

AUDIT AND GOVERNANCE COMMITTEE



Report subject	Annual review of Whistleblowing Policy, Anti-Fraud & Corruption Policy and Declarations of interests, gifts & hospitality Policy
Meeting date	12 March 2020
Status	Public Report
Executive summary	<p>An annual review of the Council's Whistleblowing Policy and Anti-Fraud & Corruption Policy has taken place to ensure they are updated in line with best practice and legislation.</p> <p>Best practice suggests both policies should be approved by Audit & Governance Committee.</p> <p>Some minor amendments have been made to both policies including reformatting to corporate BCP requirements.</p> <p>A key change to the Anti-Fraud & Corruption Policy has been made with the addition of the Criminal Finances Act (CFA) 2017 Requirements policy appendix. This is to ensure the Council is able to demonstrate adequate procedures are in place to prevent the corporate criminal offence of facilitating tax evasion.</p> <p>A new Declaration of Interests, Gifts & Hospitality Policy has been created and approved by the Corporate Management Board.</p> <p>This policy was previously seen in draft form by the Audit & Governance committee at its 23 January 2020 meeting and the resulting comments and suggestions have been incorporated.</p>
Recommendations	<p>It is RECOMMENDED that Audit & Governance Committee:</p> <ul style="list-style-type: none"> • approve the Whistleblowing Policy and the Anti-Fraud & Corruption Policy • endorse the Declaration of Interests, Gifts & Hospitality Policy as approved by the Corporate Management Board.
Reason for recommendations	To ensure Council policies are regularly reviewed and updated in line with best practice and legislation.

Portfolio Holder(s):	Cllr Vikki Slade, Leader of the Council
Corporate Director	Julian Osgathorpe – Corporate Director Resources
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Wards	Council-wide
Classification	For recommendation approval

Background

1. Audit & Governance Committee Terms of Reference state the committee should “consider arrangements for counter-fraud and corruption, including ‘whistle-blowing’ including approval of the Anti-Fraud & Corruption Policy”.
2. This report provides an updated Whistleblowing Policy and the Anti-Fraud & Corruption Policy following an annual review to ensure they are in line with best practice and current legislation.
3. The Audit & Governance Committee were requested to provide feedback on the adequacy and robustness of the draft Declaration of Interests, Gifts and Hospitality Policy (for officers) at a previous meeting (23 January 2020).
4. This report also provides an updated Declaration of Interests, Gifts and Hospitality Policy following the feedback from the Audit & Governance Committee.
5. All three Policies have been previously considered by the Corporate Management Board (3 March 2020).

Whistleblowing Policy

6. The Council’s Whistleblowing Policy seeks to enable individuals to feel confident in raising concerns in the public interest about suspected serious wrongdoing in the Council and its services without fear of reprisals or victimisation even where the concern or allegations are not subsequently confirmed by the investigation.
7. Some minor changes have been made to the policy including reformatting to BCP corporate requirements and reference to the Department for Business Innovation and Skills has been changed to the Department for Business, Energy and Industrial Strategy to reflect Government departmental changes.

Anti-Fraud & Corruption Policy

8. The purpose of the Council’s Anti-Fraud & Corruption Policy is to; highlight relevant legislation; set out the Council’s approach to countering fraud and corruption; detail roles and responsibilities of officers and councillors; and provide further detailed guidance for officers and managers.

9. A key change to the policy has been the addition of the Criminal Finances Act (CFA) 2017 Requirements (new Appendix E).
10. The CFA 2017 introduces a new Corporate Criminal Offence of failure to prevent the facilitation of tax evasion. Under the CFA 2017, the Council, if found to be facilitating tax evasion, could face an unlimited fine and consequent damage to its reputation.
11. It is a defence to the corporate criminal offence of facilitating tax evasion if the Council can prove that it has in place such prevention procedures as it is reasonable to expect in the circumstances. The new policy appendix has been introduced to demonstrate adequate prevention procedures are in place.
12. Some minor changes have been made to the policy including a new definition of Corruption and reformatting to BCP corporate requirements. Also included is updated legislation/link: The Money Laundering, Terrorist Financing (Amendment) and Transfer of Funds (Information on the Payer) Regulations 2019.

Declaration of Interests Gifts & Hospitality Policy

13. For the 2019/20 financial year, the first operating year of BCP Council, legacy Council Declaration of Interests, gifts and hospitality policies and procedures have been followed by officers.
14. Several issues were identified with the current arrangements which were largely inherent, existing as a result of the formation of BCP Council, such as inconsistent approaches, out of date information and the ability of some managers to access any declarations made. These issues are addressed in the new Policy.
15. Following comments received during the 23 January 2020 Audit & Governance Committee meeting on the draft Declaration of Interests, Gifts and Hospitality Policy an updated version has been produced and approved by the Corporate Management Board (3 March 2020).
16. Procedural flowcharts and new corporate forms have been created (Appendices to the Policy) to facilitate compliance and consistency.

Training and Awareness

17. A training and awareness programme will now commence to ensure the policies are widely communicated recognised and available.

Options Appraisal

18. An options appraisal is not applicable for this report.

Summary of financial implications

19. There are no direct financial implications from this report. All three policies seek to establish strong governance arrangements to prevent financial loss through error or wrongdoing.

Summary of legal implications

20. The relevant legal implications (including non-compliance) are included in the attached policies.

Summary of human resources implications

21. The Council Policies apply to all relevant individuals acting on behalf of the Council.

Summary of sustainability impact

22. There are no direct sustainability impact implications from this report.

Summary of public health implications

23. There are no public health implications from this report.

Summary of equality implications

24. The equality implications have been considered as part of the development of the policies attached to this report.

Summary of risk assessment

25. There are no direct risk assessment implications from this report

Background papers

None

Appendices

Appendix A - Whistleblowing Policy

Appendix B - Anti-Fraud & Corruption Policy

Appendix C - Declarations of Interests, Gifts & Hospitality Policy