

<b>MEETING:</b>	<b>AUDIT &amp; GOVERNANCE COMMITTEE</b>
<b>MEETING DATE:</b>	<b>9 SEPTEMBER 2014</b>
<b>TITLE OF REPORT:</b>	<b>Outcome of Public Interest Disclosure Act Investigation</b>
<b>REPORT BY:</b>	<b>ASSISTANT DIRECTOR GOVERNANCE</b>

## **Classification**

Open

## **Key Decision**

This is not an executive decision.

## **Wards Affected**

County-wide

## **Purpose**

To note the findings of a recent Public Interest Disclosure Act (PIDA) investigation completed by external audit and to note the management actions arising.

## **Recommendation**

**THAT:**

- (a) **The external audit report, including agreed management action plan, at Appendix 1 be noted.**

## **Alternative options**

- 1 The committee may recommend that additional or alternative actions be considered.

## **Reasons for recommendations**

- 2 To ensure transparency regarding concerns raised, and provide assurance that any areas identified for improvement are being responded to appropriately.

## **Key considerations**

- 3 In January 2014 Grant Thornton received a disclosure under the Public Interest Disclosure Act 1998 (PIDA) from a member of staff of the council. The disclosure

concerned the implementation of the council's IT-based customer relationship management (CRM) system implemented in 2011. Grant Thornton undertook an investigation of the areas of concern raised in the disclosure and produced a report attached at Appendix 1.

- 4 In summary, the investigation found no evidence of impropriety in the procurement process, but did find some areas where lessons could be learned for future major project implementation; these are set out at appendix A of the investigation report together with the management response.

## **Community impact**

- 5 The council's corporate plan includes clear commitments both to maintaining openness and accountability for decision-making, service delivery and impact and to making the best use of resources available in order to meet the council's priorities. The areas for improvement identified in the report and the actions agreed in response support achievement of those.

## **Equality and human rights**

- 6 None identified.

## **Financial implications**

- 7 There are no financial implications arising from the action plan. Herefordshire Council must bear the costs of the PIDA investigation undertaken by Grant Thornton which is not included in the external audit fee. The nine days' work costing £11k will be funded from existing 2014/15 budgets.

## **Legal implications**

- 8 The Public Interest Disclosure Act 1998 makes provision for protection of whistle-blowers. The role of the auditor in conducting investigations once a disclosure has been made is set out in the report at Appendix 1.

## **Risk management**

- 9 Areas for improvement identified within the report have mitigating responding actions agreed.

## **Consultees**

- 10 None identified.

## **Appendices**

- 11 Appendix 1: Herefordshire Council PIDA Investigation: Review of Customer Relationship Manager Implementation.

## **Background papers**

- None identified.