



# Audit (Monitoring of Audit Investigations) Sub-committee

## Minutes – 20 January 2014

### Attendance

#### Members of the Sub-committee

Cllr Wendy Thompson (chair)  
Cllr Mike Hardacre  
Cllr Matthew Holdcroft  
Cllr Keith Inston

#### Independent members

Mike Agar

#### Employees

Anthony Ivko	Assistant Director Adult Social Care and Housing Support
Mark James	Fraud Manager
Simon Lunn	Head of Operational Finance
Katy Morgan	Principal Auditor
Richard Morgan	Senior Audit Manager
Mark Wilkes	Principal Auditor
Dereck Francis	Democratic Support Officer

#### External Auditors

Richard Vialard	PricewaterhouseCoopers
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## Part 1 – items open to the press and public

<i>Item No.</i>	<i>Title</i>	<i>Action</i>
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### MEETING BUSINESS ITEMS

- 1. Apologies for absence**  
An apology for absence was submitted on behalf of Terry Day, Independent member.
- 2. Declarations of interest**  
Cllr Mike Hardacre declared a personal interest in agenda items 7 and 8 as far as they relate to the City of Wolverhampton College, the Central Learning Partnership Board and the Board of Wolverhampton Homes. Dereck Francis

- Mike Agar declared a no pecuniary interest in agenda item 7
3. **Minutes of the previous meeting (21 October 2013)** Dereck Francis
- Resolved:
- That the minutes of the meeting held on 23 October 2013 be approved as a correct record and signed by the Chair.

4. **Matters arising**
- There were no matters arising from the minutes of the previous meeting.

5. **Protecting the Public Purse 2013 - Fraud Briefing**
- The Sub-Committee received a briefing from Richard Vialard of PricewaterhouseCoopers on a report that had been prepared by the Audit Commission specifically for the Council on Protecting the Public Purse – Fraud Briefing 2013.

Resolved:

That the briefing and paper from the Audit Commission specifically for the Council on 'Protecting the Public Purse – Fraud Briefing 2013' be received and noted.

## **EXCLUSION OF PRESS AND PUBLIC**

6. **Exclusion of press and public**
- Resolved:
- That in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item(s) of business as they involve the likely disclosure of exempt information falling within the paragraphs of Schedule 12A of the Act set out below:

<i>Item No.</i>	<i>Title</i>	<i>Applicable paragraph</i>
7	Audit Services – Counter fraud report October 2013	3
8	Audit update	1, 2, 3

## **Part 2 – exempt items, closed to the press and public**

7. **Audit services – Counter fraud report January 2013** Mark Wilkes
- Mark Wilkes presented a report which updated the Sub-

Committee on the current counter fraud activities undertaken by the counter fraud unit within Audit Services.

The Sub Committee discussed work taking place with social landlord groups within the city (excluding with Wolverhampton Homes) to tackle the issue of tenancy fraud. The Sub Committee also asked about any arrangements in place with the Tenant Management Organisations within the city to address the issue of fraud with various council house tenancies.

Cllr Inston also referred to the membership of the newly created Fraud Group and noted that it did not include a representative from procurement services. Mark Wilkes reported that initially the membership of the Group had been kept tight but if it was successful the membership would be extended to include representatives from other appropriate service areas

Resolved:

That the current position with regard to the Council's counter fraud activities be noted.

**8. Audit update**

The Sub Committee received updates on current audit investigations.

Resolved:

1. That the current position with regard to audit investigations be noted.
2. That in connection with case reference IL17W (BSF Public Arts Works), the Sub Committee receive a response from the Chair of the Local Education Partnership on the action proposed in light of the allegations and that response together with a detailed report on the matter also be referred to the Children and Young People Scrutiny Panel for its consideration.
3. That in connection with case reference IL181 (Extended Schools) a further report be submitted on the School's response to this matter; and that the Sub Committee placed on record its concern that more of this type of issue would occur and go undetected. .