

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

24 October 2006

Report of the Director of Finance

Part 1- Public

Matters for Information

1 MATTERS ARISING FROM THE CONFIDENTIAL REPORTING CODE

Summary

This report informs Members of any matters investigated as the result of concerns raised using the Confidential Reporting Code.

1.1 Background

1.1.1 The Council has a Confidential Reporting Code (Whistleblowing Code) to enable concerns to be raised by staff of stakeholders. The Code sets out how matters will be investigated.

1.1.2 All concerns raised by the Code are reported to Members of the Audit Committee as part of the overall governance process. In addition, action is considered on what lessons can be learnt and what improvements to systems can be made.

1.2 Concerns Raised

1.2.1 There have been two potential concerns raised through the Code.

1.2.2 The first concern was raised by a member of Administrative and Property Services who had concerns regarding an increased telephone bill in one area. This matter is still being investigated and Members will be notified of the outcome of this investigation at a later meeting.

1.2.3 Administrative and Property Services are currently looking at a new telephony supplier and part of their service includes improved management information on telephone usage patterns.

1.2.4 The second concern was raised by a corporate credit supplier over the use of one card. After a short investigation by the company it appears that the details of one of the corporate credit cards have been used for fraudulent activity.

1.2.5 The card has been blocked and a replacement will be issued. The credit card company is investigating the fraudulent transactions and has removed them from the statement.

1.2.6 The Exchequer Services Manager has notified all Corporate Card holders of this fraud and has reminded them that the cards should only be used for secure transactions and should be kept secure when not in use.

1.3 Legal Implications

1.3.1 Any legal implications arising from the first concern will be determined after the investigation and reported to Members at a future meeting.

1.3.2 There were no legal concerns arising from the credit card concern.

1.4 Financial and Value for Money Considerations

1.4.1 Any financial considerations arising from the first concern (if any) will be determined after the investigation and reported to Members at a future meeting.

1.4.2 As the credit card company have taken responsibility for the fraudulent transactions there are no financial considerations arising from this concern.

1.5 Risk Assessment

1.5.1 As stated in paragraph 1.2.3, Administrative Services are considering an alternative telephony supplier. This supplier will provide detailed management reports that will significantly reduce the risk of telephone abuse.

1.5.2 Prompt monitoring of the use of credit cards by the supplier has minimised the risk and/or impact of fraud.

Background papers:

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Audit working papers

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