

Grant Thornton UK LLP Whistleblowing report – 1 April 2018 to 31 March 2019

About this report

On 1 April 2017 a new legal duty came into force requiring bodies who are ‘prescribed persons’ for the purpose of receiving whistleblowing disclosures under the Public Interest Disclosure Act 1998 (PIDA) to publish an annual report on the whistleblowing disclosures made to them by workers. This duty was extended to include auditors of larger local authorities with effect from 1 April 2018. We are therefore now publishing our first such report, covering the period from 1 April 2018 to 31 March 2019.

As an external auditor of local authorities and related bodies, Grant Thornton UK LLP is a prescribed person under the Public Interest Disclosure (prescribed persons) Order 2014. Employees of local authorities can make disclosures to Grant Thornton relating to the proper conduct of public business, value for money, fraud and corruption in relation to the provision of public services.

In practice, we receive few qualifying disclosures, and most of the individuals who approach us wishing to make a disclosure are, by the time they approach us, no longer employed by the body, and in some cases never have been, and are therefore outside the scope of PIDA. Such purported disclosures are not referred to in the remainder of this report, although we nevertheless consider the information provided to us in such cases and decide whether or not there is any action we need to take under our powers and duties as external auditors.

In order to protect the confidentiality of whistleblowers and other parties involved, no information is included here that could lead to the identification of a whistleblower or compromise the confidentiality of an ongoing investigation.

The external auditor’s functions and statutory powers

As external auditors of 40% of local authorities, police, fire and other related bodies in England, Grant Thornton are required to confirm whether the annual accounts of these bodies are properly prepared and are not materially misstated, and whether the bodies have adequate arrangements for ensuring economy, efficiency and effectiveness. External auditors also have additional specific powers to issue reports in the public interest, to make recommendations requiring a public response, to issue an advisory notice which requires the body to reconsider a decision, and to apply to the courts that an entry in the body’s accounts is contrary to law.

As a ‘prescribed person’, we are required to receive and record appropriate disclosures from workers employed by the bodies. We are not required to take specific action in relation to disclosures, so there is no specific requirement for us to carry out a detailed investigation. Instead, we consider what action we should take in each case, in the context of our powers and duties, much as we do for any information we gain through other routes during our audit work.

Our statutory powers and duties are set out in the Local Audit and Accountability Act 2014 and in the Code of Audit Practice which is prepared by the Comptroller and Auditor General and approved by Parliament. You can read more about powers and duties of Grant Thornton and other external auditors on the web site of the Comptroller and Auditor General.

Whistleblowing disclosures received from 1 April 2018 to 31 March 2019

Type of body	Subject matter	Action taken
Metropolitan Council	Council's handling of original whistleblowing disclosure	Being discussed with Council officers.
Unitary Council	Economic development activities	Being considered as part of ongoing audit work, with assistance from Internal Audit