Public Questions – Audit and Governance 4th August 2025

Question from Carole Chedgy:

The swap report (item 6 on the agenda) states at page 7 that its counter fraud team has recently completed an investigation arising from a whistleblowing referral. What was the referral about and what was the outcome?

Question from Torsten Mills:

I will preface this by saying I have no real knowledge of the inner workings of the Council, and have never felt compelled to speak up in the past, so apologies if I am missing the point here somewhat and am misguided in some of my statements below as I'm probably unaware of the full picture.

The health and safety compliance report published on the council website is damning on so many levels, highlighting a complete lack of financial discipline, procedural oversight and mismanagement of what we are told are limited resources at a local government level with acute funding pressures.

What I really fail to grasp is how payments can be made without correct approval, staff can be recruited and pay rises implemented without a paper trail and reserves can be accessed without having to justify every penny spent. It is particularly troublesome where over £1m has been spent annually on internal and external audits combined, yet it was a whistleblower who uncovered the irregularities, despite the figures that are being quoted being well over a material misstatement of sorts.

I'm sure that when the dust settles and investigations are concluded we will be made aware that a criminal investigation has been raised against the terminated employees where appropriate and the suppliers who are guilty of overcharging and providing gifts and hospitality are blacklisted. There has to be significant and decisive consequences for those involved to help restore trust in the Council.

But onwards to the report of internal audit activity. Some of the report is currently obscured due to a formatting issue, but I can't help but feel a little dismayed at reading that a relatively simple financial control – that there is to be "a formal process for requesting work and signing off invoices" within the Place Directorate has been pushed back over a year for action? What the residents of Dorset need to see is definitive action, and I am questioning what the justification is to allow this to be pushed back?

Looking at table 2 of the internal audit plan progress, it is also apparent that not a single department reached the "green" standard of sound system of governance, controls and risk management, with over 40% of departments having a limited opinion showing significant gaps and weaknesses. An internal audit department's role is to report and provide recommendations and there is only so much that can be achieved without a decisive shift in management culture on financial governance, so what is being done at departmental manager level to help facilitate this change?