

EXTRACT FROM THE COUNCIL'S MANAGEMENT LETTER - DECEMBER 1999

Key Issues

Awareness and communication of the Council's stance on fraud and corruption.

- 1 The Public Interest Disclosure Act (PIDA) came into effect from 2 July 1999. The Act gives statutory protection to staff who 'blow the whistle' about a range of activities, including suspected fraud and corruption. It encourages internal disclosure, but gives protection, in circumstances defined in the Act, if employees make the disclosure externally. Although the Council's whistleblowing procedures were issued prior to enactment they have been revised to reflect the requirements of the Act.
- 2 Our detailed work on staff perception has now been completed and analysis supplied at a directorate and organisational basis. Some 92 staff (30% of sample) responded to the questionnaire.
- 3 A number of positive and negative messages came out of the survey. The key positive messages were that:
 - some 86% of staff believed the Council had a clear commitment to fighting fraud and corruption
 - almost 74% believed Standing Orders and Financial Regulations covered key risk areas
 - over 86% believed clear guidelines were provided to staff regarding personal conduct
 - over 92% believed that all payments for goods and services were approved by authorised officers.
- 4 The key issues of concern arising out of the work were that:
 - almost 45% of respondents disagreed or did not know whether the Council's commitment to fight fraud and corruption had been documented

- almost half the respondents, across all grades, lacked confidence in the arrangements to report concerns
 - over 54% did not believe or did not know whether the Council prosecuted defrauders when necessary and publicised results
 - only just over 50% of respondents agreed that Standing Orders and Financial Regulations were communicated to the appropriate staff
 - almost 50% of staff did not believe they were given training on conduct issues
 - less than 45% of respondents believed that registers of interest and gifts and hospitality were reviewed regularly by senior officers.
- 5 The results raise a number of issues around internal communication, training and the effectiveness of hospitality registers as a control procedure. Feedback on the detailed findings has taken place to individual directorate management teams and the Business Management Programme Group. At these meetings the benefits of pulling the various strands of policy that the Council has introduced into an overarching policy document has been recognised and an approach is being developed.
- 6 We would still consider that the procedures in place for preventing and detecting fraud and corruption are generally sound. However, better communication and training in this area, together with a clear expression of the overall policy of the Council, would appear necessary to ensure achievement of the Council's aims.

Action required

Produce an overarching policy on fraud and corruption

Reappraise the Council's approach to training in and communication of how to deal with fraud and corruption.