



Haringey Council

Agenda item:

[No.]

Audit Committee

On 22 July 2008

Report Title: **Anti-fraud and corruption strategy**

Forward Plan reference number (if applicable): **N/A**

Report of: **Head of Audit and Risk Management**

Wards(s) affected: **All**

Report for: Non-key decision

1. Purpose

1.1 To advise the Audit Committee of the revised Corporate Anti-fraud and Corruption Strategy, Fraud Response Plan and Whistle-blowing Policy.

2. Recommendations

2.1 That the Audit Committee approves the revised Corporate Anti-fraud and Corruption Strategy, Fraud Response Plan and Whistle-blowing Policy.

2.2 That the Audit Committee approves the publication of the revised documents on the Council's website and intranet site.

Report Authorised by: **Chief Financial Officer**

Contact Officer: Anne Woods, Head of Audit and Risk Management

Tel: 020 8489 5973

Email: anne.woods@haringey.gov.uk

3. Local Government (Access to Information) Act 1985

3.1 For access to the background papers or any further information please contact Anne Woods on 0208 489 5973.

4. Background

- 4.1 As part of the Chartered Institute of Public Finance and Accountancy's (CIPFA) 2006 Code of Practice, and the requirements of the Council's Whistle-blowing policy, Haringey needs to ensure that there are appropriate processes in place for the reporting and investigation of allegations of fraud and corruption.
- 4.2 The Comprehensive Performance Assessment (CPA) includes the requirements to have appropriate arrangements in place which are designed to promote and ensure probity. It is therefore important to ensure that the Council can demonstrate compliance with the CPA and best practice requirements.
- 4.3 In addition, the Benefits Fraud Inspectorate, as part of their inspection in 2007, recommended that the Council produce a separate anti-fraud strategy specifically in relation to Housing Benefits work.
- 4.4 An Anti-fraud Strategy provides the framework within which all employees and Councillors should operate. Alongside the anti-fraud strategy, a fraud response plan sets out how employees, members of the public and Councillors can make their concerns known and how the Council will deal with any allegations made.
- 4.5 The Council is committed to reducing the potential for fraud and corruption to the lowest possible level. The revised Anti-fraud and Corruption Strategy is a key document in informing people of the council's position on fraud and corruption and its intention to deal with any issues in a firm, but responsible way.

5. The Anti-fraud Strategy

- 5.1 The Council has an Anti-fraud and Corruption Strategy which is published on the Haringey website and intranet site, together with details of contact phone numbers for reporting suspected instances of fraud and corruption.
- 5.2 Although the policy statement was written some time ago (2005), it has been kept under review on an annual basis. During 2008/09, Internal Audit and the Human Resource division again reviewed the anti-fraud and corruption strategy, together with the Council's whistle-blowing policy and made some minor amendments to these documents in order to reflect operational changes and reporting structures.
- 5.3 The revised anti-fraud strategy and fraud response plan contains the same, or similar information as previously published. However, the updated version has been re-written to ensure that the information contained within it is completely up to date and is also more easily understandable and accessible to the widest possible range of readers. This has been done in line with the Council's website guidelines for accessibility.
- 5.4 The revised strategy and fraud response plan follows CIPFA's best practice model. The updated Whistle-blowing policy conforms to the best practice guidance from Public Concern at Work, the independent charitable organisation which advises on whistle-blowing and governance matters.

- 5.5 Included with the council's anti-fraud strategy, as a separate appendix, will be the Housing Benefit anti-fraud strategy. The Housing Benefit anti-fraud strategy is presented separately to this Committee for approval, but will form part of the council's overall consistent approach to reducing the risk of fraud and will be published as an appendix to the council's overall anti-fraud strategy.
- 5.6 The Council's anti-fraud strategy and fraud response plan, together with the whistle-blowing policy, give guidance to employees and members of the public on what we want to know about in relation to fraud and corruption, what people should do if they suspect fraud and corruption and how the Council will deal with any allegations made.

6. Audit Committee Responsibilities

- 6.1 The purpose of the Audit Committee is 'to provide independent assurance of the adequacy of the risk management framework and the associated control environment'.
- 6.2 Part of the Audit Committee's terms of reference includes Corporate Governance and the Regulatory Framework. Within this broad area, specific reference is made that the Committee '*monitor Council policies on Whistle-blowing and Anti-fraud and Corruption*'
- 6.3 To fulfil part of the Committee's responsibilities, the updated anti-fraud and corruption strategy and whistle-blowing policy is presented for review and approval.
- 6.4 In addition, in order that the Audit Committee is able to fulfil its monitoring role, the quarterly internal audit progress reports include details of all referrals via the whistle-blowing policy and email and telephone reporting facility. The quarterly reports also contain details of all disciplinary investigations which involve financial irregularities and details of any attempts to fraudulently alter and cash the Council's cheques.

Haringey Anti-fraud and Corruption Strategy

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If you have any concerns about fraud or corruption, please call Fraudwatch on Freephone 0500 500 777.

You can also click on the following link to send an email to fraudcall@Haringey.gov.uk.

We will take your concerns seriously and ensure that we treat them in the strictest confidence.

1. Why we have an anti-fraud strategy

- 1.1 Haringey Council employs approximately 9,000 staff and has a net budget of over £400 million. We provide a wide range of services to individuals, households, the voluntary sector and many other private and public sector organisations.
- 1.2 The Council aims to provide excellent services to all its users. However, the size and nature of our services, like any other large organisation, means that there is a risk of loss due to fraud and corruption, both from within the Council and outside it.
- 1.3 This anti-fraud and corruption strategy is intended to address any instances where fraud or corruption are suspected. The definition of **Fraud** is based on the Fraud Act 2006 which introduced three specific offences of fraud: fraud by false representation; fraud by failing to disclose information; and fraud by abuse of position. **Corruption** is defined as "the offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person". Our Fraud Response Plan, which is attached to this strategy (Appendix 1), gives some examples of fraud and corruption.
- 1.4 The key message we want to publicise is that we expect all Councillors, employees, consultants, contractors, and service users, to be honest, and to give us any help, information and support we need to deal with fraud

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and corruption.

- 1.5 We are committed to making sure that the opportunity for fraud and corruption is reduced as much as possible. Where the possibility of fraud, or corruption exist or is identified, we will respond promptly, deal with it firmly and in line with the procedures outlined in this strategy.
- 1.6 An important part of this approach is having an anti-fraud and corruption strategy, which we will use to advise and guide Councillors and employees on our approach to the serious issues of fraud and corruption. This strategy is written for the benefit of employees, Councillors and members of the public. Organisations and businesses dealing with the Council are also expected to act honestly. It is designed to help everyone to understand their roles and responsibilities in relation to preventing and reporting fraud and corruption, as well as aiming to ensure that everyone is treated consistently and fairly.
- 1.7 The anti-fraud and corruption strategy is part of the Council's overall approach to minimising the risk of fraud. The Council also participates in the national data matching process, the National Fraud Initiative (NFI), which uses information from organisations across the country to prevent and detect fraud. The Council also has a separate Housing Benefit anti-fraud strategy, but this forms part of the council's overall approach to reducing the risk of fraud and is published as **Appendix 3** to the council's overall anti-fraud strategy.
- 1.8 The strategy set out in this document covers the following areas:
 - Our written rules
 - How we expect our Councillors and employees to behave
 - Preventing fraud and corruption
 - Detecting and investigating fraud and corruption
 - Training

2. Our written rules

- 2.1 We have a number of procedures and rules to make sure that how we work and manage our finances on a day to day basis is properly controlled. These procedures are essential to ensure the possibility of fraud and corruption is minimised. It is important that all Councillors and employees know about them, and understand their role in complying with them.
- 2.2 The most important procedures which relate to all employees and Councillors are:
 - Council Constitution.
 - Contract Standing Orders.
 - Financial Procedure Rules.
 - Code of Conduct for Employees.
 - Code of Conduct for Councillors.

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- 2.3 Individual departments have also introduced their own measures, in addition to the above list. These are designed specifically to manage their services and may not relate to any other part of the Council. Examples may include working manuals, guidance notes and operating procedures.
- 2.4 Directors must make sure that all employees have access to both the procedures which relate to everyone and to any which relate specifically to their services. All employees should receive suitable training in the use of these procedures.
- 2.5 Councillors and employees are responsible for making sure that they read and understand the rules and regulations that apply to them, and act in line with them.
- 2.6 If anyone breaks these rules and regulations we may take formal action against them. This may ultimately include ending their employment with the Council, in respect of employees, and referral to the Standards Committee, in respect of Councillors. It is the responsibility of the Monitoring Officer (in Haringey, this is the Head of Legal Services) to report matters to the Standards Committee.

3. How we expect Councillors and employees to behave

- 3.1 We expect all individuals, groups and organisations who receive services from, or provide services on behalf of the Council to be honest in their dealings with us and our clients and customers. We expect all our Councillors and employees, including temporary and agency employees, to lead by example in these matters.
- 3.2 The Council has Codes of Conduct for Councillors and employees and these set out an approach to work that is both honest and fair. Councillors and employees must act in line with these Codes at all times. The council also issues regular reminders to all employees explaining the Council's view on fraud and corruption and of their responsibilities under the Code of Conduct and the Council's Constitution.
- 3.3 We feel our Councillors and employees have an important part to play in dealing with fraud and corruption. Dishonesty and fraud harms the Council and the reputation of its employees. Our Constitution states that our employees and Councillors must inform us if they suspect any case of fraud or corruption.
- 3.4 The Council's Constitution also describes how the Head of Audit and Risk Management is entitled to have unrestricted access to any part of the Council, including its buildings, records, documents, items of equipment and members of staff. The Head of Audit and Risk Management can also report matters to the police, if this is appropriate.

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- 3.5 We will deal with all information fairly and confidentially. We will try, as far as possible, not to reveal the names of the people who gave us the information. Our fraud response plan attached at **Appendix 1** gives more advice on this issue for employees and Section 5 of this strategy details how people can report any suspected cases of fraud or corruption.
- 3.6 We expect our Directors and Assistant Chief Executives to deal firmly and quickly with anyone who is responsible for fraud or corruption. The Head of Audit and Risk Management, in consultation with the relevant Director, or Assistant Chief Executive may refer matters to the police if any criminal activity is suspected, or has taken place.
- 3.7 We will treat all concerns raised in good faith seriously. We must ensure that any investigation process is not misused and therefore any abuse, such as raising unfounded or malicious allegations, will be dealt with as a disciplinary matter.

4. Preventing fraud and corruption

- 4.1 We believe that if we are to eliminate fraud and corruption, we must prevent it from happening in the first place. It is essential that we have clear rules and procedures that all Councillors, employees, consultants and contractors understand and can work within. These include the main procedures which apply to all Councillors and employees, and these are set out in section 2 of this strategy. The following section sets out what we as a Council must do, as part of our regular working arrangements, to reduce the risk of fraud and corruption.
- 4.2 We must regularly review and update our written rules to ensure that they keep up to date with the latest government legislation.
- 4.3 Directors and Assistant Chief Executives must make sure that suitable levels of controls are included in working procedures, especially financial procedures. It is important that employees' duties are organised so that no one person can carry out a complete transaction without some form of checking process being built into the system.
- 4.4 We must follow our procedures when employing, or considering employing, new staff. We must undertake all relevant checks required by law, including Police and Criminal Records Bureau checks and our own internal procedures, including previous employment, qualification and reference checks.
- 4.5 We are committed to working and co-operating with other organisations to prevent organised fraud and corruption. Wherever possible, we will be prepared to help and exchange information with other Councils and organisations to deal with fraud. We will only share information in line

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with the relevant Data Protection legislation.

- 4.6 We have confidential facilities available for people to give us information that may prevent fraud and corruption. These include dedicated telephone lines for fraud, including Housing Benefit fraud and the email reporting facility, which members of the public can use to give us information about any concerns they may have.
- 4.7 We will make sure that full details of reporting facilities are widely published to the public, Councillors and employees, and that all information we receive in this way is investigated and dealt with quickly and in line with our procedures.

5. Detecting and investigating fraud and corruption

- 5.1 You should read this section with our fraud response plan which is shown at **Appendix 1**.
- 5.2 Under our Code of Conduct and Council Constitution, employees must report any suspected cases of fraud and corruption to the appropriate manager, or, if necessary, directly to the Head of Audit and Risk Management. Reporting cases in this way is essential to the anti-fraud and corruption strategy and makes sure that:
- Suspected cases of fraud and corruption are investigated properly;
 - the fraud response plan is carried out properly;
 - there is a standard process for dealing with all suspected cases of fraud and corruption; and
 - people and our interests are protected.
- 5.3 The Council's Whistleblowing Policy, which is shown at **Appendix 2**, is intended to encourage and enable employees to raise serious concerns. By law, employees reporting concerns in this way have certain rights. These are set out in the Public Interest Disclosure Act 1998.
- 5.4 The Head of Audit and Risk Management will work with Directors, Assistant Chief Executives and the Head of Human Resources to decide how the allegations made will be investigated. This will include referring cases to the police where necessary. We will prosecute offenders and we will carry out our disciplinary procedures where appropriate. We will ensure that any internal proceedings do not prejudice any criminal case.
- 5.5 In cases relating to Housing Benefits and Council Tax Fraud, the action taken will follow the policies and procedures laid down by the Benefits and Local Taxation division.

6. Training and raising awareness

- 6.1 We understand that the key to introducing a successful anti-fraud and corruption strategy and making sure it continues to apply will depend on effective training and making sure that everyone is aware of their responsibilities.
- 6.2 We support the idea of providing training for employees who are involved in, or who manage, systems. We will make sure that their responsibilities and duties are regularly reviewed and employees are reminded of these on a regular basis.
- 6.3 We are also committed to training and developing our employees who are involved in investigating fraud and corruption. We will continue to provide suitable training so that their work is carried out in line with any legal requirements and our own written rules.
- 6.4 In addition, we need to ensure that everyone, including Councillors and employees, is aware of the proper procedures and processes they can use to report and respond to any suspected case of fraud. The publication of this strategy and regular reminders to employees and Councillors of their responsibilities will assist us in raising and maintaining awareness.

7. Our commitment

- 7.1 We are committed to tackling fraud and corruption whenever it happens. Our response will be effective and organised and will rely on the principles set out in this strategy.
- 7.2 We will continue to review our rules and procedures and will make sure that this strategy document is regularly reviewed to keep it up to date and in line with our written rules.

Haringey Fraud Response Plan

1. Why we have a Fraud Response Plan

- 1.1 Haringey Council is committed to developing a culture of honesty and zero tolerance to fraud and corruption.
- 1.2 In line with that commitment, the Council's Anti-Fraud Strategy outlines how we aim to prevent, investigate and report on fraud and corruption.
- 1.3 This Fraud Response Plan supports the Council's approach by setting out the ways in which employees, or members of the public can make their concerns known about suspected fraud or corruption. It also outlines how the Council will deal with such instances.

2. What we want to know about

- 2.1 This Fraud Response Plan is intended to be implemented where concerns about fraud or corruption have been raised.

The definition of **Fraud** is based on the Fraud Act 2006 which introduced three specific offences of fraud: fraud by false representation; fraud by failing to disclose information; and fraud by abuse of position.

Corruption is defined as:

"The offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person".

- 2.2 Concerns or allegations which fall within the scope of other procedures, e.g. grievances about an employee's own employment, mistreatment of vulnerable clients, or acts of discrimination, will usually be referred to the relevant department and dealt with under those procedures.
- 2.3 Fraudulent or corrupt acts may include:
 - Where a process or system is likely to be abused by either employees or public, e.g. allocation of housing or other accommodation
 - Where individuals or companies have fraudulently obtained money from the Council, e.g. by submitting invalid invoices, or Housing Benefit fraud
 - Where Council equipment is used for personal use, e.g. personal use of Council vehicles
 - Where there is a misuse of resources, e.g. theft of building materials
 - Activities undertaken by officers of the Council which may be illegal, or against the Council's Constitution or policies, e.g. receiving gifts or hospitality
- 2.4 This above list cannot cover every instance of fraud or corruption. If you have any questions, please contact the Head of Audit and Risk Management for further advice and guidance (Tel: 020 8489 3768).

3. How we protect those people who raise concerns

3.1 Confidentiality

We will try to protect a person's identity when he or she raises a concern and does not want their name to be revealed. However, in some cases, the investigation process itself may reveal the source of the information. Also, the person may be required to make a statement either as part of the investigation process, or to provide evidence for any disciplinary hearing, or criminal prosecution.

3.2 Harassment or Bullying

We understand that reporting any concerns may be a difficult decision to make, especially if the individual is worried about suffering harassment or bullying from those responsible for carrying out the fraud or corruption. We will not tolerate harassment or bullying and our disciplinary procedures and our policy on harassment and bullying support this. We will take action to protect those who raise a concern in good faith.

3.3 Anonymous Allegations

We would always encourage people come forward to discuss their concerns with us directly. Concerns raised anonymously may be much less convincing, but, depending on the seriousness of the issues raised and the amount of information provided, we will still consider investigating the concern further. However, unless we are able to confirm the allegation from other sources, we may not be able to undertake a full investigation.

3.4 Untrue Allegations

A concern may be raised in good faith by some-one, but it is not found to be the case by the subsequent investigation. No action will be taken against the person who raised the original concern. However, if people make allegations they know to be untrue, we may consider taking further action against those individuals making the allegations.

4. What should an employee do if they suspect fraud or corruption?

4.1 Employees are often the first to realise when things may be going wrong, or fraud and corruption may be taking place. However, they may feel that they would not be supported by colleagues or managers, if they raised their concerns, or they may even be afraid of being harassed or bullied. In these circumstances, an individual may feel it would be easier to ignore their concerns, rather than report it.

4.2 The Council's Whistleblowing Policy is intended to encourage and enable employees to raise concerns within the Council, rather than overlooking a problem. The policy applies to all Haringey employees, staff of Council contractors, agency staff and trainees.

4.3 This policy has been discussed with the relevant Trade Unions and

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professional organisations and has their support. A full copy of the Whistleblowing Policy is attached to the Anti-fraud and corruption strategy, and on the Council's intranet site (Harinet), or can be obtained from your Personnel Section, or your Trade Union Representative.

- 4.4 If an employee suspects fraud, they should raise their concern with their line manager. Failing that, the employee should approach their line manager's manager, or the Director. If the employee cannot raise their concern within their department, they should approach Internal Audit, their Personnel Manager, or the Head of Legal Services.
- 4.5 The nature of the complaint will determine the Council's course of action and the employee's concerns may be investigated by service management, Internal Audit, or Personnel.
- 4.6 Audit and Risk Management can be contacted at:
Level 2, Alexandra House,
10 Station Road,
Wood Green,
London,
N22 7TR

Telephone: 020 8489 3768
Fax: 020 8489 3827

5. What should a member of the public do if they suspect fraud or corruption?

- 5.1 The Council encourages members of the public who suspect fraud and corruption to contact the Head of Legal Services or Audit and Risk Management in the first instance.
- 5.2 Audit and Risk Management operates independently of all other Council departments.
- 5.3 The possible courses of action taken by the Council are outlined in section 6 below.
- 5.4 Audit and Risk Management can be contacted at:
Level 2, Alexandra House,
10 Station Road,
Wood Green,
London,
N22 7TR

Telephone: 020 8489 3768
Fax: 020 8489 3827

6. How will allegations of fraud or corruption be dealt with by the council?

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- 6.1 For issues raised by employees or members of the public, the action taken by the Council will depend on the nature of the concern. The matters raised may be investigated internally, or referred to the Police.
- 6.2 We cannot say how every individual case will be dealt with. However, the Council does have a Disciplinary Code of Practice which sets out the general processes for in disciplinary cases. We will comply fully with this Code in our investigations. As a general guide, we will use the following approach to ensure that clear lines of communication are in place, ensure that appropriate people and specialists are involved at the right times, and confidentiality is maintained. We will:
- Inform the relevant manager of the allegation;
 - Undertake an initial review to see if the allegation could be true;
 - Advise the relevant manager of the results of the initial review and agree whether there needs to be any further investigation;
 - Inform the Personnel Department of the investigation to date and agree whether the employee should be suspended from work to allow for further investigations to take place;
 - Agree an approach with the manager and personnel to complete the investigation, together with any relevant timescales;
 - Produce a final report on the findings of the investigation, which will say whether any breaches of the Council's procedures, regulations, or Code of Conduct have taken place.
- 6.3 Within ten working days of a concern being received, the responsible officer will write to the complainant:
- Acknowledging that the concern has been received;
 - Indicating how they propose to deal with the matter;
 - Giving an estimate of how long it will take to provide a final response; and
 - Provide individuals with information on staff support mechanisms.
- 6.4 The Council accepts that those people who reported the alleged fraud or corruption need to be assured that the matter has been properly addressed. Subject to legal constraints, the Council will inform the person raising the concern about the progress and outcome of any investigation.

7. Alternative methods for raising concerns

- 7.1 If either a member of the public or an employee feel that it is right to take the matter outside these processes, the following are possible ways forward:
- **your local Councillor** – If you live within Haringey, your Councillor can be contacted at their regular surgery in your area. If you are not sure which is your Councillor, visit our website, www.haringey.gov.uk or call 020 8489 2947. You can also write to your councillor at: Member Services, Level 5, River Park House, 225 High Road, Wood Green, N22 8HQ.

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- **the council's external auditors (Grant Thornton)** – These are appointed to review and comment on the Council's finances and performance. By law, they must be completely independent from the Council. They can be contacted at paul.dossett@gtuk.com.
- **your Trade Union** – employees may invite their Trade Union to raise a matter on their behalf.
- **the Police** – suspicions of fraud or corruption may be reported directly to the Police.

Audit and Risk Management
July 2008

WHISTLEBLOWING

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WHISTLEBLOWING

BACKGROUND

The Government's paper on an ethical framework for local government proposed that every local authority should institute a procedure for whistleblowing, which would enable workers to raise concerns about malpractice confidentially inside and, if necessary, outside the organisation. In line with these proposals, the Council designed a whistleblowing policy based on guidance from the Local Government Board (LGMB) and this was agreed by Personnel Sub Committee on 10 November 1998. The Council's whistleblowing policy is kept under review to ensure it complies with relevant guidance and best practice.

The Whistleblowing Policy is set out in full on page 3 with additional Guidance for Managers on page 7. Key points from the Policy are listed below together with information on the Public Interest Disclosure Act which provides protection for whistleblowers.

SUMMARY OF WHISTLEBLOWING POLICY

- Where a worker has concerns about malpractice (and it is not appropriate to raise them through other procedures) they should be raised with:

either	(a)	The worker's line manager
or failing that	(b)	The line manager's manager (grandparent role) or the director
2nd step	(c)	Head of Audit and Risk Management, Human Resources or Head of Legal Services
3rd step	(d)	Members
final step	(e)	an external organisation - i.e. Grant Thornton. This is the Council's independently appointed External Auditor and can be contacted at the following email address paul.dossett@gtuk.com .
- The Council will provide a written response to the whistleblower, assuming the referral is not made anonymously, within ten days indicating how it proposes to deal with the concerns raised.
- The Council will seek to protect the worker's identity when they raise a concern and do not want their name to be disclosed. However, during the investigation the source of the information may be revealed and individuals may be required to provide a statement.
- The Council will not tolerate harassment or victimisation and will take action to protect a worker raising a concern in good faith.

- Investigations conducted under this Policy will follow the same process as the Disciplinary Procedures for investigating cases of misconduct/gross misconduct .
- If employees make an allegation which they believe to be genuine but is then not proven, no action will be taken against them. However, employees who maliciously raise an unfounded concern may have disciplinary action taken against them.

PUBLIC INTEREST DISCLOSURE ACT Protection for Whistleblowers

Under the Public Interest Disclosure Act 1998, a worker will have the right not to suffer detriment or be unfairly dismissed as the result of speaking out about crime, fraud, miscarriages of justice, dangers to health and safety, breaches of civil service code or risks to the environment.

The Whistleblower must reasonably believe that one of the conditions that constitutes a qualifying disclosure is occurring, and must make the disclosure in good faith and not for personal gain.

A qualifying disclosure means any disclosure of information which in the reasonable belief of the worker making the disclosure tends to show one or more of the following:

- that a criminal offence has been committed, is being committed, or is likely to be committed;
- that a person has failed, is failing or is likely to fail to comply with any legal obligation to which he is subject;
- that a miscarriage of justice has occurred, is occurring or is likely to occur;
- that the health or safety of any individual has been, is being or is likely to be endangered;
- that the environment has been, is being or is likely to be damaged.

If workers wish to raise the matter externally rather than internally, they will be protected only if they can show that they are not motivated by personal gain and that they reasonably believe the information they are giving is true.

If victimised by their employers, whistleblowers can bring a claim to an employment tribunal for compensation. Awards will be uncapped and based on the losses suffered. Gagging clauses in employment contracts and severance agreements will be void.

WHISTLEBLOWING POLICY

INTRODUCTION

Workers of the Council have an important role in helping the organisation to promote good practice while providing a service to the community and protecting its vulnerable clients.

Workers are usually the first to know when something is going seriously wrong - be it a serious danger to the public or a major fraud. All too often the alarm is not sounded on malpractice. The result is that the people in charge do not get the chance to take action before real damage is done.

Whistleblowing policies aim to ensure that serious concerns are properly raised and addressed in the workplace and are increasingly recognised as a key tool to deliver good practice. It is essential for Haringey that a whistleblowing policy/procedure is in place and well publicised so all staff are aware of what is required of them.

We must ensure that the code meets the requirements of the Council's equality policies and is not misused in any way to discriminate against minority groups.

1. Who it applies to

This policy applies to all Council workers which includes senior and junior members of staff. The following sections set out what you should do and how the council will respond in cases which are referred under this policy.

2. How you identify matters of concern

That concern may be something that:-

- is unlawful
- is against the Council's standing orders or policies
- falls below established standards or practice
- amounts to improper conduct
- involves clients or the public being put in danger
- involves funds being stolen or wasted.

This is not an exhaustive list and you should speak to your manager, or contact one of the people or organisations listed below, if you need further advice.

3. How to raise your concern

Where you have concerns about malpractice and it is not appropriate to raise them through other procedures such as grievance procedures, they should be raised with:-

- | | | |
|-----------------|-----|---|
| either | (a) | your line manager |
| or failing that | (b) | the line manager's manager (grandparent role) or the director |
| 2nd step | (c) | the Head of Audit and Risk Management, Human Resources, or the Head of Legal Services |
| 3rd step | (d) | Members |

- final step e) an external organisation - Grant Thornton. This is the Council's independently appointed External Auditor and can be contacted at the following email address paul.dossett@gtuk.com

The decision to raise concerns with the managers listed above, will depend on the seriousness and sensitivity of the issues involved and who is thought to be involved in the malpractice. If you believe that management is involved, you could approach any of the following: the Head of Legal Services, the Head of Audit and Risk Management, Human Resources or Grant Thorntons, the Council's external Auditors.

4. How the Council will respond

Within ten days of a concern being raised the responsible person will:-

- Assess the complaint and identify the most effective process to use to investigate the allegations raised.
- Notify the Head of Audit and Risk Management that a complaint has been raised to ensure it is recorded properly in accordance with this policy.
- write to the person raising the complaint, assuming that the referral has not been made anonymously, to acknowledge their complaint
- indicate how they propose to deal with the matter raised
- give an estimate of how long it will take to provide a final response
- provide individuals with information on staff support mechanisms.

There are existing procedures in place to enable individuals to lodge a grievance relating to their own employment. A grievance should be seen as a direct concern to individuals whilst whistleblowing concerns the wider organisation.

This Whistleblowing Policy is intended to cover concerns that fall outside the scope of other procedures These include:-

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

5. Investigating the case

Following an allegation, where appropriate, an independent and impartial manager will be involved in the investigation.

Managers will make sure that the investigation is carried out as quickly and as thoroughly as possible.

Once an investigation commences, every effort will be made to bring it to an early conclusion.

To conduct an investigation under the Whistleblowing Policy, managers will follow the same process as the Disciplinary Procedures for investigating cases of misconduct/gross misconduct.

An investigation may conclude that, potentially, there has been a breach of the Council's Code of Conduct and Disciplinary Rules. In these circumstances, management would invoke the disciplinary process.

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.

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.

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

6. The responsible officer

The Head of Legal Services, (Monitoring Officer), has overall responsibility for the maintenance and operation of this policy. The Head of Audit and Risk Management will maintain a record of concerns raised and the outcomes (but in a form which does not breach your confidentiality) and will report as necessary to the Council

7. How the matter can be taken further

This policy is intended to provide you with an avenue **within** the Council to raise concerns. 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:

- Grant Thornton – The Council's External Auditors
- your trade union
- your local Citizens Advice Bureau
- the District Auditor
- the Police.

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.

8. Protection for Whistleblowers - Confidentiality

The Council will seek to protect an individual's identity when they raise a concern and do not want their name to be disclosed. However, during the investigation the source of the information may be revealed and the individual may be required to provide a statement.

9. Untrue Allegations

If you make an allegation which you think is genuine but is not proven, no action will be taken against you. If, however, you maliciously raise an unfounded concern, then disciplinary action may be taken against you.

10. Anonymous Allegations

The policy encourages individuals to put their name to their allegations. However, it is understood that some people may wish to remain anonymous. Concerns expressed in this way are much less powerful, but will be considered, at the discretion of the Council.

In exercising the discretion the factors to be taken into account would include: the seriousness of the issues raised, and the credibility of the concern.

11. Victimisation

The Council will not tolerate harassment or victimisation and will take action to protect you when you raise a concern in good faith.

If you do receive reprisals from those responsible for the malpractice or any other member of staff, they may be disciplined under the Council's procedures.

12. Contracting Organisations

These arrangements will be extended, with appropriate variations, to staff of contracting organisations. Such arrangements will be carefully confined to those areas of activity relating specifically to contractors' relationships with the Council and should not extend to contractors' internal arrangements.

It is necessary for all involved in the process, i.e. Council staff, whistleblowers and anyone accused of malpractice, for whistleblowing to be dealt with properly, quickly and discreetly to make the process efficient, fair and effective.

WHISTLEBLOWING - GUIDANCE NOTES FOR MANAGERS

WHAT IS WHISTLEBLOWING

Whistleblowing is when a worker discloses, i.e. 'blows the whistle' on, any wrongdoings such as fraud, malpractice, mismanagement, breach of any health and safety law or any other illegal act, either on the part of management or by fellow workers.

It often happens when:-

- i) workers have tried to complain through internal channels and have failed
- ii) the organisation's culture persuades workers that complaints will be ignored
- iii) the person committing malpractice is the worker's direct boss and/or at the top of the organisation, so again workers feel to complain directly would be useless and result in victimisation.

Management Responsibility

When workers discover something is wrong they should be encouraged to report the malpractice. This gives managers the chance to correct any malpractice before the issue escalates.

Managers must try to ensure that workers who make a complaint have confidence that:

- a) it is going to be properly investigated and addressed
- b) they will suffer no detriment as a result of speaking out.

N.B Victimising or deterring workers from raising legitimate concerns is a serious disciplinary offence. Whistleblowers are also afforded protection under the Public Interest Disclosure Act (see page 2).

Managers must have respect for the confidentiality of workers raising concerns if they (the workers) so wish. However, workers should be made aware that during the investigation the source of the information may need to be revealed and the individual may be required to provide a statement.

In all cases where an employee uses the Council's Whistleblowing policy to raise their concerns, the person receiving the concern must notify the Head of Audit and Risk Management. They are the Council's nominated officer for recording any Whistleblowing referrals and are required to maintain a log, which ensures confidentiality, and provide periodic information on the use of the Whistleblowing policy.

Internal reporting mechanisms for dealing with whistleblowing complaints

As a first step, individuals should normally raise concerns with their line manager or their manager's manager (grandparent role) or the Director. Secondly, if for example they believe management is involved, they should approach the Head of Legal Services, Human Resources, or the Head of Audit and Risk Management. The next step should be to Members and finally to an external agency (see below).

Depending on the seriousness of the allegation and who is suspected of the malpractice, individuals may wish to report directly to the Head of Legal Services or Members.

It must be emphasised that, before deciding on using external mechanisms, a final request to the Head of Legal Services or members should be encouraged.

If whistleblowers fear that their employer will bring retribution, they can make a wider disclosure to the police, the media or MPs.

External Reporting Mechanisms

If individuals do not feel confident using the internal reporting channels they should contact **Grant Thornton**, an external organisation who are the Council's independently appointed External Auditor and can be contacted via email at paul.dossett@gtuk.com.