

Sentenced for false invoices sent to council

Fraudster conned borough out of thousands

By Rebecca Shepherd

'JUSTICE has been done' after a fraudster who sent false invoices to Waverley Borough Council was jailed.

Matthew Charles Lowe was sentenced to two years and three months in prison on Tuesday after he pleaded guilty to two counts of dishonestly making false representation at Wolverhampton Crown Court.

Lowe's case was listed to be heard on Thursday but was heard two days earlier.

The offence dates back to April 2014 when payments were found to have been made to a fraudulent bank account.

The authorities were unable to confirm how much money was involved in the fraud but it is understood to have been in the thousands.

The crime was reported by the *Surrey Advertiser* in October last year after a former employee and whistle blower revealed that false bank details, purporting to be those of council contractor Mears, were provided to the borough council.

Records were updated

and money was paid to the account.

The deception only came to light when the borough council was notified by its bank.

Mears is the company contracted by Waverley Borough Council to do repair work at council properties.

In September 2015, Mears had the council contracts for the kitchen and bathroom replacement programme, a re-roofing programme, responsive repair works, aid and adaptation works and a structural works contract.

Waverley Borough Council said an investigation involving West Midlands Police was immediately conducted into the payment of certain invoices.

This resulted in the recovery of a 'significant proportion of the funds' and the council has worked with the police, the banks and its insurance company in a bid to recover the outstanding amount.

The fraud was reported to the council's external auditors Grant Thornton but although it was mentioned in the external audit report for 2013/14, and discussed at

the audit committee meeting in September 2014, it was not included in the report for 2014/15 – the accounting period during which the fraud took place.

In September's Audit report it stated: "We have previously discussed the risk of fraud with the Audit Committee and been made aware of an external fraud affecting the council in April 2014. An investigation was immediately conducted and processes and awareness within the finance team have been strengthened.

"We have not been made aware of any other incidents in the period and no issues have been identified during the course of our audit relating to 2013/14."

Information revealed by a Freedom of Information request revealed that only one third of Waverley's borough councillors knew about the fraud in which Waverley paid out the sum to the fraudulent account.

Commenting on the sentencing, Farnham Residents' Association's John Williamson said he still has unanswered questions about the fraud.

He said: "I'd like to know how he did it. Did he just go fishing to all the councils?"

"Did everybody else have sufficient barriers in place to stop this from happening?"

"Was it just poor old Waverley that were fooled into making the payments? That's important.

"If you approached 100 councils and only Waverley paid it, there is a question to answer.

"I would like to know whether it was a fishing trip."

Cllr Williamson added that he is 'glad' that 'justice has been done' but was 'a bit annoyed' about not being told about the incident in the first place.

He said: "I found out from the papers. I think there should be total transparency and everyone should be told just exactly what happened.

"All things should be transparent."

Waverley Borough Council was unable to comment at the time of going to press.

Lowe, of South Road, Smethwick, West Midlands, was sentenced to two years and three months imprisonment and ordered to pay a £120 victim surcharge.