

Please reply to:

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Our ref: GH/AUD
Your ref:
Date: 10 December 2007

NOTICE OF MEETING

AUDIT COMMITTEE

DATE: TUESDAY 18 DECEMBER, 2007

TIME: 7.30 P.M.

PLACE: COUNCIL CHAMBER, COUNCIL OFFICES, KNOWLE GREEN, STAINES

TO: ALL MEMBERS OF THE AUDIT COMMITTEE

J.D. Pinkerton (Chairman)
K. Chouhan (Vice-Chairman)

M.L. Bouquet
M.J. Collis
E. O'Hara

C.V. Strong
H.A. Thomson

EMERGENCY PROCEDURE

In the event of an emergency the building must be evacuated. All Members and Officers should assemble on the Green adjacent to Broome Lodge. Members of the Public present should accompany the Officers to this point and remain there until the Senior Officer present has accounted for all persons known to be on the premises.

THE LIFT MUST NOT BE USED

This Agenda and any Reports are available in Large Print on request. Contact: Gill Hobbs (01784) 446405

RESPONSIBILITIES OF THE AUDIT COMMITTEE

Purpose

To provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process

Core Functions

- (a) To approve (but not direct) the internal audit's strategy, plan and performance.
- (b) To review summary internal audit reports and the main issues arising, and to seek assurance that action has been taken where necessary.
- (c) To consider the reports of external audit and inspection agencies.
- (d) To consider the effectiveness of the authority's risk management arrangements, the control environment and associated anti fraud and anti corruption arrangements. Seek assurances that action is being taken on risk related issues identified by auditors and inspectors.
- (e) To be satisfied that the Authority's assurance statements, including the Statement on Internal Control, properly reflect the risk environment and to take actions required to improve it.
- (f) To ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted.
- (g) To review the financial statements, external auditors opinion and reports to members, and monitor management action in response to the issues raised by external audit.

A G E N D A

1. APOLOGIES

To receive any apologies for non-attendance.

2. DISCLOSURES OF INTEREST

To receive any disclosures of interest from Members in accordance with the Members' Code of Conduct.

3. MINUTES

To consider the Minutes of the meeting held on 18 September 2007 (copy attached).

4. MATTERS ARISING FROM THE MINUTES

5. AUDIT SERVICES REPORT: AUGUST – NOVEMBER 2007

To receive a report from the Strategic Director (Support) (copy attached).

6. CORPORATE RISK REGISTER

To receive a report from the Strategic Director (Support) (copy attached).

7. CONFIDENTIAL REPORTING CODE (WHISTLEBLOWING POLICY)

To receive a report from the Strategic Director (Support) (copy attached).

8. COMMITTEE WORK PROGRAMME 2008

To consider the Committee's Work Programme for March 2008 (Copy attached).

9. EXCLUSION OF PRESS AND PUBLIC

To move the exclusion of the Press/Public for the following item in view of the likely disclosure of exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006.

10. EXEMPT INFORMATION

REPORT OF STRATEGIC DIRECTOR (SUPPORT) (Gold Paper)

To consider the exempt report of the Strategic Director (Support) on the following item:

Car Park Investigations

(Paragraph 7 - Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.)

[Portfolio Holder – Councillor Bouquet]

MINUTES OF THE AUDIT COMMITTEE

18 SEPTEMBER 2007

Present:

Councillor J.D. Pinkerton (Chairman)
Councillor K. Chouhan (Vice-Chairman)

Councillors:

M.L. Bouquet	E. O'Hara
M.J. Collis	H.A. Thompson

Apologies: Councillor C.V. Strong

In Attendance

Councillors: T.W. Crabb and J.D. Packman

289/07 MINUTES

The minutes of the meeting held on 19 June 2007 were approved as a correct record.

290/07 STATEMENT ON INTERNAL CONTROL - UPDATES

At the meeting of the Audit Committee held on 19 June 2007 the Statement on Internal Control was considered and the Committee resolved:

“

1. that the draft Statement on Internal Control be approved and the improvement actions identified in part 5 of the Statement be endorsed.
2. that the Head of Audit Services update the next meeting of the Committee on monitoring undertaken by Audit Services to ensure adequate procedures are in place in respect of S106 agreements;
3. that the Head of Human Resources be asked to report to the next meeting of the Committee unless Audit Services were satisfied that checks of payroll transactions had been undertaken on a monthly basis during the coming quarter; and
4. to seek assurance from MAT that the concerns identified in the Statement of Internal Control on other 'significant internal control issues' were being addressed.”

The Senior Auditor reported at the meeting that Audit Services had met with Planning Officers and reinforced the need to comply with established procedures in respect of s106 agreements. Planning Officers had agreed to keep the register of the details of all s106 agreements up to date and included a section on 'monitoring of monies spent' to ensure monies were spent by the required timescales, which would be reported to and monitored by the Asset Management group on a quarterly basis. Responsibility for maintaining the s106 register had been assigned to the Enforcement officer, and Audit had advised the Head of Planning to oversee the s106 function to ensure there

was no risk of monitoring being overlooked. Any issues that arose would be reported to the Audit Committee.

The Chairman of the Planning Committee, Councillor E. O'Hara then informed Members that he had also asked for reports from the Asset Management group on s106 agreements where monies were outstanding, to be made to the Planning Committee.

The Head of Human Resources attended the meeting to explain the checks which were being made of payroll transactions. Due to various resource problems, she had not been able to implement the recommendations of Audit Services but had worked with Audit to improve work systems which allowed assurance checks to be accommodated within the whole section's workflows. Audit had agreed a programme of checks with the Head of Human Resources.

The Strategic Director (Support) on behalf of Management Team gave a written report updating Members on the current position in the following areas:

Main accounting system; sundry debtors; NNDR; payroll checks; projects; car parks; asset management; business improvement programme and business continuity.

The report reassured Members that the concerns identified in the Statement on Internal Control on other 'significant internal control issues' were being addressed. Management Team would continue to monitor progress on these issues.

The Committee accepted and noted the report.

291/07 EXTERNAL AUDIT REPORT ON 2006/07 AUDIT AND STATEMENT OF ACCOUNTS

Henry Arthurs, a partner with the Council's external auditors for the year 2006/07, highlighted the main conclusions of the External Audit report which gave an unqualified opinion on the financial statements.

- That the financial statements presented fairly the financial position of the Council as at 31 March 2007.
- The Statement on Internal Control produced by the Council complied with CIPFA guidance.
- That the Council had made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2007.

He also detailed some further comments made by Baker Tilly in their report, including:

- That they were satisfied that the Council had properly dealt with significant changes in the accounting framework, which impacted upon its financial reporting requirements.

- That the Council had prepared the financial statements in accordance with the relevant accounting codes of practice.
- That Internal Audit testing was again of a good quality and met the external auditor requirements.

In conclusion, he praised the work of Internal Audit and the Head of Financial Services and his team for their excellent work in preparing the documentation.

RESOLVED that

1. the External Auditor's 2006/07 audit report be noted
2. the Strategic Director (Support) and the Chairman of the Audit Committee be authorised to sign the letter of representation at the earliest opportunity.

292/07 AUDIT SERVICES REPORT: JUNE – JULY 2007

The Head of Audit Services presented her report which outlined the work undertaken by Audit Services during the period June – July 2007 and responded to questions from Members. She highlighted significant areas of work including the internal audit partnership with Surrey Heath, Choice Based Lettings and the National Fraud Initiative.

Members asked about the risks associated with the Rent Deposit scheme and were advised that the system had only just been set up but that the Head of Audit Services would report back to the next meeting on the numbers of people assisted by this means and the incidences of lost finance.

RESOLVED that

1. the contents of the Audit Services' Report for June – July 2007 be noted and approved.
2. the Head of Audit Services report back to the next meeting of this Committee on the Rent Deposit scheme.

293/07 AUDIT CHARTER AND TERMS OF REFERENCE

The Head of Audit Services explained that the current Audit Charter had been approved by Members in 2003 and now required some revision following the review of internal audit presented to the Audit Committee at the previous meeting.

The Charter and Terms of Reference for Audit Services had been circulated to Committee Members with the agenda. It had been prepared following reference to the existing Charter, CIPFA model documents and the CIPFA Code of Practice for Internal Audit in Local Government and set out the responsibilities and scope of the Audit service.

The revised document had been amended to reflect: Partnership working; emphasis on risk based auditing; the relationship with the Audit Committee; new standards relating to fraud investigation; current audit planning processes; Quality Assurance and current audit resources.

RESOLVED that the Charter and Terms of Reference for Audit Services be approved.

294/07 CORPORATE RISK MANAGEMENT

The Senior Auditor reported that the Corporate Risk Register had been reviewed and updated by the Corporate Risk Management Group and was considered to be an accurate reflection of the high level risks affecting the authority, based on Audit Services' assessment of risk and controls in operation.

The Audit Committee was responsible for considering the effectiveness of the authority's risk management arrangements and had an opportunity to review the revised Corporate Risk Register and proposed actions for improvement.

Previously the Register had been reviewed annually, but it was intended to give quarterly updates in future to ensure actions were being taken on identified risks.

RESOLVED that the contents of the Corporate Risk Register be noted and approved.

295/07 MEETING DATE JUNE 2008

The Head of Financial Services had advised that the Audit Committee meeting date in the Council's diary of 5 June 2008 would be too early for the Committee to be able to consider and approve the Statement of Accounts.

A revised date of 24 June 2008 had been suggested for consideration.

RESOLVED that the meeting scheduled for the Audit Committee in June 2008 be moved to 24 June 2008.

296/07 COMMITTEE WORK PROGRAMME

The Committee considered its Work Programme for the period December 2007 to March 2008.

RESOLVED that the Work Programme as submitted be approved.

**AUDIT SERVICES REPORT
For the period August - November 2007**

Audit Committee 18 December 2007

Resolution Required

Report of the Strategic Director (Support)

EXECUTIVE SUMMARY

How does the content of this report improve the quality of life of Borough Residents

The Accounts and Audit Regulations require the Council to maintain an adequate and effective internal audit of their accounting records and control systems. This report provides the Council with assurance of the adequacy of those controls as a contribution to the proper, economic, efficient and effective use of resources.

Purpose of Report

The report provides details of work undertaken by Audit Services during the period August – November 2007.

Key Issues

Internal Audit Partnership
Corporate Risk Management
Corporate Governance
Business Improvement Programme
Housing – Rent Deposit Scheme
Audit Plan Review

Financial Implications

There are none.

Corporate Priority

The maintenance of a strong internal control environment supports all corporate priorities.

Officer Recommendations

The Audit Committee is asked to note and approve the Audit Services' Report for the period August - November 2007.

Contact: Deanna Harris

Portfolio Holder: Councillor Michel Bouquet

MAIN REPORT

1. BACKGROUND

- 1.1 The Accounts and Audit Regulations require the Council to maintain an adequate and effective internal audit of their accounting records and control systems. This report provides the Council with assurance of the adequacy of those controls.

2. KEY ISSUES

- 2.1 **Internal Audit Partnership with Surrey Heath Borough Council.** The Audit teams are working together on a number of joint projects including IT security, external audit testing and contract audit. Joint documentation has been developed including a revised audit manual, Homepage and various risk assessments prepared for application at both authorities.

- 2.2 Some discussions have taken place with other authorities interested in joining the audit partnership.

2.3 Corporate Risk Management.

Audit work in this area includes:

- (a) Corporate Risk Register – review and update
- (b) Risk Management Training for Members in conjunction with Zurich
- (c) Risk assessment – work with services to identify risks, controls and update risk registers.

- 2.4 **Corporate Risk Register** - Audit Services updated the register and reviewed progress on actions. (See separate report).

- 2.5 **Risk Management Training for Members** – A training event was held 19 November for all Members and Service Heads. The presentation by Zurich explained:

- (a) The purpose of risk management is to **manage the barriers** to achieving the Council's objectives.
- (b) There will be more emphasis placed on risk management in the planned Comprehensive Area Assessments and new Use of Resources Assessment. In particular, the new assessment criteria will place greater emphasis on risk assessment on partnership working.
- (c) Spelthorne's approach to risk management follows Zurich recommendations particularly in relation to categories and evaluation of risk.

- 2.6 At the seminar Members were encouraged to review the '**RISKS AND HOW THEY WILL BE MITIGATED**' paragraph incorporated into all committee reports and to consider whether all significant risks had been identified.

Seminar notes have been circulated to all Members and Service Heads. Members have also been directed to the Risk Management information available on the Intranet.

2.7 Risk Assessment – Process and Role of Audit

- 2.8 The authority uses a standard risk assessment template provided by the Chartered Institute of Public Finance and Accountancy (CIPFA) which is based on Prince II methodology. Risks are categorised over the following standard headings:

- (a) **Partner/Contractor/Commercial**
- (b) **Financial/Economic**
- (c) **Regulation/Legal/Litigation**
- (d) **Organisation/Management/Personnel**
- (e) **Political/Elected/Member**
- (f) **Environment**
- (g) **Technology/Infrastructure/Operations**

- 2.9 Each of these categories of risk is sub-divided into potential risks for example, within 'Financial / Economic', the risk of fraud, theft, poor value for money, accounting errors, weak debt management are some of the areas considered. Any additional risks may be added.
- 2.10 The risk template is a comprehensive document which records the risk, likelihood, impact, overall risk rating, actual control, evaluation (is the control adequate and is it working) and reference to audit working papers.
- Spelthorne uses a simple system approved / implemented by our own external auditors and supported by Zurich. The system is used by many other organisations.
- The formula used requires an assessment of impact from none to fatal (values 0 – 4) together with an evaluation of likelihood ranging from none to constant (values 0-4). The overall risk rating is derived from a table which relates impact to likelihood.
- 2.11 Auditors help managers to identify and document **controls** which reduce risks for example, reconciliations reduce risk of error in accounts, separation of duties reduces risk of fraud and business continuity plans reduce risk of failure in service delivery in event of disaster.
- 2.12 Risk assessments are used to prioritise audit work. They help to identify higher levels of risk where improvements in control are required or where further audit testing may be necessary.
- 2.13 Auditors liaise with all managers annually to discuss and update service risk assessments/registers. This ensures the documents are updated and also provides one to one support/training on risk management. Auditors encourage managers to take greater ownership of their risks and associated records. Assistance is also provided to risk assess individual projects such as Alternate Weekly Collection, Choice Based Lettings, new Housing system.
- 2.14 The Corporate Risk Management Group meets regularly to discuss corporate as well as health and safety risks.
- 2.15 All service risk registers are linked to the Council's performance management system, PB Views. However, there has been limited use of this system beyond monitoring of performance indicators and therefore Audit has recommended that service risk registers should be attached to Service Plans in future. This would ensure that risk registers are clearly linked to corporate/ service aims and objectives, and that any recommendations / actions to reduce risks are addressed by Directors with their Service Heads.

- 2.16 Audit report significant issues arising from risk assessment, evaluation of controls and testing to senior management. Issues are summarised in regular reports to Management Team and the Audit Committee.
- 2.17 Controls carrying significant risk and requiring management/Member attention have been incorporated into the Statement on Internal Control.
- 2.18 **Corporate Governance**
- 2.19 The term ‘Governance’ refers to how organisations ensure they do the right things, in the right way, for the right people in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and culture and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriated, lead their communities.
- 2.20 The new CIPFA / SOLACE Governance Framework sets out good governance standards for public services using six core principles against which authorities can self-assess their governance arrangements. It also sets out the requirements of the new Annual Governance Statement which will replace the Statement on Internal Control
- 2.21 The Heads of Corporate Governance, Finance and Audit are currently working with a Task Group of Members to review Spelthorne’s Corporate Governance arrangements.
- 2.22 **Business Improvement Programme**
- 2.23 The Head of Audit is a member of the Programme Sponsors Board which oversees individual service reviews.
- 2.24 The programme has delivered savings to date but progress has been delayed due to the loss of key staff within the Council. The current review of Chief Executive’s Directorate, Customer and E Government Services is addressing the future resourcing of the programme.
- 2.25 Various recommendations have been made to improve the process including the need to:
- (a) Re-assess the use of consultants
 - (b) Evaluate the extent to which reviews have met original objectives
 - (c) Ensure all staff are aware of the current status of the programme
 - (d) Learn from reviews being undertaken elsewhere.
- 2.26 **Housing – Rent Deposit Scheme**
- At the last Audit Committee meeting Members were interested in the controls over the new Rent Deposit Scheme and it was agreed that Audit would undertake some further work in this area.

The Council provides assistance with accessing the private rented sector and sustaining tenancies to help residents who might otherwise be homeless. Settled accommodation as a homelessness prevention measure is preferable to the alternative of less secure and more expensive temporary accommodation such as bed and breakfast.

The Council receives a discretionary homelessness initiatives budget each year from the Government (£37,000 in 2007/8) to help fund homelessness prevention measures. This grant would be jeopardised if homeless levels rose significantly.

Under the Rent Deposit Scheme landlords are not actually paid cash deposits but a bond is provided, ie an assurance that, should there be the need to claim for damages, the authority will fund the equivalent amount at the time of claim, subject to proper checks.

2.27 Audit Services have now completed their review of the system. The key controls are:

- (a) All agreements with tenants and landlords are formalised.
- (b) Agreements are limited to one year.
- (c) The Housing Options Manager checks all agreements.
- (d) A Scheme Administrator has been employed to oversee tenancy issues, ensure housing benefit is organised and liaise with landlords/tenants. It is crucial that clients referred to the scheme are able to sustain a private tenancy. The scheme administrator considers relevant history such as previous rent or mortgage arrears and their working pattern.
- (e) Rent bonds are **are not** paid to landlords and would not be released unless there was a valid claim.
- (f) There is close monitoring of scheme costs and any claims against bonds. Experience shows that there is an average 25% claim against bonds. This is a residual risk which should be offset against the overall benefits of the scheme. Audit will be undertaking testing during the year to ensure controls are operating properly.

2.28 **Audit Plan Review**

2.29 The current annual audit plan has been reviewed and the team is on target to complete all planned work during 2007/8.

2.30 **Other Audit Work.**

2.31 **External Audit** –Testing of the Council's main financial systems continued during the period and will be available for inspection by KPMG later in the year. This is a major element of the work of Audit Services and focuses on the following financial systems:

Main Accounting	Cash and Bank	Loans and Investments
Payroll	Creditors	Debtors
NNDR	Council Tax	Housing Benefits

Asset Management/Capital – new area and additional work for Audit Service.

Sample sizes are specified by external audit and work has to be completed and recorded to meet their requirements.

KPMG also require audit teams to review stock arrangements but have agreed that at Spelthorne, the levels are immaterial and therefore do not need testing. However, Audit Services has undertaken some checks on the stock of green refuse sacks and no discrepancies were identified.

- 2.32 **GIS/CAPS** – Attendance at user group meetings, advice to users and management regarding operational and system implementation issues.
- 2.33 **IT Security** – Attended Information Security Review Group monthly meetings, along with IT service and Steria staff, discussed Government Connect issues and baseline security requirements for the authority in particular the requirement to take into account previous three years references for any starters with IT access.
- Audit and IT service to trial new software to monitor internet usage, this should provide more flexibility to lockdown inappropriate sites and allow lunchtime access for non-work related sites.
- 2.34 **Planning and Housing Strategy** – The draft audit summary has been issued, which recommends that the Head of Planning should continue to monitor staff compliance with established procedures for s106 legal agreements, and periodically review the s106 register to ensure it is being kept up to date; tasks on the Housing Strategy Action plan should be allocated to named officers to improve accountability; terms of reference for the strategic housing group should be updated (now actioned); Heads of Planning and Housing Options to consider scope for more joint working/secondments between the two teams to enable more informed decisions and to give officers a broader framework within which to carry out their current roles.
- 2.35 **Direct Services / Customer and e Government Services / Corporate Governance / Human Resources / Asset Management / Independent Living / Procurement / Town Centre / Environment Services** – Risk assessments and testing in progress.
- 2.36 **Creditors** – Audit Services used a computer audit tool to identify potential duplicate payments. Six duplicate payments were identified relating to:
- (a) BT invoice - £8.5k
 - (b) Five Bed and Breakfast invoices totalling £1800
- A key control to reduce the risk of duplicate payments is that the payment system will not allow invoices with the same reference number to be paid twice. In these cases two payments officers had entered the reference numbers differently.
- A second key control is that where purchase orders have been raised, they can only be paid once. These payments are excluded from the requirement to raise purchase orders but as a safeguard, managers are required to keep separate records to ensure invoices, reminders and other duplicates are not made. Further work is currently taking place to review systems operating within services.
- These sums have been recovered and all officers concerned alerted to the need to adhere to the systems of control.
- 2.37 **National Fraud Initiative** – The Head of Audit is the key contact for the authority and an Auditor assists in the co-ordination of the data matching exercises. Following the recent loss of computer discs holding child benefit data by the government, Spelthorne will be reviewing data security policy and procedures.
- 2.38 **Parking Services** – Advice given on a variety of financial, procedural, managerial and security matters. Unpaid penalty charge notices have now been passed to the Traffic Enforcement Centre (TEC) and therefore will be pursued through the courts. Delays were due to interface difficulties between the software used by the Council and TEC.

- 2.39 **Use of Resources** – The Head of Audit liaised with external audit to provide evidence in relation to internal control and corporate governance key lines of enquiry.
- 2.40 **Advice** - Advice has been requested from all directorates on a variety of risk and control issues.
- 2.41 **Miscellaneous** – Meetings (staff/team/departmental/manager’s briefings), training, Audit Committee reports, liaison with Surrey Audit Group and external audit, budget monitoring, dealing with contract payment certificates, Service Planning, Audit Service risk assessment/ Homepage, work planning, staffing issues and various other tasks.
- 2.42 **Partnering** – attendance at meeting with other Surrey Districts to discuss potential partnering on property services.
- 2.43 **Contract Audit** – Audit reviewed documents associated with contracts let under the 2007/08 Planned Maintenance Programme, and drew up a schedule of findings.
- 3. SPECIAL INVESTIGATIONS**
- 3.1 Theft of PC – Audit investigated theft of PC from the Council Chamber and provided advice regarding improved security of IT equipment. Staff were alerted and asked to be vigilant. Review of CCTV footage and door entry reports provided no clues as to the perpetrator. An insurance claim has been submitted and the police informed.
- 3.2 Internet use – Advice was provided to E Government Services and managers regarding potentially excessive Internet use by a temporary member of staff. Further controls have been implemented to prevent misuse and all new staff must now receive an introduction to the Council’s systems and IT Policy before commencing work.
- 4. OPTIONS ANALYSIS**
- 4.1 There are none.
- 5. PROPOSALS**
- 5.1 There are none.
- 6. BENEFITS AND SUSTAINABILITY**
- 6.1 N/A.
- 7. FINANCIAL IMPLICATIONS**
- 7.1 There are none.
- 8. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS**
- 8.1 Completion of the Audit Plan demonstrates compliance with Local Government Act 1972 and Accounts and Audit Regulations.
- 9. RISKS AND HOW THEY WILL BE MITIGATED**
- 8.1 Significant risks associated with individual audits are reported in this report. Implementation of audit recommendations will reduce risks for the authority. All audit work is supported by detailed risk assessment.
- 10. TIMETABLE FOR IMPLEMENTATION**
- 10.1 N/A.

Report Author: Deanna Harris 01784 446207

Background Papers: There are none

CORPORATE RISK MANAGEMENT
Audit Committee 18 December 2007
Resolution Required
Report of the Strategic Director (Support)
EXECUTIVE SUMMARY

How does the content of this report improve the quality of life of Borough Residents

Regular review of the corporate risk register helps to improve overall risk management arrangements, which supports all corporate priorities.

Purpose of Report

This report provides the Audit Committee with an opportunity to review the revised Corporate Risk Register and proposed actions for improvement.

Key Issues

- The Corporate Risk Register has been reviewed and updated.
- Progress on actions proposed at the last review has been documented on the register.
- New/further actions have been proposed in the register to mitigate risks as far as possible.

Financial Implications

Staff time to implement actions proposed should be contained within existing budgets.

Corporate Priority

All 4 Priorities.

Officer Recommendations

The Audit Committee is asked to note and accept the contents of the Corporate Risk Register.

Contact: Deanna Harris, Head of Audit Services, 01784 446207.

Lead Member: Councillor Jack Pinkerton

Portfolio Holder: Councillor Michel Bouquet

MAIN REPORT

1. BACKGROUND

- 1.1 The Council's Risk Management Policy/Strategy was approved by the Executive in 2002.
- 1.2 The policy/strategy, flowchart of responsibilities and Corporate Risk Register can be found on Spelnet, and the Service risk registers can be found on global public folders.
- 1.3 The Audit Committee is responsible for considering the effectiveness of the authority's risk management arrangements, and receives regular reports on risk issues.
- 1.4 This report provides the Audit Committee with an opportunity to review the revised Corporate Risk Register, assess progress on actions previously recommended, and review new actions proposed for improvement.

2. KEY ISSUES

- 2.1 The Corporate Risk Management Group has revised the Corporate Risk Register (Appendix 1). Actions required to reduce risks are shown together with officers responsible for implementing recommendations and deadlines.
- 2.2 Progress on actions proposed at the last review has been documented on the attached register (please refer to columns titled control/action and progress). Some progress has been made in areas such as the waste (AWC) project, communication of the emergency plan with testing programmed, resourcing for the Business Improvement programme, identification of all council projects to enable resource planning, review of IT security risks, consideration of software systems to assist co-ordination of business continuity planning/testing, the provision of training to encourage use of agreed project management methodology across the authority, and promotion of a template to assist in service planning. In some of these areas further actions have been proposed to improve controls further.
- 2.3 Audit Services are concerned about the lack of progress in the following areas :
 - Procedure document to clarify health and safety responsibilities where assets leased (Regulation/legal/litigation risk)
 - Risk assessment for contaminated land (Environment risk)
 - Technology/infrastructure/operational risks:
 - Testing of the IT disaster recovery plan.
 - Security protocol for satellite buildings not documented.
 - Process of reporting from project boards to MAT and Member engagement in projects and consideration of capacity to deliver existing/new projects.
 - Review of service plans – service aims and objectives cannot be finalised until the Council's overall aims and objectives have been agreed.
- 2.4 It should be noted that the new criteria under the Use of Resource's assessment will place greater emphasis on risk assessment on partnership working. A new

action has been proposed in the corporate risk register relating to partnership agreements (see partner/contractual risk category).

- 2.5 A training event was held on 19 November for all Members and Service Heads on risk management. Spelthorne's approach to risk management follows Zurich recommendations particularly in relation to categories and evaluation of risk.
- 2.6 It should be noted that the existing corporate priorities have been used for the purpose of relating specific risks to priorities.

3. OPTIONS ANALYSIS

Either:

- 1. To accept the Corporate Risk Register as drafted and proposals for improving overall risk management arrangements. (Preferred option) The revised register is considered to be an accurate reflection of the high level risks affecting the authority, as well as the progress made on actions previously proposed, based on our assessment of risk and controls in operation.

Or:

- 2. To recommend amendments to the Corporate Risk Register for consideration by the Corporate Risk Management Group.

4. PROPOSALS

- 4.1 The Audit Committee is asked to note and accept the contents of the Corporate Risk Register.

5. BENEFITS AND SUSTAINABILITY

- 5.1 Proposals set out in the Corporate Risk Register should improve overall risk management arrangements across the authority, which supports all corporate priorities.

6. FINANCIAL IMPLICATIONS

- 6.1 Resources required (staff time) to implement actions proposed in the Corporate Risk Register should be contained within existing budgets

7. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS

- 7.1 There are none.

8. RISKS AND HOW THEY WILL BE MITIGATED

- 8.1 If actions outlined in the Corporate Risk Register are endorsed by the Committee and implemented by relevant officers, this should improve the Council's overall risk management arrangements.

9. TIMETABLE FOR IMPLEMENTATION

- 9.1 The Corporate Risk Register shows officers responsible for progressing actions, together with timescales for implementation.
- 9.2 The revised Corporate Risk Register will be placed on Spelnet and actions will be monitored by the Corporate Risk Management Group.

Report Author: Punita Talwar/Deanna Harris, Head of Audit Services, 01784 446207.

Background Papers: There are None.

APPENDIX 1

SPELTHORNE BOROUGH COUNCIL

CORPORATE RISK REGISTER – 2007/08 QUARTER 3

The register summarises the main high level risks faced by the Council in relation to achieving the objectives and priorities as defined in the Council’s corporate plan. The register sets out the control procedures in place to mitigate these risks, and identifies any further action needed to manage these risks effectively. Actions are assigned to appropriate officers with target dates for implementation.

- Corporate Priorities :**
1. **Making Spelthorne Safer**
 2. **Engaging Younger People**
 3. **Making Spelthorne a Better Place**
 4. **Improving Customer Satisfaction with our Services**

NB Corporate Priorities are currently under review

Level of risk : Likelihood vs. Impact on a scale of 1 (lowest) to 4 (highest)

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
Organisation/ Management / Personnel	Overstretched resources resulting in poor service delivery, failure in achieving desired outcomes	1.3 & 4	3	Controls: Appraisal process, job descriptions, performance clinics, targets linked to service plans, staff surveys, various HR policies/handbook, training program related to needs. Staffing reviews, Business Improvement Program in progress, corporate group set up to develop pool of expertise/skills in project management and business process	Service heads / MAT / CX		

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
				<p>analysis, Policy Officer summarised all projects with relative significance rating.</p> <p>Action: Assessment of Council's overall program of projects required to consider capacity/skills issue.</p> <p>Progress: A master list of projects and the officer responsible has been drawn up. This will be used by Management Team to ensure the authority has sufficient resources/skills to deliver the overall programme of projects.</p> <p>Further Action: There is no officer assigned to ensuring that the register of projects is kept up to date. This should be addressed.</p>	<p>MAT</p> <p>MAT/BC</p>	<p>Sep 2007 (Revise to Jan 2008)</p> <p>Jan 2008</p>	Some
Technology/ Infrastructure /Operations	<p>Failure of projects due to poor project management</p> <p>Current projects include:</p> <ul style="list-style-type: none"> • Staines Town Centre (all areas) • Stanwell Regeneration • BIP • CBL 	1,2,3 & 4	3	<p>Controls: The authority has agreed project management methodology and invested in software, training and consultancy to assist. Corporate PM software recently publicised with further training planned. Business Improvement program carried out using project management methodology. Varying levels of compliance with pm methodology across authority. Projects Officer issued</p>			

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
	<ul style="list-style-type: none"> • Elderly Services • Leisure Centre – new contract & refurb work • Recycling • Alternative Weekly collections • Contaminated land • Legionella contract • All other asset related projects • All e related projects • Delivery of savings and income generation • Procurement initiatives • Comino / contact management / records management • Delivery of BPS proposals • Partnering initiated by CXs (Licensing, Audit, Building Control and 			<p>report highlighting all projects being undertaken, with category (4 levels) based on relative significance. Procurement, E-Government and Asset Management boards to review the programme of projects within their remit to confirm compliance with PM systems. Asset Management Service are currently carrying this exercise out.</p> <p>Action 1: MAT should examine the extent to which the organisation is using agreed methodology and the following addressed:</p> <ul style="list-style-type: none"> • Business case/whole life costings? • Responsibility and accountabilities clearly defined? • Resources identified (staff/budget) • Deadlines agreed? • Expected outcomes determined? • Risks assessed? • Gate reviews/reporting progress to MAT from PM Board • All relevant stakeholders involved and agreements/approvals received? • Consider Member engagement in 	MAT	Oct 2007 <i>(Revise to Jan 2008)</i>	Some

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
Technology/Inf	Revenues)			<p><i>monitoring of projects via Exec or performance management and Review committee</i></p> <p>Action 2: MAT should consider the Council's entire programme of projects and consider the level (capacity and skills) of resources available to deliver completely. This process should continue for all new projects identified.</p> <p>Progress: A master list of projects and the officer responsible has been drawn up. This will be used by Management Team to ensure the authority has sufficient resources/skills to deliver the overall programme of projects. A range of training courses were recently provided to encourage the application of agreed project management methodology, and covered the key principles listed above. This needs to be monitored in due course to assess implementation across the authority. The process of reporting from Project Boards to MAT still needs to be resolved, as well as Member engagement in projects.</p>	MAT	Oct 2007 (Revise to Jan 2008)	Some

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
rastructure /Operations	Failure to align service objectives to corporate aims	1,2,3 & 4	3	<p>Controls: Service plans are derived from Community and Corporate Plans. Current service plans cover 3 year period 2005 to 2008, although require annual updates. Planning to pilot new approach to assist service planning, using corporate template. Corporate priorities are being reviewed and will be issued in January 2008.</p> <p>Action: <i>All Service Plans should be updated annually, to reflect the new corporate priorities.</i></p> <p>Progress: <i>Members/MAT have reviewed the corporate priorities, which will be issued in the new year. Planning has not yet piloted the new approach to service planning. Service Heads have been encouraged to update their service plans annually, and were sent a corporate template to assist the process, although no responses have been received to date. Completion of Service Plans may need to be delayed until the authority's corporate aims and objectives have been published.</i></p>	Service Heads	Oct 07 <i>(Revise to Feb 2008)</i>	Some

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
Technology/ Infrastructure /Operations	Breaches in security of buildings	1 & 3	3	<p>Controls: Knowle Green offices alarmed and entry controlled, CCTV, sensors connected to alarms. Security protocol documented. Depot has CCTV and controlled entry access. Access to satellite buildings e.g. day centres, village halls, park pavilions and museums controlled by key access, held by authorised staff.</p> <p>Action: <i>Security protocol for satellite buildings should be documented, which</i></p>	DP/JF SC/LB/DP	Dec 07	None

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
				<i>clearly sets out responsibilities.</i>		<i>(Revise to Jan 2008)</i>	
Technology/ Infrastructure /Operations	Disaster in Council buildings / Lack of continuity planning within services and reliance on individuals/systems	3 & 4	3	<p>Controls: Business Continuity plans have recently been updated. Bob Coe is responsible for co-ordinating plans.</p> <p>Action: <i>The authority should ensure the plans are fully communicated, tested and updated regularly.</i></p> <p>Progress: <i>Plans have not been tested since review. The Assistant CX (Bob Coe) and Head of Environment Services have arranged to see a demonstration of software that would facilitate central monitoring of the authority's business continuity plans (by providing reminders of when plan due to be updated/tested etc).</i></p>	Service Heads/MAT BC/Service Heads	Dec 07 <i>(Revise to Feb 2008)</i>	Some

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
Technology/ Infrastructure /Operations	Housing - failure to meet affordable housing targets.	3 & 4	4	<p>Controls: Housing Strategy group meet monthly to review Housing Strategy action plan and assess progress in achieving targets. New RSL's appointed during 2007 to help identify more housing development opportunities.</p> <p>Action: <i>Management of private sector housing as a means of generating more affordable housing.</i></p>	NL/HM	March 2008	
Financial / Economic	<p>Poor vfm / failure to implement procurement strategy / identify and manage savings</p> <p>Business Improvement Program progressing but loss of skills transfer resource could delay process.</p>	3 & 4	3	<p>Controls: Procurement strategy, action plan and clear responsibilities through Corporate Procurement Group, AES, Financial strategy/budgetary constraints.</p> <p>Action: <i>Consideration should be given to resources available to complete program.</i></p> <p>Progress: <i>The current review of Chief Executive's Directorate and Customer and E Government Services is addressing the future resourcing of the Business Improvement programme.</i></p>	<p>Service Heads/TC/ BC</p> <p>BC/ Sponsors Board/MAT</p>	Dec 07 (<i>Revise to Jan 2008</i>)	Some

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
Environment	Waste and alternative weekly collections– project to deliver alternate weekly collections fails to meet expected outcomes/ unsuccessful/ customer dissatisfaction/ recycling targets not achieved	3 & 4	4	<p>Controls: A risk assessment has been completed. Project management arrangements in place. Performance on recycling is recorded quarterly against BVPI'S on PB Views and performance below target is highlighted/ reported to MAT.</p> <p>Action: <i>Risks to be reviewed and monitored.</i></p> <p>Progress: All major risks have been addressed. Ongoing monitoring to ensure recycling targets are met.</p>	NL/SM/SC	Ongoing	Actioned. AWC operation commenced and operating satisfactorily.

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
Environment	Disaster- major in borough	3 & 4	4	<p>Controls: Emergency plan has been recently updated.</p> <p>Action: <i>The authority should ensure the plan is fully communicated, tested and updated regularly.</i></p> <p>Progress: <i>A new member of staff within Environment Services has now been assigned to addressing this area. Some plans have been communicated to residents, and testing of plans has been programmed. The emergency plan is intended to be reviewed and circulated annually.</i></p>	NL/SM	Dec 2007 <i>(Revise to Feb 2008)</i>	Some
Environment	Uncertainty surrounding the financial /other consequences of contaminated land	1 & 3	4	<p>Controls: Legal duty to inspect land and prioritise action, progress reports issued to MAT outlining financial and risk implications.</p> <p>Action: <i>It is recommended that a separate risk assessment be prepared for Contaminated Land covering in particular, contractual, financial/resources and legal/regulatory matters. Controls available to mitigate risks associated with potential lack of funding or resources to undertake</i></p>	NL/MAT	Dec 2007 <i>(Revise to Jan 2008)</i>	None (see comments under progress)

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
	<p>Uncertainty surrounding the financial /other consequences of contaminated land</p>			<p><i>further detailed site investigations should be identified and incorporated in the risk assessment.</i></p> <p><i>Progress: Following the Rogers' Review of Regulatory Services, the Government have indicated that they no longer consider contaminated land to be a national priority and they appear to be changing their stance on future funding of local authority contaminated land work. The Government's experts are in the process of reviewing the soil guideline values (SGV's) against which contaminated sites are assessed and they will be redefining which levels of contamination will require further action. This information was due to be published by the end of 2007 and is likely to lead to a relaxation of many of the SGV's. The contaminated land team are currently engaged in re risk-rating our sites of potential concern using GeoEnviron. The Head of EH</i></p>			

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
				<p><i>feels that because EH are undertaking such a review, coupled with an expected change of guidance would suggest that it is not appropriate to undertake such a risk assessment at this time.</i></p> <p><i>Support will be required to undertake any future risk assessment. Expertise within the audit team at Surrey Heath Borough Council has been offered to assist with this. As Spelthorne is much further advanced in contaminated land work than Surrey Heath, the level of support and expertise required to undertake such an assessment will need further consideration.</i></p>			
Regulation/ Legal / Litigation	Health and Safety failing resulting in injuries and legal action against the Council	1, 2, 3 & 4	4	Controls: Managers are responsible for regular risk assessments and all staff have responsibilities pointed out on Induction and in various policies and training events, Health and Safety Officer in post and reports relevant issues to CRMG, contract let to manage legionella (to ensure compliant with APEC regs) and progress reported to AMG and MAT as appropriate.	All staff		

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress
				Action: Procedure document required to clarify health and safety responsibilities/ arrangements where the authority leases out assets.	DP	Jan 2008	None
Partner/ Contractor/ Commercial	Contractors/partners fail to deliver expected outcomes.	1,2,3&4	3	<p>Controls: Management responsibility to monitor performance, variety of performance measures in place and contractual safeguards. Work been conducted on review of strategic and internal partnerships, and findings being analysed. Partnership agreements not always in place or may not be comprehensive.</p> <p>Action: Managers should formalise and document protocols/agreements for all significant partnerships, ensuring that roles and responsibilities of each party are clearly assigned, which should also incorporate risk assessments where possible. Outcomes should be monitored against expected targets/objectives.</p>	Service Heads Service Heads	March 2008	

Risk Category	Risk / Consequences	Corp Priority	Level of risk	Control / Action	Ownership	Target Date(s)	Progress

Reviewed November 2007

CONFIDENTIAL REPORTING CODE (WHISTLEBLOWING POLICY)

**Audit Committee 18 December 2007
Report of the Strategic Director (Support)**

Executive Summary

How do the contents of this report improve the quality of life of Borough Residents

Provides assurance that the Council has in place policy for ensuring serious concerns are reported and investigated, and that the risk of loss as a result of improper use of resources or claims against the authority is reduced.

Purpose of Report

To review the Confidential Reporting Code (Whistleblowing Policy) and to make recommendations for amendment if necessary.

Key Issues

The Code forms part of the Council's Constitution and sets out how to raise serious concerns about any aspect of the Council's work. It also clarifies the legal protection under the Public Interest Disclosure Act against reprisals. The Code is attached as **Appendix 1**.

The Audit Committee is required to consider whether the Confidential Reporting Code (Whistleblowing Policy) is properly formulated and remains effective.

Financial Implications

No financial implications

Corporate Priority

All four.

Officer Recommendations

The Audit Committee is asked to note the Confidential Reporting Code (Whistleblowing Policy) and to recommend any amendments as necessary.

**Contact: Deanna Harris, Head of Audit Services 01784 446207
Portfolio Holder: Councillor Michel Bouquet**

MAIN REPORT

1. BACKGROUND

- 1.1 The Confidential Reporting Code (Whistleblowing Policy) forms part of the Council's Constitution and sets out how to raise serious concerns about any aspect of the Council's work and the legal protection against reprisals under the Public Interest Disclosure Act.
- 1.2 The Code details:
- (a) The nature of concerns which may be reported;
 - (b) Other policies such as the Grievance Procedure which exist to deal with employment issues such as bullying or sexual harassment;
 - (c) Safeguards against harassment or victimisation as a result of raising a concern.
 - (d) Processes for raising and dealing with concerns including the various officers and organisations who could be contacted.
- 1.3 The Code is available on the Intranet, a leaflet (**Appendix 1**) has been placed on every notice board and regular reminders are issued to remind staff of its existence.
- 1.4 From time to time, concerns are raised with managers, Directors, Audit and Members. These are investigated in accordance with Council policy. None have been raised with specific reference to the 'Confidential Reporting Code'.

2. KEY ISSUES

- 2.1 The Confidential Reporting Code provides the necessary policy and guidance for reporting concerns and is important element of the Council's corporate governance arrangements.

3. OPTIONS ANALYSIS

The Audit Committee may:

- (a) Note contents of the Code, or
- (b) Recommend amendment to the Code

4. PROPOSALS

- 4.1 There are no proposals.

5. BENEFITS AND SUSTAINABILITY

- 5.1 The Confidential Reporting Code should ensure that serious concerns are reported, investigated and dealt with. There are no ongoing costs or sustainability issues.

6. FINANCIAL IMPLICATIONS

- 6.1 None.

7. LEGAL IMPLICATIONS / OTHER CONSIDERATIONS

- 7.1 There are no implications

8. RISKS AND HOW THEY WILL BE MITIGATED

- 8.1 The risks associated with failing to report, investigate and deal with serious concerns in a manner which protects the whistleblower include: claims against the Council, poor morale, waste of resources, service failure and damage to reputation.

9. TIMETABLE FOR IMPLEMENTATION

- 9.1 Subject to any amendments recommended.

Report Author: Deanna Harris, Head of Audit Services 01784 446207

**Background Papers:
There are none.**

BOROUGH OF SPELTHORNE

CONFIDENTIAL REPORTING CODE (Whistleblowing)

1. INTRODUCTION

- 1.2 The Council is committed to the highest possible standards of openness, probity and accountability. In line with that commitment it expects staff and others that it deals with who have serious concerns about any aspect of the Council's work to come forward and voice those concerns.
- 1.3 Staff are often the first to realise that there may be something seriously wrong within the Council. However, they may not raise their concerns because they feel that speaking up would be disloyal to their colleagues or to the Council. They may also fear harassment or victimisation. In these circumstances it may be easier to ignore the concern instead of reporting what may just be a suspicion of malpractice.
- 1.4 The adoption of this confidential reporting code by the Council is intended to encourage and enable all staff to raise any serious concerns they have within the Council, rather than overlooking a problem or 'blowing the whistle' outside. The code makes it clear that you can raise concerns on a confidential basis, without fear of victimisation, subsequent discrimination or disadvantage. It is based on the Public Interest Disclosure Act 1998, which gives staff raising concerns under its rules legal protection against reprisals.
- 1.5 The code applies to all staff and contractors working for the Council on Council premises, including agency staff. It also covers suppliers and those providing services under a contract with the Council.
- 1.6 The procedures in this code are in addition to the Council's existing Complaints Procedure.
- 1.7 This code has been discussed with UNISON and the Transport and General Workers Union and has their support.

2. AIMS AND SCOPE OF THIS CODE

- 2.1 This code aims to:
 - encourage you to feel confident about raising serious concerns
 - encourage you to question practice and act upon any concern
 - provide clear channels for you to raise those concerns
 - ensure that you receive a response to concerns you raise and that you are clear about how to pursue them if you are not satisfied
 - reassure you that you will be protected from possible reprisals or victimisation if you raise a concern in good faith reasonably believing something is wrong.
- 2.2 The Council has a Grievance Procedure to enable you to lodge a grievance relating to your own employment and a Sexual Harassment Policy to enable you to raise any concerns about sexual harassment. This Confidential Reporting Code is intended to cover major concerns you might have that fall outside the scope of other procedures. Such concerns might include:

- conduct which is an offence or a breach of law
- disclosures related to miscarriages of justice
- health and safety risks, including risks to the public as well as other staff
- damage to the environment
- the unauthorised use of public funds
- possible fraud and corruption
- sexual or physical abuse of clients, or
- other unethical conduct.

2.3 Any serious concerns that you have about any aspect of service provision or the conduct of officers or members of the Council or others acting on behalf of the Council can be reported under the Confidential Reporting Code. This could be about something that:

- makes you feel uncomfortable in terms of your past experience or what you know about standards set by the Council; or
- is against the Council's Standing Orders and policies; or
- falls below established standards of practice; or
- amounts to improper conduct.

2.4 This code does not replace the corporate complaints procedure.

3. SAFEGUARDS

Harassment or Victimisation

3.1 The Council is committed to good practice and high standards and wants to be supportive of staff.

3.2 The Council recognises that making the decision to report a concern can be difficult. If what you are saying is true, you should have nothing to fear because you will be doing your duty to the Council and those for whom you are providing a service.

3.3 The Council will not tolerate any harassment or victimisation (including informal pressures) of someone raising something of concern to them and will take appropriate action to protect you against this when you raise a concern in good faith.

3.4 Any investigation into allegations of potential malpractice will not influence or be influenced by any disciplinary or redundancy procedures that already affect you.

4. CONFIDENTIALITY

4.1 All concerns raised will be treated in confidence and every effort will be made not to reveal your identity if you so wish. At the appropriate time, however, you may need to come forward as a witness.

5. ANONYMOUS ALLEGATIONS

5.1 This code encourages you to put your name to your allegation whenever possible.

5.2 Concerns expressed anonymously are much less powerful but will be considered at the discretion of the Council.

- 5.3 In deciding whether to consider anonymous concerns the following are some of the factors which will be taken into account :
- the seriousness of the issues raised
 - the credibility of the concern; and
 - the likelihood of confirming the allegation from attributable sources

6 UNTRUE ALLEGATIONS

6.1 If you make an allegation in good faith, 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 in accordance with the Council's disciplinary procedures.

7 HOW TO RAISE A CONCERN

7.1 As a first step, you should normally raise concerns with your immediate manager or their manager. 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 your management is involved, you should approach the Chief Executive, Strategic Director (Support), Monitoring Officer, or Audit Services.

7.2 Concerns may be raised verbally or in writing. If you wish to make a written report it is best to use the following format:

- the background and history of your concern (giving relevant dates);
- the reason why you are particularly concerned about the situation.

7.3 The earlier you express your concern the easier it is to take action.

7.4 Although you are not expected to prove beyond doubt the truth of an allegation you make, you will need to demonstrate to the person you contact that there are reasonable grounds for your concern.

7.5 You can obtain advice/guidance on how to pursue matters of concern from:

Chief Executive	Roberto Tambini	(01784 446250)
Strategic Director (Support)	Sue Sturgeon	(01784 446225)
Monitoring Officer	Michael Graham	(01784 446227)
Head of Audit Services	Deanna Harris	(01784 446207)

7.6 In addition you could contact any of the following:-

The Chairman or Vice Chairman of the Council's Standards Committee - The Council has a Standards Committee, the purpose of which is to help the Council operate to the highest ethical standards. Both the chairman and vice chairmen are non councillors and can be approached for advice. Their details can be obtained from Committee Services on 01784 446240 or found on the Council's web site; or

Public Concern at Work - This is a registered charity which seeks to ensure that concerns about serious malpractice are properly raised and addressed in the workplace and they can be contacted on 020 7404 6609; or

Your trade union or professional body.

- 7.7 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 had the same experience or concerns.
- 7.8 You may invite your trade union, professional association representative or a friend to be present during any meetings or interviews in connection with the concerns you have raised.

8. HOW THE COUNCIL WILL RESPOND

- 8.1 The Council will always respond to your concerns. Do not forget that testing out your concerns is not the same as either accepting or rejecting them.
- 8.2 If you raise a concern with your manager which they feel is beyond the scope of their authority or of a serious nature they will refer it to the Monitoring Officer rather than dealing with it personally.
- 8.3 Where appropriate, the matters you raise may:
- be investigated by managers, audit services, or through the disciplinary process
 - be referred to the police
 - be referred to the external auditor
 - form the subject of an independent inquiry.
- 8.4 In order to protect individuals 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 for the Council is the public interest. Concerns or allegations which fall within the scope of specific procedures (for example grievance or sexual harassment) will normally be referred for consideration under those procedures.
- 8.5 Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required this will be taken before any investigation is conducted.
- 8.6 Within ten working days of a concern being raised, the manager with whom you raise your concern or the Monitoring Officer will write to you:
- acknowledging that your concern has been received
 - indicating how the Council propose 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
 - supplying you with information on staff support mechanisms, and
 - telling you whether further investigations will take place and if not, why not.
- 8.7 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, the Council will seek further information from you.


- 8.8 Where any meeting is arranged, which can be away from the offices or your place of work if you so wish, you can be accompanied by a union or professional association representative or a friend.
- 8.9 The Council will take steps to minimise any difficulties which you may experience as a result of raising a concern. For instance, if you are required to give evidence in criminal or disciplinary proceedings the Council will arrange for you to receive advice about the procedure.
- 8.10 The Council accepts that you need to be assured that the matter has been properly addressed and so, subject to legal constraints, will inform you of the outcome of any investigation.

9. THE RESPONSIBLE OFFICER

- 9.1 The Council's Monitoring Officer has overall responsibility for the maintenance and operation of this code. That officer will maintain 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.

10. HOW THE MATTER CAN BE TAKEN FURTHER

- 10.1 This code is intended to provide you with clear channels within the Council to raise concerns and the Council hopes 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:
- Public Concern at Work
 - the Council's external auditor
 - your trade union
 - your local Citizens Advice Bureau
 - relevant professional bodies or regulatory organisations
 - the police.
- 10.2 If you do take the matter outside the Council, you should ensure that you do not disclose confidential information. Check with the contact point about that.



**Worried that
something
may be
going
seriously
wrong in **your**
Workplace?**

Not sure who you can talk to?

Under our Confidential Reporting Code (whistleblowing policy), if you don't feel able to raise it with your line manager, you can talk in confidence to a number of officers. Please refer to the Confidential Reporting Code, which can be found at www.spelthorne.gov.uk/constitution_confidentialreporting.pdf

You can also get independent, confidential advice from the charity Public Concern at Work on 0207 404 6609.