

Audit (Monitoring of Audit Investigations) Sub-Committee

Minutes - 27 April 2015

Attendance

Members of the Audit (Monitoring of Audit Investigations) Sub-Committee

Cllr Christine Mills (Chair)
Cllr Keith Inston (Vice-Chair)
Cllr Dr Michael Hardacre
Cllr Wendy Thompson
Mike Ager – Independent Member

Employees

Peter Farrow	Head of Audit
Dereck Francis	Democratic Support Officer
Richard Morgan	Senior Audit Manager
Kevin O'Keefe	Director of Governance
Mark Taylor	Director of Finance
Mark Wilkes	Client Lead Auditor

Part 1 – items open to the press and public

Item No. *Title*

- 1 Apologies for absence**
No apologies for absence were received for the meeting.
- 2 Declarations of interests**
No declarations of interests were made.
- 3 Minutes of the previous meeting (2 February 2015)**
Resolved:
That the minutes of the previous meeting held on 2 February 2015 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 Audit Services - Counter Fraud Report - April 2015**
Mark Wilkes, Client Lead Auditor presented a report which updated the Sub Committee on the current counter fraud activities undertaken by the Counter Fraud Unit within Audit Services.

Peter Farrow, Head of Audit informed the Sub Committee that the counter fraud report would be the last it would receive in its present format. At the end of May 2015 employees within the relatively small Benefits Fraud Investigations team would transfer to the Department for Work and Pension's (DWP's) Single Fraud Investigations Service. The Council would be kept informed on some cases relating to benefits fraud as there would continue to be joined up working with the DWP.

The Sub Committee reiterated the concerns expressed at the last meeting, that the transfer of the local authority benefit fraud investigators to the DWP was a retrograde step and the benefits of local knowledge and efficiencies of working in a small team would be a loss to the city.

Cllr Dr Mike Hardacre asked that the joined up working arrangements with the DWP provide the Council with the fullest exchange of information on benefit fraud within Wolverhampton. The Audit Manager undertook to relay this message to DWP.

Mark Taylor, Director of Finance informed the Sub Committee that the Council would retain some fraud resource to carry out non benefit fraud investigations.

In light of the abovementioned change to future reporting on counter fraud activities and the knock on effect on the work of the Sub Committee, it was recommended that the terms of reference of the Sub Committee be subsumed into the Audit Committee and that the Sub Committee be disestablished. The Chair and Vice-Chair of the Audit Committee were present supported the suggestion.

Resolved:

1. That the report be noted.
2. That the Sub Committee place on record its thanks and appreciation to the staff of the Benefits Fraud Investigations team for the excellent work they undertaken in benefits fraud detection.
3. That the recommendation that the Sub Committee not be reconstituted for the 2015/16 municipal year and the terms of reference of the Sub Committee be incorporated into the terms of reference for the Audit Committee, be forwarded for consideration with the governance and constitutional changes to be presented to Annual Council in May 2015.

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 Investigations Update	1, 2 and 3

Part 2 - exempt items, closed to the press and public

7 **Audit Investigations Update**

The Sub Committee received updates on current audit investigations.

Resolved:

That the current position with regard to the audit investigations be noted.

8 **Vote of thanks**

The Sub Committee placed on record its thanks and appreciation to the Chair (Cllr Christine Mills) for the able and courteous manner in which she had conducted the business of the Sub Committee during the Municipal Year.