



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL



## Governance and Audit Committee

Wednesday, 13 March 2024

Report of Councillor Phillip Knowles  
Cabinet Member for Corporate  
Governance and Licensing

# Internal Audit Whistleblowing Actions Update and Findings of the External Audit of the Sale of Oil Drums

### Report Author

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### Purpose of Report

This report provides an update of the progress of the completion of the Internal Audit Whistleblowing Actions and the findings of the Sale of Oil Drums External Audit.

### Recommendations

#### That the Committee:

1. Notes the progress of the completion of the Internal Audit Whistleblowing Actions
2. Notes the findings of the Sale of Oil Drums External Audit

### Decision Information

Does the report contain any exempt or confidential information not for publication?

**Yes** - Appendices 1 and 2 are exempt under Section 100(a)(4) of the Local Government Act 1972; paragraph 2 of Schedule 12A of the Act. The press and public may be excluded from the meeting during consideration of Appendices 1 and 2, on the grounds that if they were to be present, exempt information could be disclosed to them.

What are the relevant corporate priorities?

Effective council

Which wards are impacted?

(All Wards);

## 1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.1 The Council has processes in place for cash handling and the valuation and sale of goods. Training will be provided to ensure that officers are trained in these areas.

Completed by: Alison Hall-Wright, Deputy Director (Finance & ICT) and Deputy S151 Officer

### ***Legal and Governance***

- 1.2 The audits undertaken have identified areas where improvements could be made to the Council's processes. The SKDC Whistleblowing Action Plan highlights these improvements, which will be subject to regular review by the Council's Statutory Officer Group.

Completed by: Graham Watts, Assistant Director (Governance and Public Protection) and Monitoring Officer

## 2. Background to the Report

- 2.1 In August 2023 the Council's previous internal auditors, Assurance Lincolnshire, completed an audit regarding the process followed with regards to a whistleblowing incident which was reported to the Council in May 2023 to determine whether the Council's whistleblowing policy was followed.
- 2.2 A number of management actions were agreed as part of this audit, column 5 of the table included in Appendix 1 provides a review of the actions and achievements to date as at 12 December 2023.
- 2.3 Following the completion of the Whistleblowing audit Governance and Audit committee requested that an external audit be completed on the Sale of the Oil Drums. The Chairman of the Governance and Audit Committee agreed the scope of the external audit with the Council's Chief Executive as follows:
- A review of the audit trail for the barrels in question, including what product was in the barrels. To include age and volume of the product.
  - A review of the policies in place for disposal of goods, health and safety and CCTV retention. Including identification of any breaches that took place.
  - A review of why the recording was not retained and whether it is linked to CCTV or recorded at the depot.
  - Consideration of the reasons for the disposal of the product and the arrangements for the sale that took place.
  - A review of the audit trail for the receipt of funds from the buyer and consideration as to how they were selected.
  - A review of the fair price of the product disposed of and whether value for money was achieved.
  - Recommendations for the future where any issues are identified.
- 2.4 The detailed findings of the audit are included in section 6 of the report included at Appendix 2 and a summary of the recommendations are as follows:
- Regularly review all items held at the depot to establish whether anything is surplus to requirements so it can be disposed of accordingly;
  - Where there is any risk of waste being classed as hazardous dispose of it accordingly as a precaution;
  - Keep clear records of everything stored at the depot including quantities; Ensure that invoices are settled in full prior to collection to minimise any risk in this area;
  - Keep clear records of enquiries, including verbal ones, when looking to dispose of items in the future;
  - Where incidents are reported immediately obtain the CCTV for the event. The back up should be retained until all enquiries are resolved;
  - Address the recommendations in the health and safety report.

- 2.5 The recommendations identified by Duncan and Toplis will be reviewed by management and relevant actions will be identified and allocated to officers for implementation.

### **3. Key Considerations**

- 3.1 These are included in the main body of the report.

### **4. Other Options Considered**

- 4.1 There are no other options to consider.

### **5. Reasons for the Recommendations**

- 5.1 To ensure that the Governance and Audit committee are updated on the progress of the completion of the actions identified by the whistleblowing audit and the findings of the external audit on the sale of oil drums.

### **6. Appendices**

- 6.1 Appendix 1 – Internal Audit SKDC Whistleblowing Actions  
Appendix 2 – Sale of Oil External Audit Findings Report