

# Whistleblowing Policy



Policy Owner: Audit Committee

Executive Owner: Chief Risk and Compliance Officer

Author: Conduct & Assurance Manager

Policy Level: Level 1 Policy

## Version 1.3

Version	Amendment Date	Purpose/Review by/Input from	Outcome
1.1	November 2022	Approval by Audit Committee	Approved
1.2	May 2023	Changes to processes and reporting to be followed by the investigating officer / SMF14	Approved
1.3	April 2024	Annual Review completed. Updated new SMF, update to Section 3. Target Audience and Section 9.General Guidance to include external consultants, seconded workers, contractors, agency colleagues and ex-colleagues	Approved

April 2024

## Contents

1. Introduction .....	3
2. Policy Owner .....	4
3. Target Audience .....	4
4. Scope .....	4
5. Safeguards .....	4
6. Procedures for Making a Disclosure .....	6
7. Procedures to be followed by the Investigating Officer.....	7
8. Knowledge & Understanding.....	8
9. General Guidance .....	8
10. Regulatory Reporting .....	9
11. Appendix 1 – Whistleblowing Contacts .....	<b>Error! Bookmark not defined.</b>
12. Appendix 2 – How to raise a concern form .....	10

# 1. Introduction

Furness Building Society is committed to the highest standards of openness and encourages a culture of honesty, ethics and engagement.

An important way to promote accountability and transparency is by providing a process which allows colleagues and others to voice concerns in a responsible way, to ensure that these concerns will be fairly considered and that any necessary actions are taken. The process that allows colleagues to raise a concern at work is the Society's Whistleblowing framework.

The framework applies to all permanent, temporary and former colleagues of Furness Building Society Group. It also applies to external consultants, seconded workers, contractors and agency colleagues whilst at the Society or subsidiary companies.

As part of their contracts, employees are not allowed to disclose confidential information about the Society or its members. Nevertheless, if an individual discovers information which they believe shows serious malpractice or wrongdoing within the Society, then it is right that this information can and should be disclosed internally without fear of negative consequences.

It is also important that there are arrangements in place to enable a colleague to make a report without informing their line manager.

There is legal protection for colleagues who wish to make a report. The Public Interest Disclosure Act, which came into effect in 1999, gives legal protection to employees against being dismissed or penalised by their employers as a result of publicly disclosing certain serious concerns.

However, it is important to remember this framework is to help individuals who believe they have discovered malpractice or misconduct. It is not designed to question financial or business decisions taken by the Society and it should not be used to reconsider any matters which have already been addressed under harassment, complaint, disciplinary or other procedures.

As the Society has whistleblowing procedures in place, colleagues are asked to use them, rather than air their concerns outside the Society e.g. through the media.

## Whistleblowing Champion

The Society's Senior Independent Director acts as the Society's Whistleblowing Champion and is responsible for ensuring the integrity, independence and effectiveness of the Society's Whistleblowing policy and procedures.

## **2. Policy Owner**

The Policy is owned by the Board of Directors and the Audit Committee has delegated authority to approve.

The Executive owner is the Chief Risk and Compliance Officer (CRO).

## **3. Target Audience**

The Policy applies to all colleagues working for the Society and any Group subsidiaries, as well as external consultants, seconded workers, contractors, agency colleagues and ex-colleagues.

## **4. Scope**

This Policy is designed to enable Society employees to raise concerns internally and at a senior level and to disclose information which the individual believes shows malpractice or misconduct. Individuals may need to demonstrate that they are making a disclosure, which they reasonably believe is in the public interest and substantially true and the information tends to show either:

- A person has failed or is likely to fail to comply with any legal obligation to which they are a subject, including the firms' regulatory obligations to the PRA
- A crime has been or is likely to be committed, for example fraud
- A miscarriage of justice has occurred or is likely to occur
- The health and safety of any individual has been or is likely to be endangered
- The environment has been or is likely to be damaged
- The covering up of any wrongdoing

## **5. Safeguards**

### **Protection**

Employees could often be the first to realise that there may be something seriously wrong within the Society. However, they may avoid expressing their concerns because they feel that speaking up would be disloyal to their colleagues or to the Society. They may also fear harassment or victimisation. In these circumstances, it may be easier to ignore the concern rather than report what may just be a suspicion of malpractice.

The Whistleblowing framework is designed to offer protection to Society employees who disclose such concerns provided the disclosure is made in good faith.

It is important to note that for those who choose not to use the Whistleblowing procedure but make allegations outside the policy (e.g. through media), there is no protection from internal disciplinary procedures. In an extreme case, malicious or wild allegations could give rise to legal action on the part of the persons complained about.

### **Confidentiality**

The Society will treat all Whistleblowing disclosures confidentially and sensitively. The identity of the person making the disclosure will be kept confidential. However, if the investigation process requires the source of the information to be made public, the Society will seek consent of the person making the disclosure.

### **Anonymous Allegations**

The framework encourages individuals to put their name to any disclosures they make, however concerns expressed anonymously will be handled in the normal manner.

Although individuals may submit anonymous disclosures or choose to request confidentiality this may not always be the most appropriate action and colleague's should consider their regulatory responsibilities under the Senior Management Regime, which include disclosure of information which the FCA or PRA would reasonably expect to be notified of.

This specific responsibility (SM14) applies to senior managers with an SMF function.

In addition, all colleagues are subject to conduct rules which require individuals to be open and co-operative with the FCA, PRA and other regulators.

### **Prescribed Person Responsible for Senior Management Function 14**

Peter Rogerson, Senior Independent Director (appointed October 2019) has the SMF14 and the prescribed responsibilities as set out in SYSC 18.4.4 R "for ensuring and overseeing the integrity, independence and effectiveness of the firm's policies and procedures on whistleblowing", including the policies and procedures intended to protect whistleblowers from being victimised because they have disclosed reportable concerns.

### **Untrue Allegations**

If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that individual. In making a disclosure the individual should exercise due care to ensure the accuracy of the information. If, however, an individual makes malicious or vexatious allegations, and particularly if he or she persists with making them, disciplinary action may be taken against that individual.

## **6. Procedures for Making a Disclosure**

The Chief Risk and Compliance Officer (CRO) and the Senior Independent Director are nominated contacts for the receipt of disclosures. Contact details are provided in Appendix 1.

Concerns can be raised by any method, but are better raised in writing and should set out the background and history of the issue, giving names, dates and places where possible, and the reasons for the particular concern. If the person making the disclosure feels unable to put their concerns in writing, they can telephone or arrange to meet with a nominated contact. They may want to telephone a nominated contact to discuss their concern(s) prior to submitting a written report, and this is encouraged.

A form is available in appendix 2 to assist the person making the report, along with details of how to get in touch with the nominated contacts.

The earlier a concern is expressed, the easier it is for action to be taken.

The person making the disclosure is not expected to prove the truth of an allegation, however they will need to demonstrate to the person contacted that there are sufficient grounds for the concern. The form should assist with providing adequate information.

Colleagues may make a disclosure to the FCA or PRA without first reporting their concerns internally.

### **Procedures to be followed on Receipt of a Disclosure by any Individual who is not a Nominated Contact**

If a whistleblowing disclosure is received by any colleague other than the nominated contacts, they should take note of the information and must pass it as soon as is reasonably possible to a nominated contact.

Disclosures in any way connected to the Group Secretary & Head of Compliance should be passed to the Senior Independent Director.

### **Procedures to be followed on Receipt of a Disclosure by a Nominated Contact**

On receipt of a disclosure the nominated contact will take the following action as soon as reasonably possible:

- Inform the SMF 14 of the disclosure and agree the immediate next steps in an investigation
- The SMF 14 will appoint an appropriate independent investigating officer (usually the CRO). The investigation officer must be either a nominated contact or an

alternative individual considered to have the independence, knowledge and skills to investigate the matter thoroughly.

- The Board of Directors should be informed a disclosure has been made (where appropriate) and advised immediately if there is evidence of criminal activity as the matter must be reported to the Police. The Board will ensure that any internal investigation does not hinder a formal police investigation.
- Upon completion of the investigation the Board of Directors (and audit committee) will be advised of any decision to notify the Internal or External Auditors, PRA or FCA.

## **Timescales**

The investigating officer will ensure that the investigations are undertaken as quickly as possible without affecting the quality and depth of those investigations, although the exact timescale will depend on the nature of the disclosure and evidence of any criminal activity.

A written acknowledgement of the concern will be sent within 5 working days this can be done via email or other durable medium.

Where a breach of the Conduct Rules by an SMF is identified this must be reported to the Regulator within 7 days.

## **7. Procedures to be followed by the Investigating Officer**

- Inform the SMF 14 of the disclosure and agree immediate next steps in the investigation.
- The Investigating Officer will inform the Head of HR (where appropriate) and notification must be sent to our HR legal advisers (Moore Pay)
- As soon as practically possible, a written acknowledgement of the concern will be sent to the person making the disclosure.
  - The investigating officer will keep them informed, in writing, as to the progress of the investigation and as to when it is likely to be concluded.
  - All responses will be in writing and sent to their home address.
- Full details and clarifications of the disclosure should be obtained and consideration should be given to interviewing the individual to fully understand the situation.
- The allegations will be fully investigated by the investigating officer with the assistance where appropriate, of other individuals / bodies.
- Update the SMF 14 with details of the investigation to date and where there is basis to the claim the SMF 14 must decide whether it is appropriate to update the CEO/Chairman at this stage.
- Where there is a basis to the claim the colleague against who the disclosure is made will be informed as soon as is practically possible. The colleague will be informed of their right to be accompanied by a trade union or other representative at any future interview or hearing held under the provision of these procedures.

- A judgement concerning the disclosure and validity of the disclosure will be made by the investigating officer. This judgement will be detailed in a written report containing the findings of the investigations and reasons for the judgement. The report will be submitted to the SMF14 who is responsible for deciding how to escalate to the Chief Executive or Chairman as appropriate.
- If the disclosure is shown to be justified, then the Chief Executive / Chairman will invoke the disciplinary or other appropriate Society procedures.
- The person making the disclosure should be kept informed of the progress of the investigation
- A final written response will be sent to the person making the disclosure with appropriate details of the final outcome.
- If appropriate, a copy of the outcomes will be passed to the Society's Auditors to enable a review of the procedures.
- These procedures will be followed as far as reasonably practicable for an anonymous whistleblowing declaration.

## 8. Knowledge & Understanding

Whistleblowing is included on the Induction Checklist, which is completed by all colleagues at the start of their employment.

The Society's Intranet hosts a section 'How to Raise a Concern at Work' that includes information on who to make a report to, a whistleblowing report form, information from the FCA website on whistleblowing and the Whistleblowing Policy.

The Society delivers an annual schedule of online training and testing. This includes a whistleblowing module.

## 9. General Guidance

When any meeting is arranged, any colleague (or ex-colleague), external consultant, seconded worker, contractor or agency colleague has the right, if they so wish, to be accompanied by a Trade Union or a work colleague who is not involved in the area of work to which the concern relates.

The Society will take steps to minimise any difficulties which may be experienced as a result of raising a concern. For instance, if there is a requirement to give evidence in criminal or disciplinary proceedings, the Society can provide advice about the procedure.

The Society accepts that a person making a disclosure needs to be assured that the matter has been properly addressed. Subject to any legal constraints that restrict availability, information about the outcomes of any investigations will be provided.



If the investigation finds the allegations unsubstantiated and all internal procedures have been exhausted, but the person making the disclosure is not satisfied with the outcome of the investigation, the Society recognises the lawful rights of employees and ex-employees to make disclosures to prescribed persons (such as the FCA, PRA, Health and Safety Executive), or, where justified, elsewhere.

## **10. Regulatory Reporting**

The Society's Chief Risk and Compliance Officer will provide an annual report to the Board in respect of whistleblowing activity and provide assurance regarding training provided to colleagues and compliance with regulations. The report will confirm the operational effectiveness of systems and controls.

The Chief Risk and Compliance Officer will also promptly report to the FCA in respect of any upheld tribunal cases and maintain a record of reportable concerns and the outcome.

## 1. Appendix 1 – Whistleblowing Contacts

# Whistleblowing: where to get help

"I have concerns about wrongdoing at work that I can't tell my line management about. Who can I speak to internally in confidence?"

**PETER ROGERSON, TELEPHONE 07793 812 877**  
[peterrog52@gmail.com](mailto:peterrog52@gmail.com)

**ELAINE O'DWYER, TELEPHONE 07825 599 699**  
[Elaine.ODwyer@furness-bs.co.uk](mailto:Elaine.ODwyer@furness-bs.co.uk)



"What if I don't feel comfortable about reporting it internally or I've tried and it hasn't worked?"

**Contact the Financial Conduct Authority:**  
**Whistleblowing contact line:** 0207 066 9200  
**Email:** [whistle@fca.org.uk](mailto:whistle@fca.org.uk)  
**Post:** Enforcement and Financial Crime Division (ref PIDA)  
Financial Conduct Authority  
25 The North Colonnade Canary Wharf London E14 5HS  
**Website:** [www.fca.org.uk/site-info/contact/whistleblowing](http://www.fca.org.uk/site-info/contact/whistleblowing)

**Contact the Bank of England:**  
**Whistleblowing contact line:** +44 (0)203 461 8703  
**Email:** [whistleblowing@bankofengland.co.uk](mailto:whistleblowing@bankofengland.co.uk)  
**Post:** IAWB (Legal Directorate), Bank of England,  
Threadneedle Street, London, EC2R 8AH  
**Website:** <https://www.bankofengland.co.uk/whistleblowing>

**Further information**  
See: [www.hmsa.gov.uk/si/si1999/19991549](http://www.hmsa.gov.uk/si/si1999/19991549) and use 'search' to find the Public Interest Disclosure Act.

**"How am I protected?"**  
For free, confidential advice, contact Public Concern at Work, an independent charity:  
**Tel:** 0207 404 6609  
**Website:** [www.pcaaw.co.uk](http://www.pcaaw.co.uk)

## 2. Appendix 2 – How to raise a concern form

## HOW TO RAISE A CONCERN AT WORK

### REPORT FORM

This form will assist you when providing information relating for any suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Society.

Please follow the guidelines as laid out in the Society's Whistleblowing policy and procedures available on the Intranet.

<b>NAME OF PERSON MAKING THE DISCLOSURE - CONTACT INFORMATION</b> (This section may be left blank if you wish to remain anonymous)	
<b>NAME</b>	
<b>DEPARTMENT/BRANCH/ AGENCY</b>	
<b>CONTACT NUMBER</b>	
<b>E-MAIL ADDRESS</b>	
<b>SUSPECT'S INFORMATION</b>	
<b>NAME</b>	
<b>DEPARTMENT/BRANCH/ AGENCY</b>	
<b>CONTACT NUMBER</b>	
<b>E-MAIL ADDRESS</b>	
<b>WITNESSES'S INFORMATION (if any)</b> (This section may be left blank if you/they wish to remain anonymous)	
<b>NAME</b>	

<b>DEPARTMENT/BRANCH/ AGENCY</b>	
<b>CONTACT NUMBER</b>	
<b>E-MAIL ADDRESS</b>	

*Please complete details of the report on the next page.*

## DISCLOSURE

*Please use this form to assist you with your disclosure.*

*Briefly describe the misconduct / improper activity and how you know about it.*

*Specify what, who, when, where and how.*

*If there is more than one disclosure, number each and use as many pages as necessary.*

1. What misconduct / improper activity occurred?

2. Who committed the misconduct / improper activity?

3. When did it happen and when did you notice it?

4. Where did it happen?

5. Is there any evidence that you could provide us?

6. Are there any other parties involved other than the suspect stated above?

7. Do you have any other details or information which would assist us in the investigation?

8. Any other comments?