



## POST OFFICE LIMITED

### AUDIT, RISK & COMPLIANCE COMMITTEE REPORT

<b>Title:</b>	Whistleblowing Report	<b>Meeting Date:</b>	28 <sup>th</sup> September 2021
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#### Input Sought: Noting

The Committee is asked to:

- review the whistleblowing report and progress against action plan as part of its role in monitoring the adequacy and effectiveness of the Group's whistleblowing systems and controls

#### Previous Governance Oversight

- Whistleblowing Policy Review and Report March 2021

#### Executive Summary

Since the March report a high number of actions have been completed or progressed and a number of changes implemented to whistleblowing processes which have further strengthened the controls.

Comparison of 2019/20 and 2021/20 has not identified any significant changes, albeit that following training and communications delivered March-April 2021, we have seen an increase in reporting and engagement with teams across Post Office dealing with complaints and issues.

The Protect self-assessment and benchmarking exercise is going to be re-run in October, and the results should see a significant improvement in scores relating to Engagement and Operations reflecting the changes implemented and the increased maturity of approach.

#### Questions addressed

- What progress is being made against the action plan agreed in March 2021, and what additional improvements have been identified?
- Is there anything of concern identified from a review of the reports received 2020/21 compared to 2019/20?
- Are the current whistleblowing arrangements adequate in light of the GLO and the Public Inquiry?

#### Report

- Since the last report in March 2021, the following activities have been delivered:
  - Mandatory Whistleblowing training delivered to all employees via Success Factors
  - A One Website article was published for Postmasters, together with a podcast from Zarin Patel, the Whistleblowing Champion, to raise awareness of the importance of speaking up.
  - The Postmaster Support Guide was updated to add additional information about whistleblowing.

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- In April, all employees were notified about the Public Inquiry Whistleblowing Survey and encouraged to take part.
  - The new Whistleblowing Manager started in May and the Whistleblowing Team have commenced quarterly meetings with Zarin Patel – two meetings have taken place to date.
  - Provided training and coaching to Customer and Postmaster Support teams within Post Office to help them to identify reports or complaints that should be referred to the Whistleblowing Team. We have started to see an increase in referrals from the Customer Support Team.
  - Developed and deployed a new investigations pro-forma to ensure full and consistent documentation of the investigation and capture of lessons learnt/corrective actions.
  - The new Whistleblowing Manager is making regular contact with whistleblowers (where they have not reporting anonymously) and is undertaking a large part of the investigation work, or providing coaching and oversight where the investigations are assigned to other managers across Post Office.
  - The monthly MI pack has been enhanced to provide a broader view of activities and outcomes to senior stakeholders. The pack is now distributed monthly to all GE members.
  - Migrated the external Speak Up service from Navex to Convercent from 1<sup>st</sup> August – the new service offers a much improved case management system and MI/Analytics platform, at a reduced cost. The new service also has a dedicated Post Office phone line (which could be transferred if there are any future provider changes) and a unique Post Office URL (speakup.postoffice.co.uk).
  - Additionally, the contract with the new provider enables us to formally open up the external service to Postmasters and communications on this are planned for September. We are also in discussions with internal teams to develop and deliver speak up/whistleblowing posters to all branches and back office locations.
  - Having reviewed the Whistleblowing processes and controls within Post Office Group as part of the Protect self-assessment and benchmarking, the need for an independent team to complete investigations was identified. This ensures independence, consistency in the depth and quality of investigations and removes the risk of bias in an investigation (either conscious or unconscious). Funding approval was obtained for two full time Compliance Investigations Officers and offers have been made for both roles, with the individuals joining the team from early October.
  - Pending the start of the new Compliance Investigations Officers, a temporary support was recruited at the beginning of September to assist with the migration of the historic whistleblowing cases onto the new case management platform, develop new MI and dashboards and document all investigation, case management and MI processes.
5. Due to the delay in the Public Inquiry, the opportunity has been taken to delay re-running the Protect self-assessment and benchmarking as this gives more time to implement changes and improvements. An employee survey is planned for September and we will re-run the self-assessment and benchmarking in October.
  6. Additionally, the documentation of processes and procedures was delayed, once the need to move to a new external provider was identified in June. Work on this should now be complete by the beginning of October.

7

2

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## Review of MI

7. Whilst the number of cases received 2019/20 and 2020/21 remains steady at 41 and 43 respectfully, due to the recent initiatives to raise awareness of the whistleblowing service and promote a speak up culture within the business we have seen 34 cases up to Period 5 2021/22, averaging 7 cases per month we currently predict therefore a 90%+ increase in 2021/22.
8. Of the 43 reports received in 2020/21; 33% were raised by Agent Assistants, 27% by Post Office Employees and 13% by members of the public. The remaining 27% were anonymous. (see Appendix A for summary of 2020/21 MI).
9. Despite a number of well publicised reports across organisations of a high level of Covid-related reports since March 2020, only 3 Covid concerns were raised via Post Office whistleblowing channels, which appears to indicate that the measures put in place and the information provided by Post Office were robust.
10. The majority of reports received in 2020/21 related to Postmasters, with 73% being unsubstantiated. Of the 4 substantiated reports:
  - One related to allegations by a Postmaster assistant of mails fraud and resulted in the termination of the Postmaster contract
  - One related to an anonymous report regarding cash discrepancies. The Postmaster was suspended and arranged to repay the monies owing
  - Two related to the sharing of SmartIDs (evidence of use of one Postmaster's own ID when he was out of the country and other Postmaster admitted sharing). Dealt with via Contracts and regular ongoing oversight by Area Managers. A communication has also gone out to the Network re-confirming SmartID procedures.
11. A further 8 cases were substantiated, relating to a number of issues:
  - An employee posting inappropriate comments on social media
  - Theft by a Postmaster assistant
  - Non-conformance by employees with Post Office policy and procedures
  - Employee SmartID mis-use
  - One allegation of employees not following Covid-19 isolation requirements
12. We have seen a decrease in the number of cases raised via the Speak Up line and an increase in them coming directly to the Whistleblowing mailbox, although we have been unable to identify an underlying reason for this.
13. In the last few months' we have seen the largest volume of cases (38% / 13 reports) from referrals from the Customer Support Team. This has been driven by coaching and collaboration between the Whistleblowing and the Customer Support teams.

7

## Conclusions and recommendations

14. A number of actions have been taken to address the areas for improvement highlighted in the Protect self-assessment and there is an ongoing programme of improvement (see Appendix B for the latest action plan). Key to this is ensuring that the Whistleblowing Champion and the GE receive a monthly dashboard showing current reports, issues and trends, enabling them to provide further oversight and governance. The new Convercent Case Management system will allow the dashboard to be further enriched.

3

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15. The approval and recruitment of dedicated Compliance Investigations Officers will ensure independence and consistency in all future investigations and ensure that regular feedback is obtained from whistleblowers to ensure we can enhance the service.
  16. The relationship with the new Whistleblowing Champion is established and is working well to provide independent oversight of activities, test the opportunities to identify further areas for improvement and maintain focus on the importance of speaking up.
  17. Working closely with Customer and Postmaster Support teams is ensuring that a joined up approach to understanding issues across the business is achieved, albeit further work is planned to improve this further.
  18. From the review of MI and current activities, no concerns have been identified relating to the GLO or the Public Inquiry, although further work is planned to raise awareness across both employees, Postmasters and their teams about the importance of speaking up if individuals have concerns.