



Stevenage Borough Council

Audit Committee

September 2024

Anti-Fraud Progress Report 2024/2025

Purpose

1. This early report provides details of the work undertaken by the Shared Anti-Fraud Service and Council Officers to protect the Council against the threat of fraud and the delivery of the Council's Anti-Fraud Action Plan for 2024/25.
2. Further reports will be provided to this Committee in 2024/25 with detailed progress with delivery of the agreed Plan and SAFS KPI performance.

Recommendations

3. **Members are RECOMMENDED to:**

- a) **Note the progress by officers and the Shared Anti-Fraud Service to deliver the Anti-Fraud Plan for the Council.**

Delivery of the Anti-Fraud Plan

4. The 2024/2025 Anti-Fraud Plan was approved by this Committee at its March 2024 meeting ([Public Pack](#))[Agenda Document for Audit Committee, 26/03/2024 18:00 \(stevenage.gov.uk\)](#). This Plan covers all areas recommended by CIPFA and the *Fighting Fraud and Locally Strategy for the 2020s*. The Plan also provides assurance that the council continues to benefit from a positive return on its investment in the SAFS Partnership.

2024/2025 Anti-Fraud Activity

5. The Council has in place Anti-Fraud, Bribery & Corruption Policies and these are kept under constant review to ensure compliance with current best practice and the impact of any changes required by legislation.
6. SAFS provided alerts on new and emerging fraud trends through its Board members and directly with officers working in our Partners. These alerts come from a variety of sources including the National Anti-Fraud Network (NAFN), Credit Industry Fraud Avoidance Service (CIFAS), National Fraud Intelligence Bureau (NFIB) at the City of London Police, and others.
7. Between April and August this year SFAS issued 20 Urgent Fraud Alerts including impersonation/ push payments/ payment diversion/ false identified used in various application frauds. SAFS also provide regular Fraud Threat Reports that summarise new and emerging risks and provide officers on guidance around the identification of these and prevention. SAFS issued three of these reports so far this year focused on Multiple Employment fraud, ID fraud, 'Overpayment' linked to money laundering, and MS account take-over.
8. A training plan to build on staff awareness and fraud reporting, along with a publicity campaign to inform the public and encourage fraud reporting has been developed with officers in HR and Comms teams. Five specialised training events (including ID fraud, & BB abuse) have already been delivered, and we have further sessions planned for September on contract/bid-rigging & housing fraud along with fraud awareness for Members.

9. Between April and end of August, a further 58 allegations of fraud have been received by the Council/SAFS including Housing, Council Tax and Blue Badge abuse. Referrals from staff have increased from last year, which indicates our recent awareness sessions have had a positive effect. SAFS currently have 53 cases under investigation, or at referral (29) stage, with an estimated fraud loss of £1.1m.
10. Twelve investigations have been closed and fraud losses/savings identified in three cases- with fraud in excess of £16k actually reported across all cases. SAFS have also conducted 22 reviews of low value council tax frauds identifying reporting £6k fraud in the Council Tax Reduction Scheme.
11. SAFS and Council officers are currently preparing to take part in the main National Fraud Initiative (NFI) exercise for 2024/25. The Cabinet Office are providing guidance on data specification and timescales for data uploads in October with the output from this expected in January 2024.
12. The Council is signed up the Herts Fraudhub for 24/25. The FraudHub this works in a similar fashion to the main NFI exercise with data being submitted along with the other 7 partners in the SAFS Partnership for review to help identify fraud. In Q1 all agreed datasets were successfully uploaded and some data is already submitted for Q2. So far this has identified 1.2k records for review, SAFS and Council officers are reviewing these at present, with a small number of frauds/discrepancies already identified and £4k in fraud prevented.
13. SAFS continues to focus its large part of its work for Stevenage Council on allegations of 'tenancy-fraud' committed against the Council's housing stock. Currently 13 of our live cases involve some aspect of tenancy fraud, 1 property was secured in Q1 and several properties pending action to recover with housing management or legal services. SAFS also reviewed 22 Right to Buy and 14 'Succession' applications to prevent money laundering or fraud in these processes, one such review identified a potential fraud and was escalated for further enquiries.
14. SAFS manages the 'Council Tax Review' framework for all borough/district councils enabling them to identify fraudulent applications for council tax discounts. The new contract has been delivered by SAFS working with all district/boroughs and is now live with Stevenage Council planning to make use of the framework in 2024 through its shared Revenues and Benefit Service.
15. In June SAFS worked with Anti-Fraud teams at Councils across Hertfordshire, Buckinghamshire, and Oxfordshire to provide a campaign to tackle the twin problem of Blue Badge theft and the misuse of stolen badges in car parks owned by Councils. In Hertfordshire SAFS also engaged with the Hertfordshire Constabulary and joint patrols with SAFS, Police and Council CEOs officers taking part, were conducted through June targeting known hot spots.
16. SAFS KPIs were agreed in the Anti-Fraud Plan, progress is reported below.

SAFS KPIs - 2024/ 2025- (SBC)

KPI	Measure	Objectives	Performance to August 2024
1	Return on investment from SAFS Partnership.	<ul style="list-style-type: none"> A. Meetings to take place with the Assistant Director of Finance, quarterly. B. Strategic Director (CFO) or deputy will attend SAFS Board meetings quarterly. C. Regular meetings to take place with Directors/Service Leads to agree and update local work plans. 	<ul style="list-style-type: none"> A. Meetings take place with the Executive Director (Finance and Transformation) and other senior leaders to discuss delivery of the AF Plan and anything else relevant. The Agenda is agreed by Council Officers B. Executive Director (Finance and Transformation) is a member of the SAFS Board and attend its quarterly meetings. C. SAFS meet with other service leads across the Council as and when required with a focus on the highest risk areas.
2	Provide an investigation service.	<ul style="list-style-type: none"> A. Deliver between 90% and 110% of the 435 Days of counter fraud activity including proactive and reactive investigation work, data-analytics, training and fraud risk management. B. 3 Reports to Audit Committee. C. SAFS attendance at corporate governance, 'service champion' meetings, local management team meetings. 	<ul style="list-style-type: none"> A. To the end of July 2024 SAFS had provided 130 days (30%) of those planned for the year. B. 5 reports in all will be delivered in 24/25 at the June/September/March AC meetings. C. SAFS attend CGG and JAG meetings at SBC.
3	Action on reported fraud.	<ul style="list-style-type: none"> A. SAFS response to all urgent/ high risk cases within 1 working day. B. All other cases 2 Days on Average. 	<p>In Q1 SAFS responded to 100% of referrals within 24 hours on average. <i>(We are still unable to report separately on Urgent cases)</i></p>
4	Added value of SAFS membership.	<ul style="list-style-type: none"> A. Membership of NAFN & PNLD B. Access to CIPFA/CIFAS/NCSC/AF/FFCL alerts/trends/best practice C. NAFN Access/Training for relevant Council Staff D. 10 Training events for staff/Members in year. (To be agreed with Directors/ Service leads and HR) 	<ul style="list-style-type: none"> A. SBC via SAFS are subscribed to NAFN/PNLD B. All access to best practice sites are in place. C. NAFN access and training for officers is in place for 24/25 D. 5 Sessions delivered in Q1/Q2, with 3 more planned for Q2.
5	Allegations of fraud. & And outcomes from cases investigated.	<ul style="list-style-type: none"> A. All reported fraud (referrals) will be logged and reported to officers by type & source. B. All cases investigated will be recorded and the financial value, including loss/recovery/ savings of each will be reported to officers. C. 12 Social homes secured from unlawful use or sub-letting. D. 100% Review of all Right to Buy and 'Succession' applications. 	<ul style="list-style-type: none"> A. Fraud reporting options available for staff and residents on the Council's webpage and intranet- This is linked to SAFS reporting tools. B. All cases with reports/values/outcomes recorded on SAFS CMS. C. 1 property recovered in Q1 with several pending recovery at the time of reporting. D. 100% review of all RTBs and Successions.
6	Making better use of data to prevent/identify fraud.	<ul style="list-style-type: none"> A. Support the output from NFI 2024/25 Council services. B. Membership and VFM from the Herts FraudHub in 2024/25. 	<ul style="list-style-type: none"> A. The NFI data-upload is planned for October with plans to review output from January. B. The Council has a contract in place for the FHub and data is being uploaded and output under review with Council officers.

Further Reading

17. List of Background Papers - Local Government Act 1972, Section 100D

- (a) ***Councillors Workbook on Bribery & Fraud Prevention (LGA 2017)***
- (b) ***Fighting Fraud and Corruption Locally- A Strategy for the 2020's (CIPFA/CIFAS/LGA 2020)***
- (c) ***Tackling Fraud in the Public Sector (CIPFA 2020)***
- (d) ***Lost Homes Lost Hope (Fraud Advisory Panel 2023)***