



Audit (Monitoring of Audit Investigations) Sub-committee

Minutes – 28 April 2014

Attendance

Members of the Sub-committee

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

Employees

Peter Farrow	Head of Audit
Mark James	Fraud Manager
Katy Morgan	Client Lead Auditor
Richard Morgan	Senior Audit Manager
Mark Wilkes	Principal Auditor
Dereck Francis	Democratic Support Officer

Part 1 – items open to the press and public

Item Title
No.

MEETING BUSINESS ITEMS

1. **Apologies for absence**

An apology for absence was submitted on behalf of Mike Agar (Independent member).

2. **Declarations of interest**

Cllr Dr Mike Hardacre declared a personal interest in agenda items 7 and 8 in so far as they relate to the City of Wolverhampton College, the Central Learning Partnership Board and Woodthorne Primary School.

3. **Minutes of the previous meeting (20 January 2014)**

Resolved:

That the minutes of the previous meeting held on 20 January 2014 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 April 2014**

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.

Mark James also outlined the salient points of the update report regarding benefit fraud investigations. In doing so he reported on two benefit fraud cases which had been reported in the local media. The investigations had resulted in successful prosecutions with one claimant receiving 18 months imprisonment. The other case had led to the false claimant receiving a three months suspended prison sentence, a three month curfew and a supervision order.

Cllr Mrs Thompson reported that it was good that benefits cheats were being caught and successfully prosecuted. She commented that as resources were finite fraudulent claims were taking resources away from people who are legitimately in need of that support. She also welcomed the increased joint working between the Council's Benefit Fraud team and the Department for Work and Pensions, and Wolverhampton Homes for tenancy and right to buy fraud.

Mark James also informed the Sub-committee that discussions were taking place regarding some of the Council's current benefit fraud cases being featured in a prime time evening tv documentary 'Briton of the Fiddle'.

Resolved:

That the contents of the latest Internal Audit counter fraud update be 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 update	1, 2, 3

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

7. **Audit update**

The Sub-committee received updates on current audit investigations.

Resolved:

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

2. That in connection with case reference IL17W – Building Schools for the Future Public Arts Works, a lessons learned report be submitted on the investigations that should include a clear mandate of what should happen in the future under similar circumstances.
3. That in connection with case reference IL61W – Stolen laptop, periodic spot checks be undertaken to ensure that the controls introduced are being adhered to.
4. That in connection with case reference IL671 – Potential mis-use of p-card, an update report be submitted to a future meeting on the ongoing investigation to include action taken by the Chair of the School Governing Body and the investigations by the Assistant Director.