



Gloucester City Council

Audit and Governance Committee

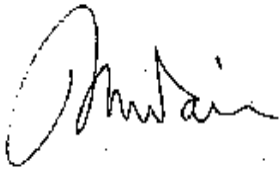
Special Meeting: Thursday, 28th February 2013 at 6.30 pm in the Education Centre, Folk Museum, Gloucester GL1 2JS (please access via rear entrance on Quay Street)

Membership:	Cllrs. Wilson (Chair), Hobbs (Vice-Chair), McLellan, Noakes, Porter, Wood and Gilson
Contact:	Parvati Diyar Democratic Services Officer 01452 396192 parvati.diyar@gloucester.gov.uk

AGENDA

1.	APOLOGIES To receive any apologies for absence.				
2.	DECLARATIONS OF INTEREST To receive from Members, declarations of the existence of any disclosable pecuniary, or non-pecuniary, interests and the nature of those interests in relation to any agenda item. Please see Agenda Notes.				
3.	INVESTIGATION REPORT (Pages 1 - 4) To consider the report of the Monitoring Officer				
4.	EXCLUSION OF PRESS AND PUBLIC To consider the following Resolution: "That the press and public be excluded from the meeting during the following item of business on the grounds that it is likely, in view of the nature of business to be transacted or the nature of the proceedings, that if members of the press and public are present during consideration of these items there will be disclosure to them of exempt information as defined in Schedule 12A of the Local Government Act 1972 as amended." <table><thead><tr><th>Agenda Item Nos.</th><th>Description of Exempt Information</th></tr></thead><tbody><tr><td>5</td><td>Information relating to any individual (paragraph 1) Information which is likely to reveal the identity of an individual (paragraph 2)</td></tr></tbody></table>	Agenda Item Nos.	Description of Exempt Information	5	Information relating to any individual (paragraph 1) Information which is likely to reveal the identity of an individual (paragraph 2)
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	6	Information relating to any individual (paragraph 1) Information which is likely to reveal the identity of an individual (paragraph 2)
5.	INVESTIGATION REPORT (Pages 5 - 24) To consider the report of the Monitoring Officer	
6.	INVESTIGATION REPORT (Pages 25 - 44) To consider the report of the Group Manager, Audit and Assurance	



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Julian Wain
Chief Executive

Date of Publication: Wednesday, 20 February 2013

NOTES

Disclosable Pecuniary Interests

The duties to register, disclose and not to participate in respect of any matter in which a member has a Disclosable Pecuniary Interest are set out in Chapter 7 of the Localism Act 2011.

Disclosable pecuniary interests are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 as follows –

<u>Interest</u>	<u>Prescribed description</u>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Council) made or provided within the previous 12 months (up to and including the date of notification of the interest) in respect of any expenses incurred by you carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between you, your spouse or civil partner or person with whom you are living as a spouse or civil partner (or a body in which you or they have a beneficial interest) and the Council (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged
Land	Any beneficial interest in land which is within the Council's area. For this purpose "land" includes an easement, servitude, interest or right in or over land which does not carry with it a right for you, your spouse, civil partner or person with whom you are living as a spouse or civil partner (alone or jointly with another) to occupy the land or to receive income.
Licences	Any licence (alone or jointly with others) to occupy land in the Council's area for a month or longer.
Corporate tenancies	Any tenancy where (to your knowledge) – (a) the landlord is the Council; and (b) the tenant is a body in which you, your spouse or civil partner or a person you are living with as a spouse or civil partner has a beneficial interest
Securities	Any beneficial interest in securities of a body where – (a) that body (to your knowledge) has a place of business or land in the Council's area and (b) either –

- i. The total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
- ii. If the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, your spouse or civil partner or person with whom you are living as a spouse or civil partner has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

For this purpose, "securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

NOTE: the requirements in respect of the registration and disclosure of Disclosable Pecuniary Interests and withdrawing from participating in respect of any matter where you have a Disclosable Pecuniary Interest apply to your interests and those of your spouse or civil partner or person with whom you are living as a spouse or civil partner where you are aware of their interest.

Access to Information

Agendas and reports can be viewed on the Gloucester City Council website: www.gloucester.gov.uk and are available to view five working days prior to the meeting date.

For further details and enquiries about this meeting please contact Tanya Davies, 01452 396125, tanya.davies@gloucester.gov.uk.

For general enquiries about Gloucester City Council's meetings please contact Democratic Services, 01452 396126, democratic.services@gloucester.gov.uk.

If you, or someone you know cannot understand English and need help with this information, or if you would like a large print, Braille, or audio version of this information please call 01452 396396.

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If the fire alarm sounds continuously, or if you are instructed to do so, you must leave the building by the nearest available exit. You will be directed to the nearest exit by council staff. It is vital that you follow their instructions:

- You should proceed calmly; do not run and do not use the lifts;
- Do not stop to collect personal belongings;
- Once you are outside, please do not wait immediately next to the building; gather at the assembly point in the car park and await further instructions;
- Do not re-enter the building until told by a member of staff or the fire brigade that it is safe to do so.

Gloucester City Council

Meeting:	Audit and Governance Committee	Date:	28 February 2013
Subject:	Investigation Report		
Report Of:	Monitoring Officer		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
Contact Officer:	Sue Mullins, Monitoring Officer		
	Email: sue.mullins@gloucester.gov.uk	Tel:	39-6110
Appendices:	None		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To consider the governance issues arising out of a series of anonymous allegations against Members and Officers of the Council.

2.0 Recommendations

- 2.1 Audit and Governance Committee is asked to **RESOLVE:**

- a) that the report be noted;
- b) that the Council's whistleblowing policy be reviewed, in consultation with staff and trades unions, to make it clear that the Council has the right not to investigate anonymous allegations which appear frivolous or malicious and are unsupported by credible evidence;
- c) to request that the Chief Executive and Monitoring Officer commission a review of the Council's corporate governance arrangements, as part of a peer review process during 2013/14.

3.0 Background and Key Issues

- 3.1 In October and November 2012, the Council received a series of anonymous letters making a range of allegations against Members and Officers of the Council.
- 3.2 The Council's whistleblowing policy provides that when concerns about what is happening at work are notified to the Council, the Council has a responsibility to investigate the matter. The policy also states that it is much more difficult to look into matters raised anonymously but that the Council will still consider anonymous reports
- 3.3 The Committee should be aware that the content of some of the anonymous letters could amount to criminal offences of harassment (under the Protection from

Harassment Act 1997) or malicious communications (under the Malicious Communications Act 1988) and, for this reason, Gloucestershire police have been provided with copies of the anonymous letters to enable appropriate investigation and action to be taken against the senders, if identification of the senders is possible. The Committee should also be aware that the Council's Whistleblowing policy would provide protection for staff raising serious concerns at work, without leaving staff open to prosecution under these Acts.

- 3.4 The Committee is asked not to underestimate the impact of these allegations on the individuals concerned, including their families, some of whom have been sent copies of the allegations directly. The distress and upset caused to individuals and their families has been significant and many are, understandably, angry about their professional conduct being called into question.
- 3.5 Investigation into the allegations has been carried out both internally and externally. Due to the anonymous nature of the allegations, it has not been possible to contact those making the allegations to obtain any further evidence or facts to support the allegations made. The conclusions of both investigations are that there is no evidence to substantiate the allegations made and that the allegations are unfounded, unfair and, to a greater or lesser extent, malicious and appear to be designed to cause anger, upset, distress and embarrassment to the individuals concerned. It would also appear that some of the allegations have been designed to cause upset to the individuals' families, where copies of the allegations have been sent directly to members of an individual's family.
- 3.6 Notwithstanding the broad conclusions reached, there are some issues arising from the investigations that merit action. Given the difficulty in investigating anonymous allegations, the Committee is asked to consider a review of the whistleblowing policy, in consultation with staff and trades unions, to make it clear that the Council has the right not to investigate anonymous allegations which appear frivolous or malicious and are unsupported by credible evidence. Whilst this is the approach that would normally be adopted by the Council, the policy could more clearly state that this is the approach taken. This will enable the Council to ensure that its resources are used appropriately and that only credible allegations are investigated.
- 3.7 Some Councils refuse to accept anonymous allegations at all. It is not suggested that this is the route to take, as it may be that good reasons exist for anonymous allegations which should be investigated, but the policy should be redrawn. The consequence to the Council of the "scurrilous" allegations made in these letters has been severe.
- 3.8 Matters such as this inevitably cause disruption within a council, which needs to be dealt with. This, and some of the recommendations in the reports themselves have given rise to the view that a review of the Council's corporate governance arrangements would be beneficial. It is therefore suggested that the peer review planned for this year, and which is already being discussed by the Leader and Chief Executive, should include a review of the Council's corporate governance arrangements.
- 3.9 Issues with reporting of sickness levels were identified by the investigations. These reporting issues have since been resolved. The Committee is asked to note that robust management of sickness has continuously been taking place,

notwithstanding the issues with reporting on sickness arising from a short term issue due to the transfer of the Council's payroll system.

4.0 Alternative Options Considered

4.1 There are no alternative options available in respect of this matter.

5.0 Reasons for Recommendations

5.1 As part of the investigation, corporate governance issues have been identified which merit consideration and action by the Council.

6.0 Future Work and Conclusions

6.1 Dependent on the decisions made by Audit and Governance Committee, action will be taken to address the issues identified in the report and recommendations.

7.0 Financial Implications

7.1 There are no direct financial implications arising out of this report.

(Financial Services have been consulted in the preparation this report.)

8.0 Legal Implications

8.1 The anonymous allegations made relate to individuals within and outside the organisation. Data protection legislation governs how information relating to individuals can be dealt with by the Council and this report has been prepared taking into account the Council's data protection obligations and responsibilities towards those individuals.

(Legal Services have been consulted in the preparation this report.)

9.0 Risk & Opportunity Management Implications

9.1 It is important that the Council carries out appropriate investigations where any allegations are made about wrongdoing at work

10.0 People Impact Assessment (PIA):

10.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

11.0 Other Corporate Implications

Community Safety

11.1 There are no Community Safety implications arising out of this report.

Sustainability

11.2 There are no sustainability implications arising out of this report.

Staffing & Trade Union

11.3 There are no staffing or Trade Union implications arising out of this report.

Background Documents: Gloucester City Council Whistleblowing Policy

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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