers fully informed of their rent accounts where amendments have been made.

#### 4. Performance Indicators

4.1 The Internal Audit Service have introduced a suite of Performance Indicators for 2019/20. At this point in the audit year (1<sup>st</sup> June 2019 – 31<sup>st</sup> May 2020) there is very little to report on as, at the time of writing, planned audit reviews for 2019/20 have not reached the reporting stage. The results for the period 1<sup>st</sup> June 2019 to 10<sup>th</sup> July are:

Performance Indicator	Target	As at 10 <sup>th</sup> July 2019
1. Completion of the audit plan	90% of planned audits completed to draft report stage by end of plan review period (31 May 2020)	16%
2. % recommendations confirmed fully implemented at time of formal follow up	Priority 1 – 100% Priority 2 – 80% Priority 3 – 75%	N/A
3. Timely production of draft report	80% of draft reports issued within 4 weeks of end of fieldwork	N/A
4. Timely agreement and issue of the final report	80% of final reports (including agreed management action plan) issued within 5 weeks of draft report	N/A
5. Customer satisfaction	Through key question customer satisfaction surveys – target 90% satisfaction of Very Good, Good or Average rating.	N/A

**5. Other matters of note**

- 5.1 The outcomes from the SORP review may have future implications on the Internal Audit Plan 2019/20 and therefore careful monitoring and horizon scanning will be required during the audit year as changes throughout the Council take effect.

**6. Conclusion**

- 6.1 The 2019/20 Internal Audit Plan is designed to fulfil the Council's duty under the Accounts and Audit Regulations 2015 to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards. Good progress is being made in delivering the 2019/20 plan.



## AUDIT AND GOVERNANCE COMMITTEE:

30 July 2019

**Report of: Borough Treasurer**

**Contact for further information: Marc Taylor (Extn. 5092)**

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**SUBJECT: ANTI FRAUD AND CORRUPTION REVIEW**

Wards affected: Borough wide

### **1.0 PURPOSE OF THE REPORT**

- 1.1 To provide a summary of the outcome of the review undertaken in respect of the Council's compliance with the CIPFA Code of Conduct on Managing the Risk of Fraud and Corruption.

### **2.0 RECOMMENDATIONS**

- 2.1 That the combined self-assessment and action plan set out in Appendix 1 be noted.

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### **3.0 BACKGROUND**

- 3.1 The Council takes a steadfast approach to tackling fraud and corruption issues. The importance and profile of this issue has increased throughout local government in recent times as a result of the difficult financial climate and reductions in Council funding. This has a further impact because economic distress can increase the incentive to commit fraud, and at the same time controls to prevent and detect fraud have come under pressure as Council's reduce their costs as a result of funding reductions.
- 3.2 As set out in the Council's current Anti-fraud, Bribery and Corruption Policy, West Lancashire Borough Council (WLBC) is committed to combatting fraud, bribery and corruption or abuse of position for personal gain, whether the perpetrators are internal or external to the Authority.

- 3.3 The types of fraud experienced by local authorities – which include housing tenancy, payroll, procurement, council tax discounts etc. - demonstrates the breadth of services potentially affected and the need for all service areas to remain vigilant and respond proactively to new emerging fraud and corruption issues. Fraud can be internal to the Council (for example, Members or staff making fraudulent expenses claims, or staff claiming to have qualifications that they do not possess) or external (for example, the illegal sub-letting of Council housing or claims for payment that are not valid).
- 3.4 In order for the Council to remain vigilant, its counter fraud, bribery and corruption arrangements are periodically reviewed to ensure that they remain adequate and comply with best practice.

#### 4.0 CORPORATE APPROACH

- 4.1 In response to the risks and challenges that fraud presents, local authorities are expected to follow three key principles:-
- **Acknowledge:** acknowledging and understanding fraud risks and committing support and resource to tackling fraud in order to maintain a robust anti-fraud response.
  - **Prevent:** preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes and developing a more effective anti-fraud culture.
  - **Pursue:** punishing fraudsters and recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters and developing a more collaborative and supportive law enforcement response.
- 4.2 It is important to note that no local authority is immune from fraud and that acknowledging this fact is the most important part in developing an appropriate and effective anti-fraud response. Recognising fraud must also incorporate a thorough understanding and knowledge about what the fraud problem is, where it is likely to occur and the scale of potential losses. This can then enable a robust and proportionate fraud response to be developed.
- 4.3 Additionally, the Public Sector Internal Audit Standards (PSIAS) LAN 2019 – 2120.A2 state that "*the internal audit activity must evaluate the potential for the occurrence of fraud and how the organisation manages fraud risk. CIPFA has issued a Code of Practice on Managing the Risk of Fraud and Corruption. While compliance with the code is voluntary, CIPFA strongly recommends that it is used as the basis for assessment of how an authority manages its fraud risk*".
- 4.4 The CIPFA Code of Practice on Managing the Risk of Fraud and Corruption sets out 5 key principles:
- A. Acknowledge responsibility
  - B. Identify risks
  - C. Develop a strategy
  - D. Provide resources
  - E. Take action

## **5.0 REVIEW OF CURRENT ARRANGEMENTS**

- 5.1 In order to comply with PSIAS's and ensure that the council fulfils its responsibility to acknowledge, prevent and pursue fraudulent activity, a self-assessment review of the council's compliance with CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption has been undertaken by the Internal Audit Manager. Appendix 1 details the results from the self-assessment as at July 2019 against the 5 key principles of the Code and contains an action plan which once completed will enhance the foundations of the council's response to fraud and corruption. It is anticipated that actions will be completed by May 2020.
- 5.2 From the self-assessment undertaken it can be concluded that the Council's anti-fraud and corruption arrangements are appropriate and fit for purpose, however, there are areas where improvement is required. The Council is not complacent and the position will be kept under review to ensure that any issues are tackled as effectively as possible within the resources available, and consideration will continue to be given to what further initiatives can be undertaken to ensure that a proactive approach is in place.
- 5.3 It is also intended that the Council's Anti-Fraud, Corruption and Bribery policy will be reviewed and where required updated. The updated policy will be presented to this committee for review at their next meeting in October 2019 before being disseminated to all staff and members of the council.

## **6.0 SUSTAINABILITY IMPLICATIONS**

- 6.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

## **7.0 RISK ASSESSMENT**

- 7.1 It is important that the Council monitors and reviews its internal control arrangements for preventing fraud and corruption. The measures set out in this report will help to ensure that the Council continues to have an effective anti-fraud, bribery and corruption framework in place.

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### **Background Documents**

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

### **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

**Appendices**

Appendix 1 – Self Assessment – Managing the Risk of Fraud and Corruption



# **INTERNAL AUDIT SERVICE**

## **SELF ASSESSMENT – CIPFA CODE OF PRACTICE ON MANAGING THE RISK OF FRAUD AND CORRUPTION**

**Jacqui Pendleton**  
**Internal Audit Manager**  
**West Lancashire Borough Council**  
**July 2019**

## A. Acknowledge Responsibility

The governing body should acknowledge its responsibility for ensuring that the risks associated with fraud and corruption are managed effectively across all parts of the organisation.

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
<b>A1</b> The organisation's leadership team acknowledge the threats of fraud and corruption and the harm they can cause to the organisation, its aims and objectives and to its service users.	P	The Council has an Anti-fraud, Bribery and Corruption Policy that is available to all members of staff. It is also referenced in the Constitution and in many of the Council's policies and procedures including the Code of Conduct, Anti-money Laundering Policy and Whistleblowing Policy.	The Anti-Fraud, Bribery and Corruption and Anti-Money Laundering Policies are due for review, revision (where necessary) and approval by A&G.	BT/BS/IAM	31/10/19
			Additionally, a Fraud Response Plan is required and will be developed to complement the Anti-Fraud, Bribery and Corruption Policy.	BT/IAM	31/10/19
<b>A2</b> The organisation's leadership team acknowledge the importance of a culture that is resilient to the threats of fraud and corruption and aligns to the principles of good governance.	Y	As A1. Additionally, the Financial Regulations (2016) clearly state the Council's position in terms of preventing fraud and corruption and the Chief Finance Officer (Borough Treasurer) has the responsibility of developing, maintaining and promoting the Anti-fraud, Bribery and Corruption policy and Anti-money Laundering Policy, and ensuring that all irregularities are reported and investigated	As A1	N/A	N/A



Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
		<p>appropriately.</p> <p>Additional awareness measures should be introduced to complement the policies and procedures in place.</p>	<p>Consideration should be given for fraud prevention and awareness training to be provided to relevant members of staff.</p>	<p>CMT</p>	<p>01/04/20</p>
<p><b>A3</b> The governing body acknowledges its responsibility for ensuring the management of its fraud and corruption risks and will be accountable for the actions it takes through its governance reports.</p>	<p>Y</p>	<p>The Audit &amp; Governance Committee's Terms of Reference specifically mention responsibly for Fraud and Corruption activities – <i>"To monitor the effectiveness of the Councils policies in relation to its Anti-fraud and Corruption Strategy and complaints process."</i></p> <p>Specific roles and responsibilities are recorded in the Council Constitution for relevant members and officers (e.g. Chair of A&amp;G and Section 151 Officer).</p> <p>The Annual Governance Statement mentions fraud and corruption activities. Now that a compliance check has been undertaken in accordance with CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption an appropriate statement as</p>	<p>Additional information in respect of the Council's compliance with "CIPFA Code of Practice for Managing the Risk of Fraud and Corruption" should be recorded in the Annual Governance Statement 2019/20.</p>	<p>BT</p>	<p>31/05/20</p>

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
		recommended by CIPFA should be included in the Annual Governance Statement.			
<b>A4</b> The governing body sets a specific goal of ensuring and maintaining its resilience to fraud and corruption and explores opportunities for financial savings from enhanced fraud detection and prevention.	Y	<p>Fraud and corruption risks are identified as part of the Internal Audit annual planning process and provision is made within the Internal Audit Annual Plan for Anti-fraud activities.</p> <p>The council's Anti-Fraud, Bribery and Corruption Policy clearly states "We are committed to the prevention, deterrence and detection of bribery and have zero tolerance towards it".</p>	N/A	N/A	N/A

**B. Identify Risks**

Fraud risk identification is essential to understand specific exposures to risk, changing patterns in fraud and corruption threats and the potential consequences to the organisation and its service users.

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
<b>B1</b> Fraud risks are routinely considered as part of the organisation's risk management arrangements.	Y	<p>Managers are responsible for managing risks and ensuring that systems are in place with appropriate internal controls to mitigate their occurrence.</p> <p>Individual Fraud Risk Assessments were completed by CMT members' during 2018/19 and will be undertaken during 2019/20.</p> <p>All council committee reports contain a section "Risk Assessment" where the author of the report must consider and assess the risks to the Council by any recommendations being made in their report.</p> <p>Fraud and corruption risks are considered as part of the Internal Audit annual planning process and the overall formation of audit coverage.</p>	Fraud risk assessments for each member of CMT will be undertaken in 2019/20.	CMT/IAM	31/03/20
<b>B2</b> The organisation identifies the	Y	The Council has appropriate	N/A	N/A	N/A

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
risks of corruption and the importance of behaving with integrity in its governance framework.		<p>policies and procedures in place such as:</p> <ul style="list-style-type: none"> <li>- Code of Conduct for Officers,</li> <li>- Code of Conduct for Members;</li> <li>- Anti-Fraud, Bribery and Corruption Policy;</li> <li>- Anti-Money Laundering Policy;</li> <li>- Management and Employee Core Expected Behavioural Standards;</li> <li>- Contract Procedure Rules;</li> <li>- Financial Regulations;</li> <li>- Whistleblowing Code.</li> </ul>			
<b>B3</b> The organisation uses published estimates of fraud loss, and where appropriate its own measurement exercises, to aid its evaluation of fraud risk exposures.	N	There is no formal framework in place at this time.	New Audit and Governance Committee reporting arrangements will be introduced whereby information will include any fraudulent investigations undertaken and information from the National Fraud Initiative exercise.	BT/IAM	May 2020
<b>B4</b> The organisation evaluates the harm to its aims and objectives and service users that different fraud risks can cause.	P	<p>As part of the Audit planning process the risk of fraud and corruption is assessed and considered when developing the annual and strategic audit plans. Information is also detailed in the Internal Audit Annual Report.</p> <p>At present there is no corporate</p>	A corporate fraud risk should be assessed, recorded on the Council's risk management system (Pentana) and if necessary included on the key risk register.	IAM	31/01/20

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
		assessment of the risk of fraud to the Council's aims and objectives recorded in the Council's Risk Management system.			

### C. Develop a Strategy

An organisation needs a counter fraud strategy setting out its approach to managing its risks and defining responsibilities for action.

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
<b>C1</b> The governing body formally adopts a counter fraud and corruption strategy to address the identified risks and align with the organisation's acknowledged responsibilities and goals.	P	See A1	See A1.	See A1.	See A1.
<b>C2</b> The strategy includes the organisation's use of joint working or partnership approaches to managing its risks, where appropriate.	Y	The Anti-fraud, Bribery and Corruption Policy includes a section on Joint Working.	N/A	N/A	N/A
<b>C3</b> The strategy includes both proactive and responsive approaches that are best suited to the organisation's fraud and corruption risks. Proactive and responsive components of a good practice response to fraud risk management are set out below.  <b><u>Proactive</u></b>  Developing a counter-fraud culture to increase resilience to fraud.	Y	See A1  Details are covered in the Anti-fraud, bribery and Corruption Policy, which is available on the Council's intranet and internet	See A1.	See A1.	See A1.

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
<p>Preventing fraud through the implementation of appropriate and robust internal controls and security measures.</p> <p>Using techniques such as data matching to validate data. Deterring fraud attempts by publicising the organisation’s anti-fraud and corruption stance and the actions it takes against fraudsters.</p> <p><b>Responsive</b> Detecting fraud through data and intelligence analysis.</p> <p>Implementing effective whistleblowing arrangements.</p> <p>Investigating fraud referrals.</p>		<p>website.</p> <p>Fraud and corruption risks are considered as part of the annual internal audit planning process and the overall formation of audit coverage.</p> <p>The Council takes part in the mandatory National Fraud Initiative.</p> <p>Any successful investigation cases would be published in local press outlets and Council social media accounts.</p> <p>The Council takes part in the mandatory National Fraud Initiative.</p> <p>An up to date Whistleblowing code is in place and available to all members of staff.</p> <p>Any fraud referrals received would be fully investigated by Internal</p>			

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
<p>Applying sanctions, including internal disciplinary, regulatory and criminal.</p> <p>Seeking redress, including the recovery of assets and money where possible.</p>		<p>Audit and a report produced for action. Where relevant, disciplinary policies and procedures would be followed.</p> <p>Appropriate sanctions are applied as per Council policies and procedures, and referrals will be made to external agencies (i.e. Police, Action Fraud) where required.</p> <p>The Anti-fraud, Bribery and Corruption Policy clearly states that the Council will seek to recover assets and money where possible.</p>			
<p><b>C4</b> The strategy includes clear identification of responsibility and accountability for delivery of the strategy and for providing oversight.</p>	<p>P</p>	<p>See A1.</p>	<p>See A1.</p>	<p>See A1.</p>	<p>See A1.</p>



**D. Provide Resources**

The organisation should make arrangements for appropriate resources to support the counter fraud strategy.

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
<b>D1</b> An annual assessment of whether the level of resource invested to counter fraud and corruption is proportionate for the level of risk.	Y	This is considered as part of the Annual Internal Audit Planning process and reported to Audit and Governance Committee for approval.	N/A	N/A	N/A
<b>D2</b> The organisation utilises an appropriate mix of experienced and skilled staff, including access to counter fraud staff with professional accreditation.	Y	There are no counter fraud staff with professional accreditation in the Council, however, the Internal Audit Team have a varied mix of qualifications and Risk and Audit experience. If required, external counter fraud services could be procured by the Council.  The Internal Audit Manager has experience of performing fraud investigations and is professionally qualified.			
<b>D3</b> The organisation grants counter fraud staff unhindered access to its employees, information and other resources as required for investigation purposes.	Y	All members of the Internal Audit Team have unhindered access to Council records, buildings and staff as prescribed in the Council Constitution and Financial Regulations.	N/A	N/A	N/A
<b>D4</b> The organisation has protocols in	Y	The Council participates in the	N/A	N/A	N/A

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
place to facilitate joint working and data and intelligence sharing to support counter fraud activity.		<p>mandatory data matching exercise – National Fraud Initiative (NFI).</p> <p>The Internal Audit Manager meets regularly with other Lancashire Heads of Internal Audit and Counter Fraud is a standing item on the agenda.</p>			

**E. Take Action**

The organisation should put into place the policies and procedures to support the counter fraud and corruption strategy and take action to prevent, detect and investigate fraud.

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
<b>E1</b> The organisation has put in place a policy framework which supports the implementation of the counter fraud strategy. As a minimum the framework includes: <ul style="list-style-type: none"> <li>• Counter fraud policy</li> <li>• Whistleblowing policy</li> <li>• Anti-money laundering policy</li> <li>• Anti-bribery policy</li> <li>• Anti-corruption policy</li> <li>• Gifts and hospitality policy and register</li> <li>• Pecuniary interest and conflicts of interest policies and register</li> <li>• Codes of conduct and ethics</li> <li>• Information security policy</li> <li>• Cyber security policy.</li> </ul>	Y	A policy framework is in place and includes the following Policies available to all officers and members. <ul style="list-style-type: none"> <li>- Anti-fraud, bribery and corruption policy</li> <li>- Whistleblowing policy</li> <li>- Anti-money laundering policy</li> <li>- Gifts and hospitality policy and register</li> <li>- Conflicts of interest policy</li> <li>- Code of conduct for officers and members</li> <li>- Information security policy (maintained by BTLS)</li> </ul>			
<b>E2</b> Plans and operations are aligned to the strategy and contribute to the achievement of the organisation's overall goal of maintaining resilience to fraud and corruption.	P	Whilst there is an Anti-Fraud, Bribery and Corruption Policy, there is no specific Fraud Response Plan in place.	Arrangements would be enhanced by a separate Fraud Response Plan being developed and implemented.	BT/IAM	30/10/19

Reference	Score (Yes, Partial or No)	How was this achieved	Action Required	Responsible Officer(s)	Action Date
<b>E3</b> Making effective use of national or sectoral initiatives to detect fraud or prevent fraud, such as data matching or intelligence sharing.	Y	The Council takes part in the National Fraud Initiative which is a mandatory national data matching exercise that has the prime objective of identifying fraud.	N/A	N/A	N/A
<b>E4</b> Providing for independent assurance over fraud risk management, strategy and activities.	N	This sub-principle can only be achieved when other actions in this self-assessment have been implemented.	<p>Actions in this document must be addressed as required.</p> <p>An independent assessment of the work to manage fraud and corruption during 2019/20 must be undertaken by internal audit at the end of the audit year and be reported to the Audit and Governance Committee.</p>	<p>BT/IAM</p> <p>IAM</p>	<p>31/05/20</p> <p>31/05/20</p>
<b>E5</b> There is a report to the governing body at least annually on performance against the counter fraud strategy and the effectiveness of the strategy from the lead person(s) designated in the strategy. Conclusions are featured in the annual governance report.	Y	The last review was undertaken during 2018/19 by the previous Internal Audit Manager and reported to Audit and Governance accordingly.	Conclusions from the annual review 2019/20 will be shared with the BT as part of the Corporate Governance process and details will be recorded in the Annual Governance Statement.	BT/IAM	31/05/20



## AUDIT & GOVERNANCE COMMITTEE:

23 July 2019

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**Report of: Borough Solicitor and Borough Treasurer**

**Contact for further information: Mr T P Broderick ext 5001**  
**(E-mail: [terry.broderick@westlancs.gov.uk](mailto:terry.broderick@westlancs.gov.uk))**

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**SUBJECT: WHISTLEBLOWING CODE**

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Wards affected: Borough wide

### **1.0 PURPOSE OF THE REPORT**

1.1 To provide the updated version of the Council's Whistleblowing Code.

### **2.0 RECOMMENDATION**

2.1 That the updated Whistleblowing Code, as set out in Appendix 1, be considered and endorsed as a completed document (with the tracked changes accepted into the document).

2.2 That Council be recommended to approve the updated Whistleblowing Code at Appendix 1 (with the tracked changes accepted into the document).

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### **3.0 BACKGROUND**

3.1 Whistleblowing occurs when an employee or contractor provides certain types of information to the Council which has come to their attention through work. Usually concerns are about danger or illegality that could potentially affect others.

3.2 Whistleblowing acts as an instrument of good corporate governance and helps demonstrate a culture within an organisation that is open, honest, accountable and transparent. It can also aid in the detection and prevention of fraud or misconduct.

3.3 The Government expects all public bodies to have a Code in place and Whistleblowing schemes in local authorities in England are assessed regularly as part of external audit review.

## **4.0 CURRENT ARRANGEMENTS**

- 4.1 The Council has had a Whistleblowing Code in place for many years and in 2010 and 2014 (the Code) it was reviewed and updated to ensure compliance with the Code of Practice produced by the British Standards Institution, Public Concern at Work and updates to legislation and good practice.
- 4.2 The Code has continued to work well in practice. The Council has robust systems of internal control, a strong regulatory environment and effective Codes of Conduct, which means that cases of suspected impropriety are rare.
- 4.3 The Code is the subject of regular reminders ensuring that employees are aware of the Code, understand the necessity to express concern quickly, know how to proceed under its provisions and have trust in the process to ensure that whatever action is necessary will be undertaken without any repercussions for themselves.
- 4.4 It is also explicitly stated that the Council is committed to protecting and supporting those individuals who speak out, as, without their actions, the repercussions could be of significant detriment to the Council. Effective action will be taken, where necessary, to rectify concerns raised and prevent further instances occurring or a situation escalating.
- 4.5 The Council is committed to regularly reviewing the Code to ensure compliance with current best practice and this has recently been undertaken. There are no significant changes to advise of as there are no such changes in law or good practice impacting, so only minor changes have been made.
- 4.6 The Standards Committee considered and endorsed the Code at its meeting in March 2019, the relevant minute is attached at Appendix 1. Once considered by the Committee the matter will be referred on to Council for consideration. Trade Unions will also be given the opportunity to provide comment. The finalised version of the updated Code will then be circulated to all staff and Councillors, promoted through team briefings, and in staff circulars. Service Managers will also promote the document with their contractors and suppliers as appropriate.

## **5.0 SUSTAINABILITY IMPLICATIONS**

- 5.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder (it is a helpful process to assist the addressing of potential issues of crime but arrangements are already in place).

## **6.0 FINANCIAL AND RESOURCE IMPLICATIONS**

- 6.1 All the activity referred to in this report is covered by existing budget provisions.

## **7.0 RISK ASSESSMENT**

- 7.1 Good whistleblowing procedures can protect the Council against numerous risks, and by encouraging employees and others to raise concerns, can help deter

wrongdoings, detect problems early, minimise costs and potential compensation claims and maintain and enhance reputation.

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### **Background Documents**

None

### **Equality Impact Assessment**

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore no Equality Impact Assessment is required.

### **Appendices**

1. Whistleblowing Code – track changes 2019 (including those changes agreed by the Standards Committee).
2. The relevant minute of Standards Committee, 19 March 2019.





## Whistleblowing Code

### 1.0 What is Whistleblowing?

- 1.1 Whistleblowing encourages and enables employees to raise serious concerns **within** the Council rather than overlooking a problem, turning a blind eye or voicing concerns outside. It is a Safe Alternative to Silence.
- 1.2 Without a Whistleblowing avenue, there is increased risk that the Council could be defrauded, damaged or sued. It can also lead to a demoralised workforce who feel unable to express concerns.
- 1.3 Whistleblowing supports good governance, accountability and the Council's risk control framework. It is a valuable contribution to the Council's efficiency and long term success.

### 2.0 Purpose of the Code

- 2.1 West Lancashire Borough Council not only accepts, but positively encourages, whistleblowing.
- 2.2 Employees are often the first to realise that there may be something seriously wrong within the Council. They have an important role in helping the Council to promote good practice while providing a service to the Community and protecting its residents.
- 2.3 However, they may not express their concern because they feel that speaking up would be disloyal to their colleagues or to the Council. They may also fear unfair treatment or discrimination. In those circumstances it may be easier to ignore the concern, rather than report what may just be a suspicion of malpractice.
- 2.4 This code makes it clear that employees can voice their concerns without fear of reprisal or adverse repercussions.

### 3.0 Our Commitment

- 3.1 West Lancashire Borough Council is committed to the highest possible standards of openness, fairness, probity and accountability. It is against any form of impropriety. In line with that commitment, we encourage employees, and others that we deal with, who have serious concerns about any aspect of the Council's work, to come forward with confidence and voice those concerns. All concerns will be taken seriously, will not be ignored or ridiculed, will be investigated and, where applicable, resolved. It is recognised that certain cases will have to proceed on a confidential basis.
- 3.2 The Council is committed to good practice and high standards and is supportive of its employees.

#### 4.0 Who does the Code apply to?

4.1 The Code applies to all employees, irrespective of seniority, rank or status - including casual, temporary, agency, volunteers or work placements, and all contractors and suppliers engaged by the Council.

#### 5.0 Aims and scope of this Code

5.1 This Code aims to:

- encourage you to feel confident in raising serious concerns and to question and act upon concerns about practice;
- provide avenues for you to raise those concerns and receive feedback on any action taken;
- help you to take the matter further if you are dissatisfied with the Council's response;
- reassure you that you will be protected from the possibility of reprisals or victimisation if you have a reasonable belief that you have raised your concerns in good faith, believe the allegation to be substantially true and did not act for personal gain or for malicious purposes.

5.2 This code is not for raising grievances concerning your personal employment circumstances or as an appeal against management decisions, unless these involve malpractice and are in the public interest. Procedures to enable you to pursue grievances etc., relating to your employment, are contained in the Council's Grievance Policy.

5.3 This Code supports the Council's Anti-Fraud, Bribery and Corruption Policy and **supplements** but **does not** replace the Council's other Codes and Policies.

5.4 This code has been discussed with the relevant Trade Unions and has their support.

#### 6.0 What types of concerns are covered?

6.1 The code uses the word malpractice. Malpractice includes any kind of improper practice or conduct which falls short of what is reasonably expected, whether it relates to an act or omission and also includes any form of harassment. Failures could be happening now, have occurred in the past or be likely to happen in the future. The overriding concern should be that it would be in the public interest for the malpractice to be corrected. If in doubt, please raise it.

Some examples are (this list is not exhaustive):

- failure to comply with a legal obligation;
- miscarriage of justice;
- breach of Council's Procedure Rules / Financial Regulations or other Council policies;
- Unlawful discrimination against people with protected characteristics.

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- breach of Codes of Conduct
- conduct which falls below established standards or is unethical;
- actions which would put at risk the good reputation of the council;
- a criminal offence occurring;
- showing undue favour over a contractual matter or to a job applicant;
- actions which could cause damage to the environment;
- danger to the health and safety of any individual
- possible bribery fraud and corruption
- deliberate covering up of information
- unlawful discrimination on the grounds of sex, race, disability, religion, sexual orientation or age

## 7.0 Protection and Safeguards against Harassment or Victimisation

- 7.1 This Code is intended to encourage and enable employees to raise serious concerns **within** the Council, rather than overlooking a problem or 'blowing the whistle' outside. It provides protection to employees that do so. **If you choose to voice your concerns in some other way, then you may lose the protection the Code provides.**
- 7.2 The Public Interest Disclosure Act 1998 also protects all employees from detrimental treatment or victimisation, if, in the public interest, they blow the whistle provided disclosures are made in accordance with the Act's provisions
- 7.3 The Council recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice. If you honestly believe what you are saying is true, you should have nothing to fear because you will be doing your duty to your employer and those for whom you provide a service. It may help to think of yourself as a witness, rather than a complainant
- 7.4 The Council will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action to protect and support you when you raise a concern in good faith and in the public interest.
- 7.5 If you were subject to reprisals, e.g. denial of training, closer monitoring, ostracism, demotion or re-assignment, from those responsible for the malpractice or any other member of staff, they may be disciplined under the Council's procedures. Deterring an employee from raising a concern will be considered a serious misdemeanour.
- 7.6 This does not mean, however, if you are already the subject of disciplinary or redundancy procedures, that those procedures will be halted as a result of your whistleblowing.
- 7.7 If you believe you are or have suffered a detriment as a result of raising a concern this should be reported to the Chief Executive, the Borough Solicitor, the Borough Treasurer, the Internal Audit Manager or the HR Advisor

## 8.0 Confidentiality

8.1 The Council will do its best to protect your identity when you raise a concern and do not want your name to be disclosed. However, it must be appreciated that the investigation process may reveal the source of the information and a statement by you may be required as part of the evidence. Where confidentiality is an issue if it is possible to establish the truth about allegations from an independent source, the Council will seek to do this.

## 9.0 Anonymous allegations

9.1 This Code encourages you to put your name to your allegation whenever possible as anonymous allegations are much more difficult to pursue. Concerns expressed anonymously are much less powerful, however, they will be considered at the discretion of the Council. Contact details for the External Auditor are Grant Thornton UK LLP telephone number 0161 952 6900.

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9.2 In exercising this discretion the factors to be taken into account would include:

- the seriousness of the issues raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

9.3 Clearly, if it is not known who provided the information it is not possible to reassure or protect them.

## 10.0 Untrue allegations

10.1 If you make an allegation in good faith and in the public interest, but it is not confirmed by the investigation, no action will be taken against you. If, however, you make an allegation frivolously, maliciously or for personal gain, disciplinary action may be taken against you.

10.2 Malicious or vexatious allegations include those which are trivial and do not have any substance or are made persistently and annoyingly for the wrong reasons, e.g., simply to make trouble, or purely out of self interest or for personal gain.

## 11.0 How to raise a concern

11.1 If you are worried that something wrong or dangerous is happening at work, please don't keep it to yourself. Unless you raise your concerns, the chances are we won't find out until it's too late.

11.2 As a first step, you should normally raise concerns with your immediate Manager or their superior and state that you wish to make the disclosure under the provisions of this Code. This depends, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice. For example, if you believe that management is involved, you should approach the Chief Executive the Borough Solicitor, the Borough Treasurer or the Internal Audit Manager.

11.3 You should **not** try to investigate the matter yourself, although you may be expected to assist with any subsequent investigation, and you should not directly approach or accuse individuals you have concerns about.

11.4 The earlier you express the concern, the easier it is to take action. Also, further wrongdoings can be deterred; any damage caused repaired and potential problems 'nipped in the bud' with corrective action before they become endemic or develop into a crisis.

- 11.5 Concerns may be raised verbally but are better submitted in writing. You should set out details of the background and history of the concern, giving names, dates and locations, where possible, and the reason why you are particularly concerned about the situation. If you have made notes, you may be asked for copies of these to aid the investigation. If you do not feel able to put your concern in writing, you can telephone or arrange a meeting with the appropriate officer.
- 11.6 When any meeting or interview is arranged in connection with the concern you have raised this may be off site if you prefer. If you wish, you may invite your trade union, professional association representative or a friend to be present.
- 11.7 Although you are not expected to prove beyond doubt the truth of an allegation, you will need to demonstrate to the person contacted that there are sufficient grounds for your concern and that you believe it to be substantially true.
- 11.8 Initial and / or informal advice and guidance on how your concern may be pursued can be obtained from:

Chief Executive  
Ms. K. Webber  
Tel: 585005  
Email: [kim.webber@westlancs.gov.uk](mailto:kim.webber@westlancs.gov.uk)

Borough Solicitor  
Mr T P Broderick  
Tel: 585001  
Email: [terry.broderick@westlancs.gov.uk](mailto:terry.broderick@westlancs.gov.uk)

Borough Treasurer  
Mr M Taylor  
Tel: 585092  
Email: [marc.taylor@westlancs.gov.uk](mailto:marc.taylor@westlancs.gov.uk)

Internal Audit Manager  
~~Mr M A Coysh~~ [Jacqueline Pendleton](mailto:Jacqueline.Pendleton@westlancs.gov.uk)  
Tel: 712603  
Email: [Jacqueline.pendleton@mike.coysh@westlancs.gov.uk](mailto:Jacqueline.pendleton@mike.coysh@westlancs.gov.uk)

Human Resources  
Ms S Lewis  
Tel: 585027  
Email: [Sharon.lewis@westlancs.gov.uk](mailto:Sharon.lewis@westlancs.gov.uk)

- 11.9 You may wish to consider discussing your concern with a colleague first and you may find it easier to raise the matter if there are two (or more) of you who have similar experiences or concerns.

**12.0 How the Council will respond**

- 12.1 The Council will respond expeditiously to your concerns and any action taken will depend on the nature of the concern.
- 12.2 The matters raised may:
- be investigated internally by management or Internal Audit or through the disciplinary process
  - be referred to the Police
  - be referred to the External Auditor
  - form the subject of an independent inquiry
  - be referred to the Council's Standards Committee (where the complaint involves a councillor)
- 12.3 In order to protect individuals, the Council and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle which the Council will have in mind is the public interest.
- 12.4 Concerns or allegations which fall within the scope of specific procedures (for example discrimination issues), will normally be referred for consideration under those procedures.
- 12.5 Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required this will be taken before the investigation.
- 12.6 Within ten working days of a concern being raised, the Council will write to you:
- indicating how it proposes to deal with the matter
  - giving an estimate of how long it will take to provide a final response
  - telling you whether any initial enquiries have been made
  - acknowledging that the concern has been received
  - telling you whether further investigations will take place and if not, why not,
  - supplying you with information on staff support mechanisms
- 12.7 The amount of contact between the Officers considering the issues and you will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from you.
- 12.8 The Council will take steps to minimise any difficulties which you may experience as a result of raising a concern. For instance, this will include an assessment of any danger or risk which exists or may arise. Also, if you are required to give evidence in criminal or disciplinary proceedings the Council will arrange for you to receive advice about the procedure.

12.9 The Council accepts that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, you will be informed of the progress and outcome of any investigation.

### 13.0 How the matter can be taken further

13.1 This code is intended to provide you with an avenue **within** the Council to raise concerns. The Council hopes that you will be satisfied with any action taken. If you are not, and if you feel it is right to take the matter outside the Council, the following are possible contact points:

- the External Auditor;
- your Trade Union;
- your local Citizens Advice Bureau;
- relevant professional bodies or regulatory organisations;
- a relevant voluntary organisation;
- the Police;
- your Solicitor;
- Public Concern at Work (Tel: 02074046609). This is a registered charity whose services are free and strictly confidential. The charity can also provide advice on the specific provisions and protections detailed in the Public Interest Disclosure Act 1998.

13.2 If you do take the matter outside the Council, you should ensure that you do not disclose confidential information as you may lose protection rights. You are advised to check this with the Borough Solicitor.

### 14.0 The Responsible Officer

14.1 The Borough Solicitor as Monitoring Officer, has overall responsibility for the maintenance and operation of this Code. She maintains a record of concerns raised and the outcomes (but in a form which does not endanger your confidentiality) and will report as necessary to the Council. How procedures are working in practice will be continually reviewed to ensure lessons are learned and appropriate action is taken for each concern raised, along with any complaints of victimisations or failures to maintain confidentiality.

### 15.0 Conclusion

15.1 Existing good practice within the Council, in terms of its systems of internal control, both financial and non-financial, and the external regulatory environment in which the Council operates, ensures that serious cases of suspected impropriety rarely occur.

15.2 This Whistleblowing Code is provided as a reference document to establish a framework within which issues can be raised confidentially internally, and if necessary, outside the management structure of the Council. This document is a public commitment that concerns are taken seriously and is a means of strengthening the organisation's corporate governance arrangements.



## STANDARDS COMMITTEE

**HELD: Tuesday, 19 March 2019**

Start: 6.30pm

Finish: 6.55pm

### PRESENT:

Councillor: I Moran (Chairman)

Councillors: D Westley I Davis  
N Hennessy J Witter

Officers: Terry Broderick, Borough Solicitor  
Matthew Jones, Deputy Borough Solicitor  
Sue Griffiths, Principal Member Services Officer

### 11 APOLOGIES

Apologies for absence were submitted on behalf of Councillor Wright, Mr S Ibbs (Independent Person) and Mr S Garvey (Reserve Independent Person).

### 12 MEMBERSHIP OF THE COMMITTEE

There were no changes to membership of the Committee.

### 13 DECLARATIONS OF INTEREST

There were no declarations of interest.

### 14 URGENT BUSINESS

There were no items of urgent business.

### 15 PUBLIC SPEAKING

There were no items under this Heading.

### 16 MINUTES

RESOLVED That the minutes of the last meeting of the Committee held on 18 September 2018 be approved as a correct record and signed by the Chairman.

At this point the leader referred to a previous resolution of the Committee in regard to Parish Council representation on the Standards Committee and indicated that he was mindful to propose the appointment of such representation at the Annual Council meeting on 15 May 2019. Members of the Standards Committee indicated their support for this action.

**17 COMPLAINTS STATISTICS**

The Committee considered the complaints statistics for 2018/19 as set down at pages 43 – 48 of the Book of Reports.

RESOLVED That the Standards Complaints Statistics, attached at Appendix 1 to the report be noted

**18 WHISTLEBLOWING CODE**

Consideration was given to the joint report of the Borough Solicitor and Borough Treasurer as contained on pages 43 – 48 of the Book of Reports, updating the Council's Whistleblowing Code attached at Appendix 1 to the report.

The Borough Solicitor advised that as there had been no changes to law and good practice, there were no significant changes to the Code, and that the report would be referred to the Audit and Governance Committee and Council for consideration.

RESOLVED A. That the updated Whistleblowing Code, as set out in Appendix 1 be endorsed, subject to the following revisions:-

- paragraph 6.1 – amend list of examples to read  
'unlawful discrimination against people with protected characteristics'
- paragraph 9 – include reference to and contact point for External Auditor.

B. That it be noted that the Whistleblowing Code will be considered further by the Audit and Governance Committee and Council.

**19 NATIONAL REVIEW OF LOCAL GOVERNMENT ETHICAL STANDARDS**

Consideration was given to the report of the Borough Solicitor as contained on pages 61 to 174 of the Book of Reports which advised upon the outcome of the national review by the Committee on Standards in Public Life on local government ethical standards.

RESOLVED A. That the report of the Committee on Standards in Public Life be noted.

B. That the Borough Solicitor report to the next meeting of the Standards Committee with any necessary recommendations to ensure that the Council continues to exemplify best practice with regard to local ethical standards.

**20 PLANNING CODE OF GOOD PRACTICE**

Consideration was given to the report of the Borough Solicitor which advised upon the updated 'Planning Code of Good Practice' that had been adopted by the Planning Committee at its meeting on 18 October 2018.

RESOLVED That the report be noted.

**21 WORK PROGRAMME**

Consideration was given to the Committee's Work Programme as contained on page 193 of the Book of Reports.

It was noted that in relation to minute no. 19 above, a further report would be submitted to the next meeting of the Committee.

RESOLVED A. That the Work Programme be noted.

B. That an item "National Review of Local Government Ethical Standards" be included on the Work Programme for the next meeting.

.....  
**Chairman**



## Audit & Governance Committee Work Programme – 23 July 2019

Date	Training (commencing 6.00pm)	Items
29 October 2019	Social Values	<ol style="list-style-type: none"> <li>1. Grant Thornton – Progress Report</li> <li>2. Internal Audit Activities – Quarterly Update</li> <li>3. RIPA Act regular monitoring of use of powers – annual setting of the policy</li> <li>4. Grant Thornton Annual Audit Letter</li> <li>5. Internal Audit Charter 2019/20</li> <li>6. Anti-Money Laundering Policy</li> <li>7. Digital Data Update</li> </ol>
28 January 2020		<ol style="list-style-type: none"> <li>1. Grant Thornton – Progress Update</li> <li>2. Risk Management Framework</li> <li>3. Internal Audit Activities – Quarterly Update</li> <li>4. RIPA Act regular monitoring of use of powers</li> <li>5. Local Code of Governance</li> <li>6. Grant Thornton – Certification Letter</li> </ol>
May 2020		<ol style="list-style-type: none"> <li>1. Grant Thornton – Progress Update</li> <li>2. Internal Audit Annual report</li> <li>3. Internal Audit Strategy &amp; Internal Audit Plan 2020/21</li> <li>4. Internal Audit Charter 2020/21</li> <li>5. Annual Governance Statement</li> <li>6. Statement of Accounts</li> <li>7. RIPA Act regular monitoring of use of powers</li> </ol>

