

## **AUDIT SUB GROUP**

**OSCPR101105  
ITEM 8**

Report Author: Jane Murray

### **Background**

1. This is the regular report back to the full committee of the work of the audit sub group for information.
2. At the meeting of 19<sup>th</sup> October 2005, the sub group considered

- Fraud Section Quarterly monitoring [App1](#)
- Audit Quarterly Monitoring [App2](#)
- Annual Audit Inspection Lettter and Follow Up [App3](#)
- Revised Audit and Fraud Prevention Charter [App4](#)

which are attached to this report.

3. Present at the meeting were Cllrs Mrs Y Clarkson (Chair); Mrs C Watson; G Sunderland. Apologies were received from Cllr Mrs A Bradshaw.

Officers: Head of Finance and Business Development; Audit Services Manager; Senior Auditor , Fraud Prevention Team Leader, Scrutiny Support Officer

### **Notes of the meeting**

#### **Fraud quarterly monitoring report**

4. In addition to the information contained within the Fraud quarterly monitoring report, the attention of Members was drawn to a recent successful prosecution of a woman who had claimed benefit with £17,000 in her bank account and who was given 160 hours community service.
5. Members were reassured that Legal and Democratic Services held a budget to engage external solicitors to carry out the prosecutions (para 3.2).

6. Members were advised that there would be changes next year to the method of reimbursement from the Department of Work and Pensions. A grant settlement would be given to each authority, rather than a fee structure for each case. This would mean that there would be more 'space' to follow through on more complicated fraud cases.

#### Audit Quarterly Monitoring Report

7. The main concern with respect to arrears for market traders was the need to keep a spread sheet recording any cumulative arrears.
8. Members expressed concern at the situation with respect to an independent check of renovation grants, given that £½ million was involved, and felt this should be subject to further investigation as part of the restructure review.
9. With respect to staffing issues, it was advised that there was a national shortage of audit staff in addition to local recruitment difficulties. Vacancies to date were the equivalent of one full time employee for 2.5 months. It would also take months to train up the 2 new members of staff. There was a possibility of buying in support, but often they had no knowledge of public sector audit issues.

#### Annual Audit Inspection Letter and Follow Up

10. This was a follow up of the Annual audit and inspection letter and action plan agreed by Full Council on 1 March 2005. Members noted progress against the plan.

#### Revised Audit and Fraud Prevention Charter

11. Having seen both the earlier Audit charter and the Fraud Charter and business plan, Members noted the revised charter without further comment.

Appendices: As per para 2