

Audit & Governance Committee

Welcome...

Welcome to the Audit & Governance Committee Bulletin.
The purpose of this bulletin is to keep Members and officers up to date with issues relevant to the Audit & Governance Committee.

Contents

1. Internal Audit update
2. Whistle blowing activity throughout fiscal year 2018/19
3. Gifts & Hospitality registrations throughout fiscal year 2018/19
4. Petitions
5. Upcoming
6. Committee Contact Details

Internal Audit update

Current Audits

The following audits are currently in progress or at the planning stage:

- SFRS Pension Scheme Administration
- Annual Car User Lump Sum (ACULS) (draft report issued)
- Health & Safety (draft report issued)
- CFL Care Assessments/Care Plan Management follow-up
- Prevent Agenda (draft report issued)
- Post-B4S Governance Arrangements
- Surplus Assets (follow-up) (draft report issued)
- Surveillance Cameras (draft report issued)
- Orbis Customer Access Portal (client support work)
- Linden Farm capital project (draft report issued)
- Use of consultants / IR35
- Cyber Security (draft report issued)
- Residential Care Homes
- Patch Management
- Cloud Computing
- ICT Compliance Frameworks
- Transformation Programme (ongoing client support)
- Procure to Pay (AP) 19/20
- Local Capital Highways Grants
- Disabled Facilities Grant
- GHG / CRC
- TPS/LGPS Pension Scheme validation (client support to HR)

Members are encouraged to contact David John (david.john@surreycc.gov.uk) if they have insight they wish to contribute to the above audit reviews.

Gifts & Hospitality Activity 2018/19

Purpose

The purpose of this report is to summarise the activity of the Gifts & Hospitality register during the financial year 2018/19, and to explain its monitoring and governance. It is being presented to Risk Governance Group for their input and review. A shorter version will then be circulated by email to members of the Audit & Governance Committee.

- Jackie Foglietta, Director of HR&OD

Context

A short introduction to gifts and hospitality, the full policy and a link to the online register can be found at: [SCC Info/gifts-and-hospitality](#)

Offers of a gift or hospitality with a value of £25 or more (whether accepted, declined or donated to charity) are currently recorded on an online register (hosted on Surrey Says). Manager approval is required for acceptances.

For the first time a formal Gifts and Hospitality Register has been maintained of items offered to and/or accepted by the Chief Executive through the financial year. This has been edited to remove any personal data and is publicly viewable via the external website. It has been reviewed separately by the Monitoring Officer and is not commented on in this report.

The full report can be found at **Annex A**.

Whistleblowing Activity 2018/19

Purpose

The purpose of this report is to summarise whistleblowing activity during the financial year 2018/19, and to explain its monitoring and governance. It is being presented to Risk Governance Group for their input and review. A shorter version will then be circulated by email to members of the Audit & Governance Committee.

- Jackie Foglietta, Director of HR&OD

Context

Whistleblowing allegations can be received either in written format to a senior officer or through Expolink, an external service which allows a colleague, contractor or member of the public to raise a concern about an employee in complete confidentiality. Allegations can be made to Expolink online or by telephone.

A nominated person within the HR Governance & Contracts team is the primary recipient of reports via Expolink. He/she notes the allegation, records it and determines whether the case should be investigated by HR, Internal Audit or the Monitoring Officer. Any allegation that involves a potential instance of fraud – which

may include someone not working their full hours, or submitting false time or travel claims for example, is investigated initially by Internal Audit.

When a report is received via Expolink, receipt is acknowledged to the whistleblower and they are provided with a brief update after 28 days and again once the case has closed. Messages are conveyed via Expolink, which maintains the anonymity of the whistleblower at all times. We are unable to provide feedback to a whistleblower who has written anonymously to a senior officer.

Full information, including the policy and a flowchart of the lifecycle of a whistleblowing allegation, is available on SCC Info under [Whistleblowing](#).

The full report can be found at **Annex B**.

Petitions

This is for information only to inform you of the big concerns of residents on petitions reaching 1,000 or more signatories

End date	23 September 2019
Petition Prayer	We demand Surrey County Council scrap their plans to leave 7 major fire appliances un-crewed at night (12,919 signers- and counting)
Where/when decision will be made	Council- as signatures above 10,000
Outcome	TBC More details on the petition can be found at: https://petitions.surreycc.gov.uk/Fire-Cuts/

Upcoming

The next meeting of the Audit & Governance Committee is on 12 December 2019.

Committee Contacts

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Amelia Christopher – Democratic Services Assistant
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HR Governance Report

Gifts & Hospitality activity FY2018/19

PURPOSE

The purpose of this report is to summarise the activity of the Gifts & Hospitality register during the financial year 2018/19, and to explain its monitoring and governance. It is being presented to Risk Governance Group for their input and review. A shorter version will then be circulated by email to members of the Audit & Governance Committee.

Jackie Foglietta, Director of HR&OD

CONTEXT

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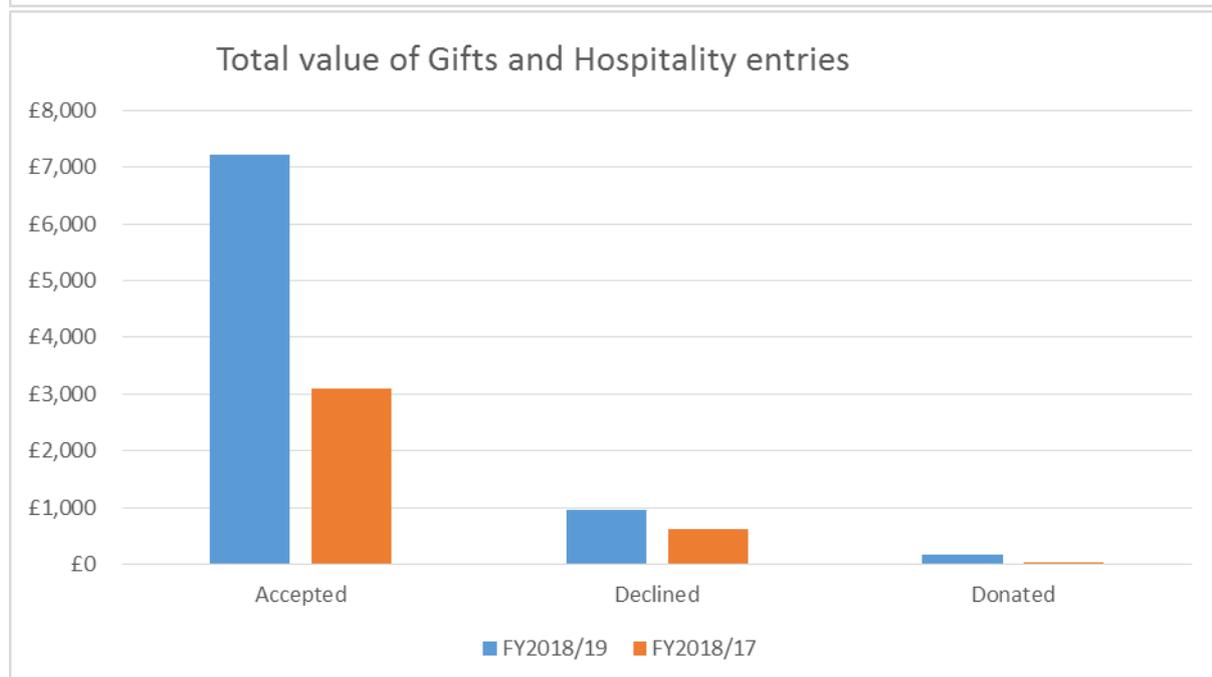
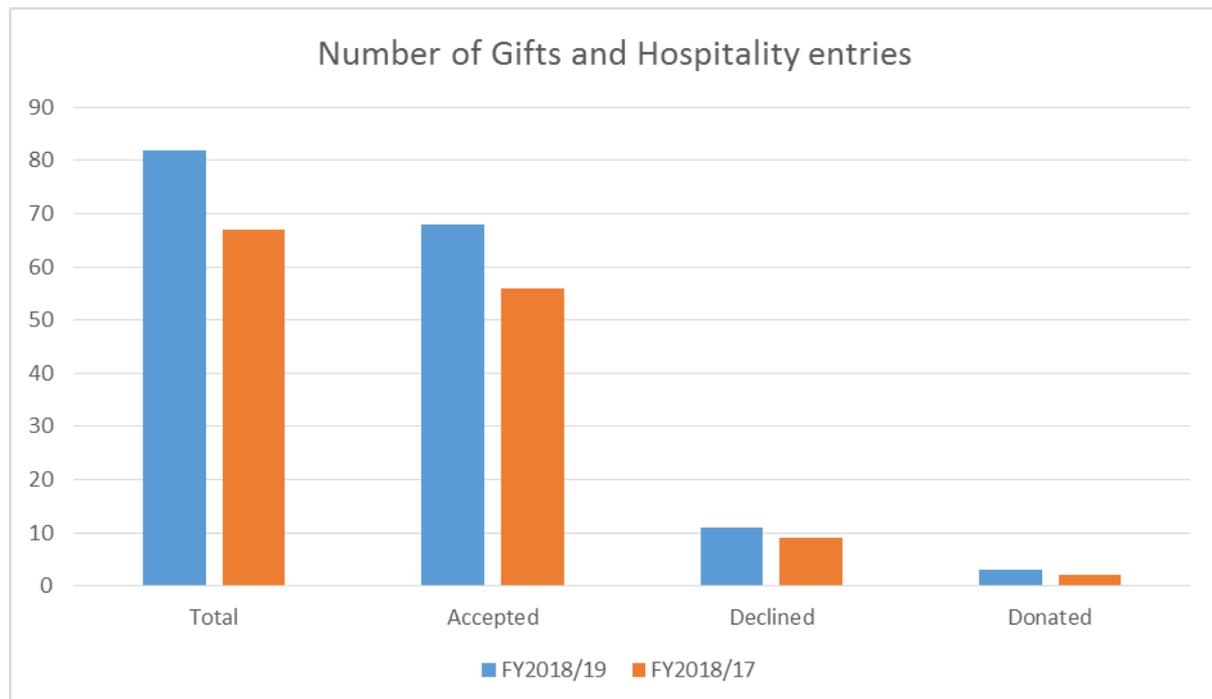
For the first time a formal Gifts and Hospitality Register has been maintained of items offered to and/or accepted by the Chief Executive through the financial year. This has been edited to remove any personal data and is publicly viewable via the external website. It has been reviewed separately by the Monitoring Officer and is not commented on in this report.

SUMMARY OF GIFTS & HOSPITALITY ACTIVITY FY2018/19

A copy of the full register has been circulated to RGG with this report.

From the table below, we see that the number of entries on the register rose in FY18/19, with the overall value of offers accepted more than doubling. The increase in entries may reflect greater staff awareness of the need to record offers, rather than an actual increase in offers being made to staff.

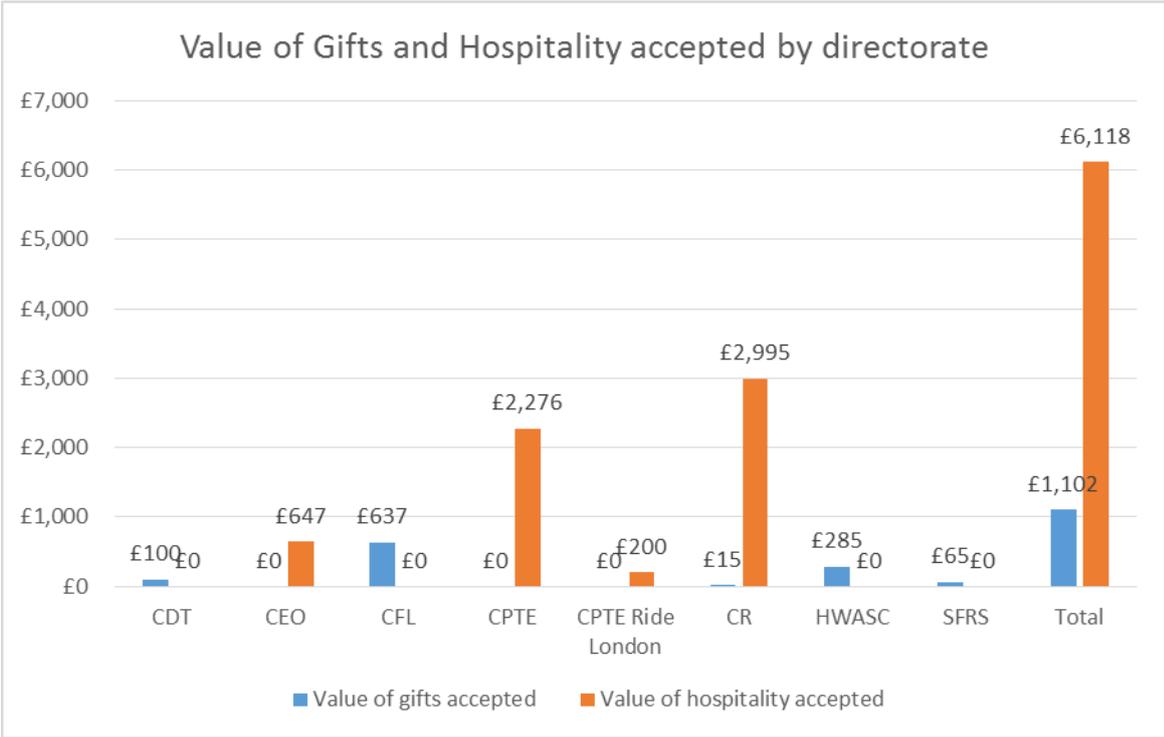
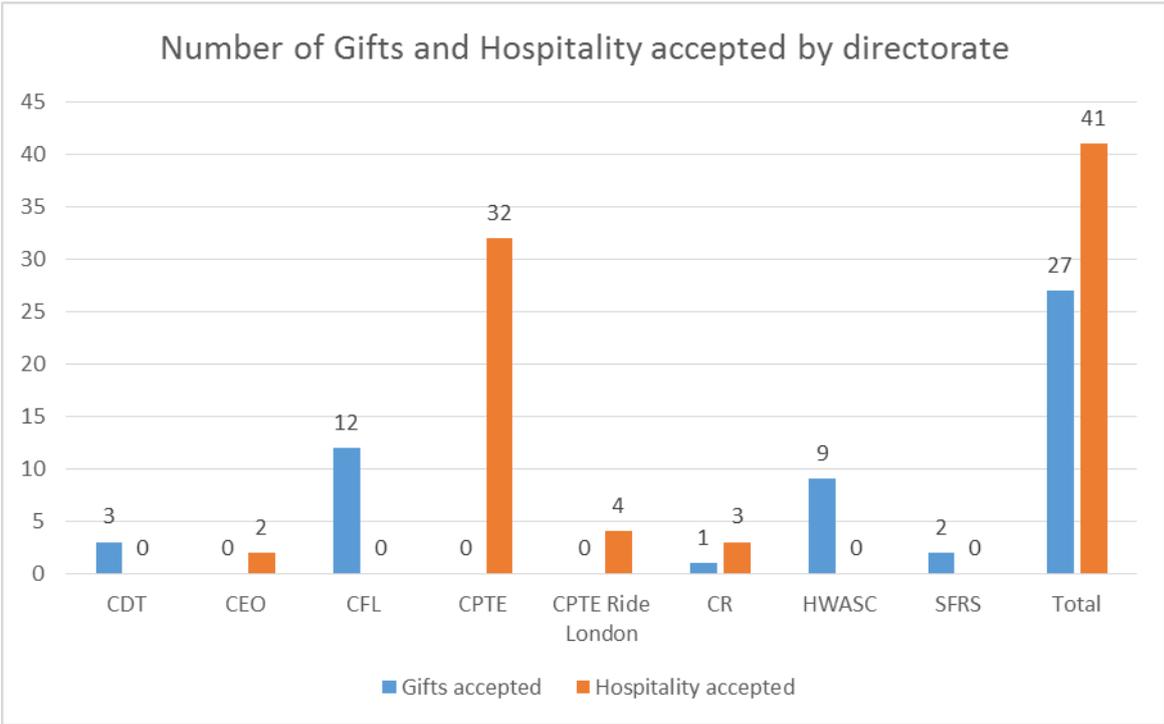
Comparison of register entries FY18/19 and FY17/18



	No. of entries	Accepted	Total value	Declined	Total Value	Donated	Total value
FY2018/19	82	68	£7,220	11	£945	3	£160
FY2018/17	67	56	£3,088	9	£616	2	£40

If we look at the offers accepted by directorate, we do see particular trends. For instance, in Health, Wellbeing & Adult Social Care and Children (HWASC), Families & Lifelong Learning (CFL) all the offers accepted were for gifts, whereas in Community Protection, Transport & Environment (CPTe), all the offers accepted were for hospitality:

Breakdown of gifts and hospitality accepted by directorate



Directorate	Gifts accepted	Value of gifts accepted	Hospitality accepted	Value of hospitality accepted
CDT	3	£100	0	£0
CEO	0	£0	2	£647
CFL	12	£637	0	£0
CPTe	0	£0	32	£2,276
CPTe Ride London	0	£0	4	£200
CR	1	£15	3	£2,995
HWASC	9	£285	0	£0
SFRS	2	£65	0	£0
Total	27	£1,102	41	£6,118

- In Customer, Digital & Transformation (CDT), the three gifts accepted were from service providers at Christmas time;
- In Chief Executive's Office (CEO), hospitality was accepted to a conference, and to Henley Festival (which SCC sponsors);
- In CFL, two gifts were from organisations and 10 were from service users. The gifts from service users were of nominal value, with the exception of a restaurant voucher given to a team and subsequently earmarked to benefit young people;
- In CPTe, the 32 offers of hospitality accepted are perhaps more questionable. The events included award ceremonies, annual dinners, company days, seminars, meals and horse racing evenings;
- CPTe also accepted four offers of hospitality during the Prudential Ride London event. These are shown separately as officers were at the event in an official capacity, and we query whether this should be interpreted as "hospitality";
- In Corporate Resources (CR), the most significant values were for conference attendance;
- In HWASC, five gifts were from service users and four from service providers. All gifts were of nominal value but we do question the appropriateness of accepting gifts from external providers.
- In Surrey Fire & Rescue Service (SFRS), two gifts were received and one acceptance of hospitality at Ride London.

All gifts and hospitality acceptances had manager authorisation, and register entries seemed to peak in May, July, November and December.

INTERPRETATION OF ACTIVITY

SCC's Gifts & Hospitality Policy clearly states that "All officers of SCC and those working on behalf of SCC are expected to refuse the offer of inappropriate and disproportionate hospitality and gifts made in relation to their role in the Council unless there are compelling reasons or exceptional circumstances for doing so." However, the remaining detail in the policy and the FAQs which support the policy may dilute the significance of this statement.

In general we have some confidence that the acceptance of gifts by social care staff is appropriate and in excess. Acceptances of gifts at Christmas from service providers seem to be less appropriate, and there are also several instances of accepting hospitality which fall in line with our current guidance but which deviate from the absolute ethos of refusing gifts and hospitality "unless there are compelling reasons to do so".

The Policy & Reward team are already looking to absorb the policy into an updated Code of Conduct, and this will be an ideal opportunity to ensure that there is no longer any ambiguity around gifts and hospitality protocol.

A challenge that we have encountered this year in our governance is the different priorities of Internal Audit and HR in following our Working Principles. While we are keen to keep reporting our processes simple and efficient, we have found that Internal Audit's need for thorough risk mitigation can introduce more complexity. Internal Audit, the Monitoring Officer and members of the HR Governance team have met to discuss the Gifts & Hospitality Policy and will continue to work together to achieve a final outcome that meets all best practice needs.

SCRUTINY

Register entries are reviewed each month by an allocated member of HR Governance, who identifies and follows up on register entries which in minor ways are not compliant with policy requirement. Discrepancies which may potentially be more serious are escalated to HR Business Partners.

Fourteen entries were queried during the financial year, for the following reasons: anomalies around values (5), missing authorisation (3), appropriateness of a gift received by a social worker (1), unclear entries (5).

PUBLICATION OF THE REGISTER

Entries made by senior officers in the officers' register and the Chief Executive's register have been edited appropriately (to remove personal data) and have been published on Surrey-I.

RECOMMENDATIONS / REQUESTS

We recommend that going forward we promote an understanding that fundamentally officers are expected to decline ALL offers of gifts or hospitality. Exceptional circumstances to this could be for hospitality to be accepted in the spirit of partnership working or learning directly related to core business, and for gifts to be accepted when it would be culturally rude to decline and when, in a social care context, it would distress a service user or relative to decline.

We would like Risk Governance Group:

- i. to give their views on the above recommendation, and;
- ii. to advise whether sustenance provided by a partner to officers on duty (ie Ride London) is to be considered “hospitality”.

HR Governance Report

Whistleblowing activity FY2018/19

PURPOSE

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Jackie Foglietta, Director of HR&OD

CONTEXT

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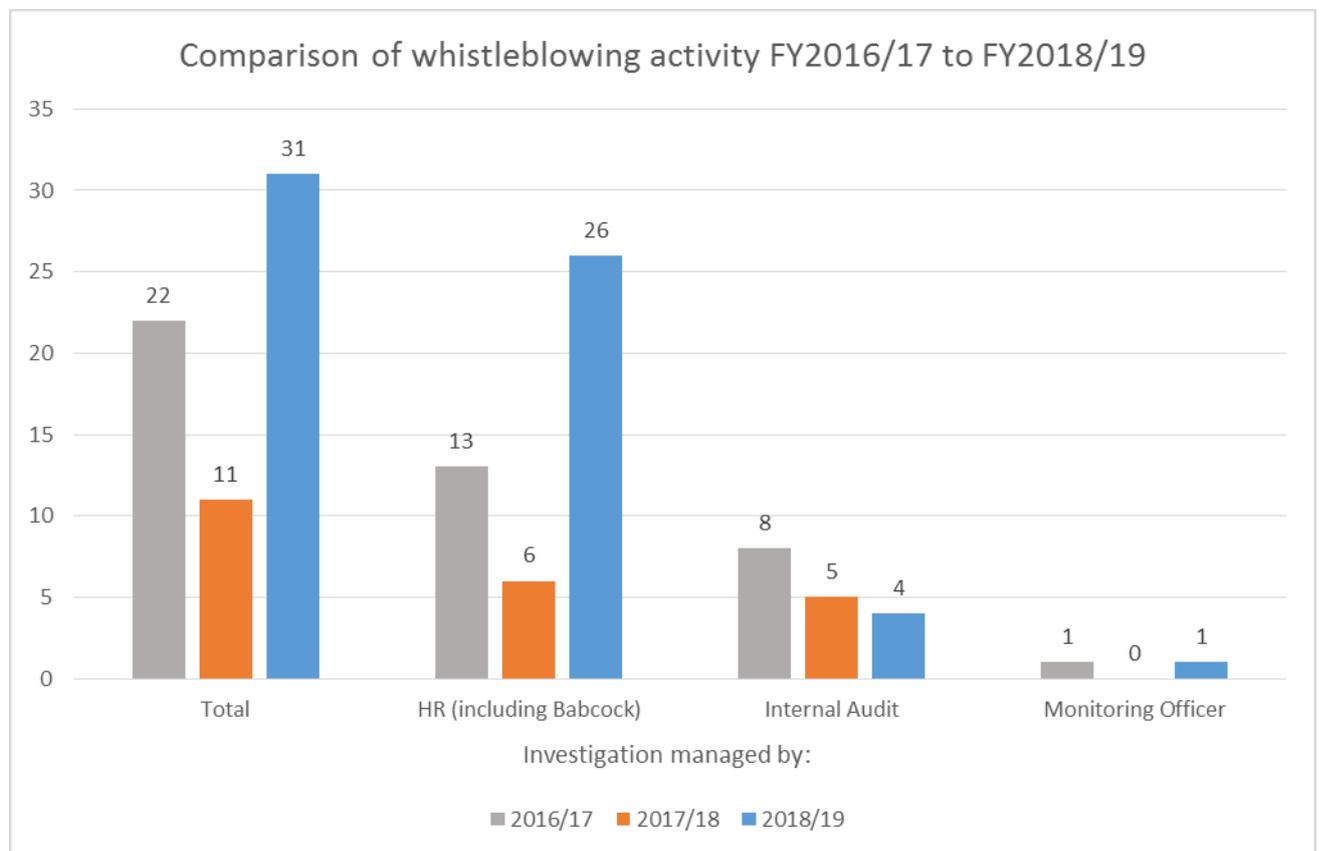
SUMMARY OF WHISTLEBLOWING ACTIVITY FY2018/19

A copy of the whistleblowing tracker, with the name of the alleged perpetrator(s) removed, has been circulated to RGG with this report.

In FY2018/19 we experienced a sharp rise in allegations, in comparison to the previous financial year. In the activity summary overleaf, “Direct” refers to reports received in writing or by telephone to a council officer, and “Expolink” refers to reports received through our out-sourced service.

Comparison of whistleblowing activity FY2016/17 to FY2018/19

Source	Investigation managed by:	2018/19	2017/18	2016/17
Expolink	HR (including Babcock)	22/	3	10
Direct	HR	4	3	3
Expolink	Internal Audit	3	1	3
Direct	Internal Audit	1	4	5
Expolink	Monitoring Officer	0	0	1
Direct	Monitoring Officer	1	0	0
Total		31	11	22



Several reports were submitted concerning specific areas in Children, Families, Lifelong Learning & Culture (CFLL&C) and Health, Wellbeing & Adult Social Care (HWASC), with submissions peaking during Quarter 3.

A summary of each case and final outcome, according to the directorate in which the alleged transgressor(s) worked, follows. Where more than one allegation was made about a particular individual/team, these are highlighted in orange. For contextual reporting, directorates are named as at 31.03.2019.

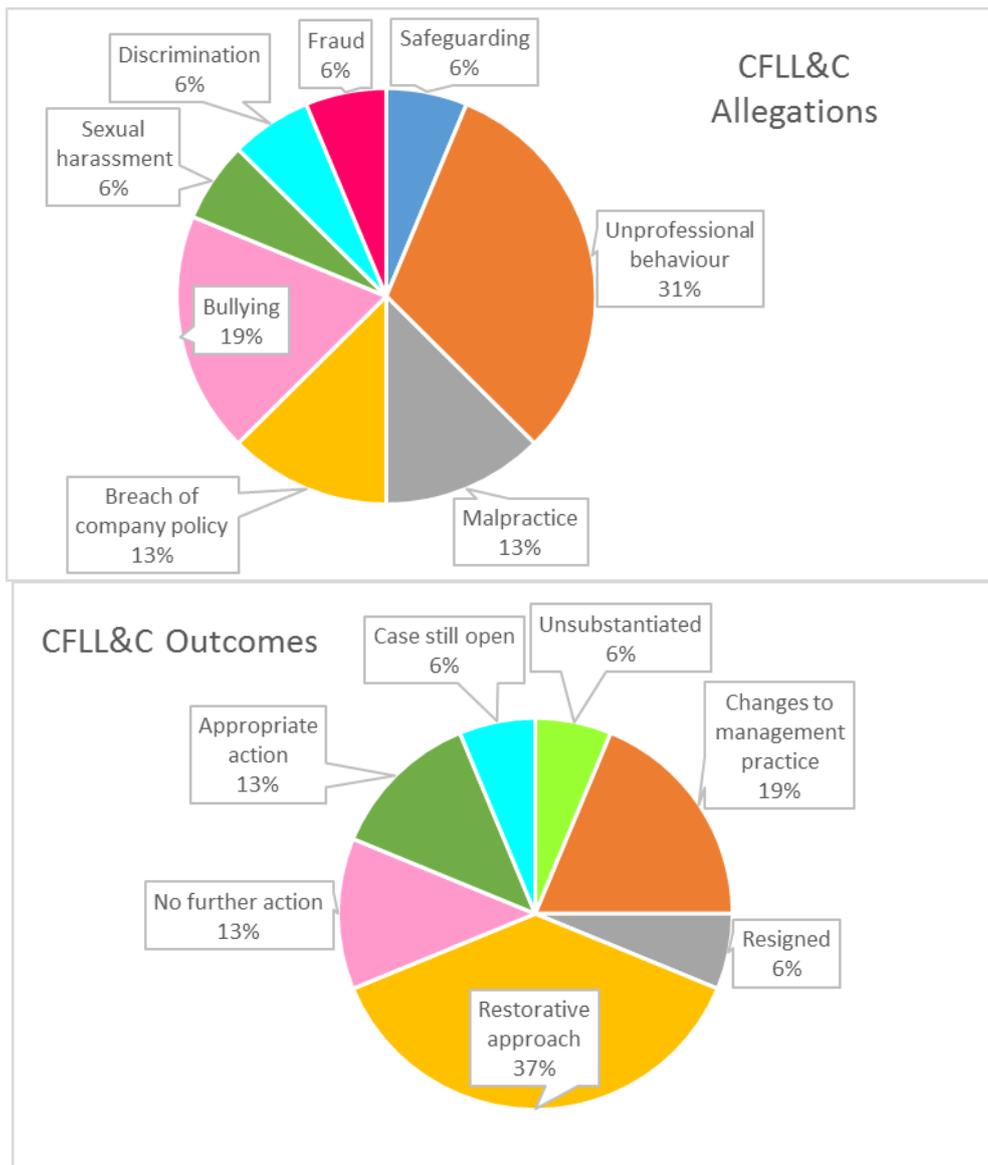
Customers, Digital & Transformation (Commercial Operations)

Investigating team	Source	Allegation	Outcome
Internal Audit	Expolink 146	Breach of company policy	Unsubstantiated

Customers, Digital & Transformation

Investigating team	Source	Allegation	Outcome
Monitoring Officer	Direct 18/05	Malpractice	Changes to policy/management practice to be considered

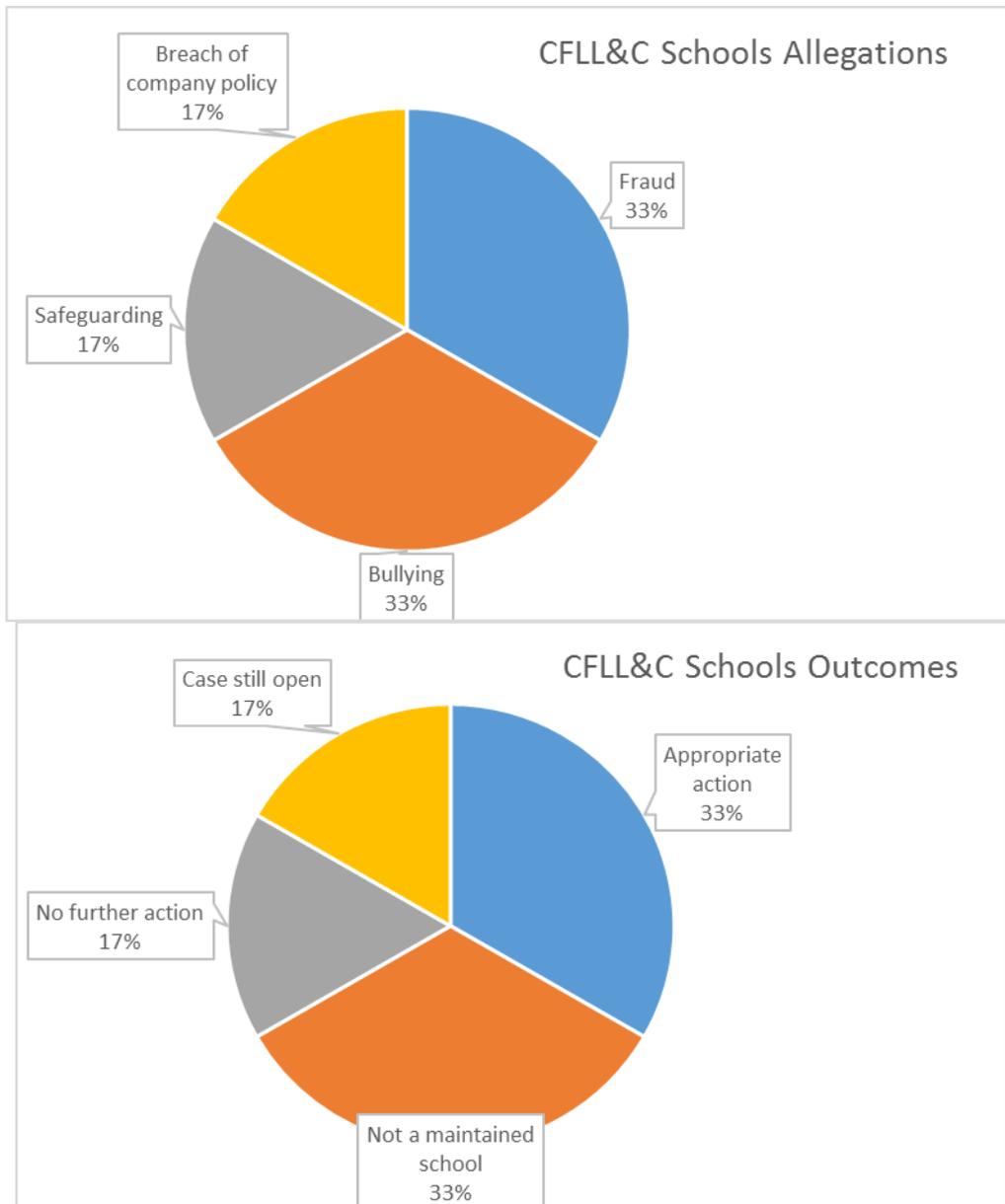
Children, Families Lifelong Learning & Culture



Investigating team	Source	Allegation	Outcome
HR	Direct 18/01	Safeguarding	Unsubstantiated
HR	Direct 18/06	Unprofessional behaviour	Changes to management practice
HR	Expolink 144	Malpractice	Resigned
HR	Expolink 147	Breach of company policy	Restorative approach

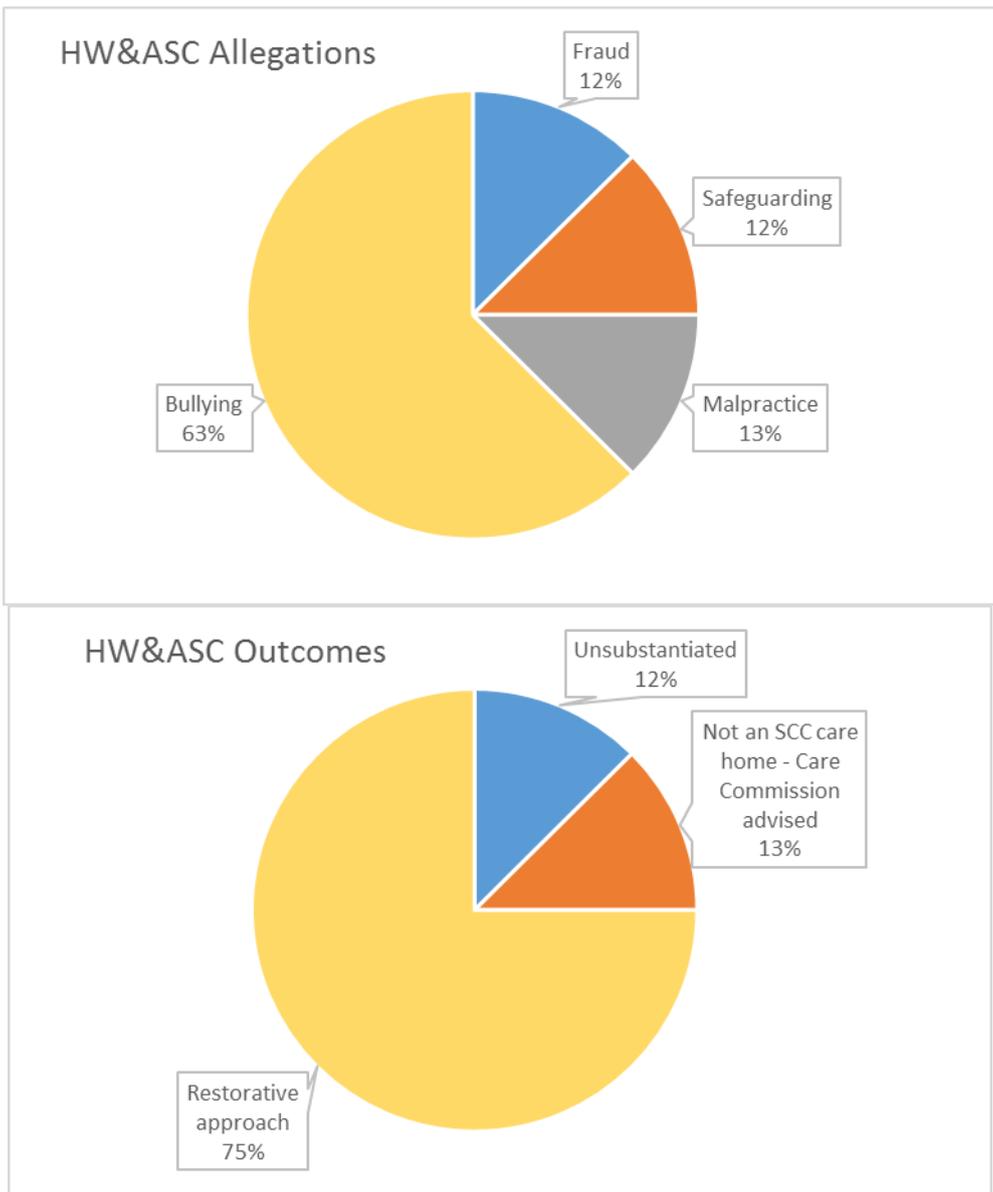
HR	Expolink 152	Unprofessional behaviour	Restorative approach
HR	Expolink 153	Bullying	Restorative approach
HR	Expolink 156	Bullying	No further action
HR	Expolink 160	Sexual harassment	Appropriate action
HR	Expolink 163	Unprofessional behaviour	Changes to management practice
HR	Expolink 164	Discrimination	Appropriate action
HR	Expolink 165	Unprofessional behaviour	Changes to management practice
HR	Expolink 166	Malpractice	Case still open
HR	Expolink 147	Breach of company policy	Restorative approach
HR	Expolink 152	Unprofessional behaviour	Restorative approach
HR	Expolink 153	Bullying	Restorative approach
Internal Audit	Expolink 161	Fraud	No further action

CFLL&C Schools



Investigating team	Source	Allegation	Outcome
Babcock / IA	Expolink 155	Fraud	Appropriate action
Babcock	Expolink 159	Bullying	Not a maintained school
Babcock	Expolink 167	Safeguarding	Not a maintained school - LADO team advised
Babcock / IA	Expolink 157	Fraud	Appropriate action
Babcock / IA	Expolink 158	Breach of company policy	No further action
Babcock	Expolink 162	Bullying	Case still open

Health, Wellbeing & Adult Social Care



Investigating team	Source	Allegation	Outcome
Internal Audit	Direct 18/02	Fraud	Unsubstantiated
HR	Direct 18/03	Safeguarding	Not an SCC care home - Care Commission advised
HR	Direct 18/04	Malpractice	Restorative approach
HR	Expolink 154	Bullying	Restorative approach

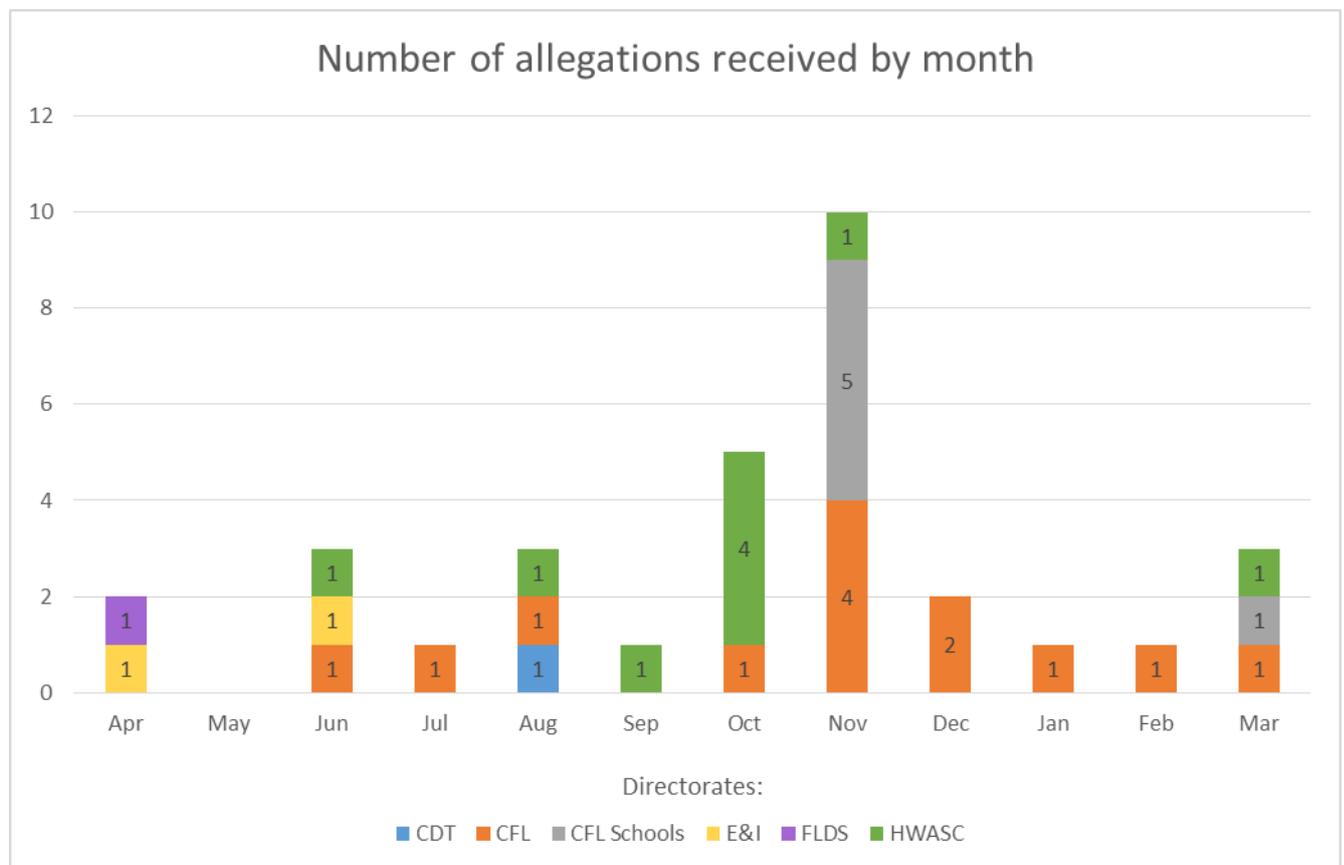
HR	Expolink 148	Bullying	Restorative approach
HR	Expolink 149	Bullying	Restorative approach
HR	Expolink 150	Bullying	Restorative approach
HR	Expolink 151	Bullying	Restorative approach

Highways, Transport & Infrastructure

Investigating team	Source	Allegation	Outcome
HR	Expolink 143	Unprofessional behaviour	Insufficient evidence
Internal Audit	Expolink 142	Fraud	Restorative approach

There was a marked increase in reports received during the months of October and November 2018, with a total of 15 reports during this nine week period.

Number of allegations received by month



INTERPRETATION OF ACTIVITY

A cause of concern has been the sharp increase in whistleblowing activity reported via Expolink during the Autumn 2018. The majority of cases related to employees experiencing an alleged management style felt to be bullying/intimidating.

It is understood by case investigators that the unrest may have been a reflection of tension while aggrieved and unsettled staff were experiencing a time of significant change and uncertainty. It was felt that most cases were more akin to grievances than serious whistleblowing allegations.

The number of whistleblowing allegations received direct to senior officers during FY2018/19 was similar to the preceding two years. In general it seems that there is greater confidence in using the Expolink service than reporting direct. At a current cost of £2,780 p.a. for this external service, the HR Governance & Contracts team believe this to be value for money.

Since the start of the current calendar year, whistleblowing activity has settled considerably.

SCRUTINY

Whistle blowing cases are investigated by either Human Resources, Internal Audit or the Monitoring Officer, depending on the nature of the allegation and the route by which the allegation has been made. Allegations about staff working in commercial services are directed to Commercial Services HR division and allegations about teaching staff are forwarded to Babcock 4S (now Strictly Teaching 4S).

Individual case records are maintained by HR, Internal Audit and the Monitoring Officer, with a combined summary of activity being drawn together by HR each quarter and at the end of the financial year.

Officers from Internal Audit and Human Resources and the Monitoring Officer meet on a quarterly basis to review recent whistle blowing activity and related issues, such as promotion of the policy. Traffic to and from the SCC Info page is also reviewed at these meetings.

RECOMMENDATIONS / REQUESTS

No changes to the current process or to the Expolink service are recommended at present. There appears to be a reassurance through the use of an external whistleblowing provision (81% of reports received during FY18/19 were submitted via Expolink).

As activity has settled considerably since January 2019, there are no major concerns that malpractice in the workplace is an issue, although HR continues to keep a close eye on trends and ensures closure of cases in an appropriate and timely way.

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