



Stevenage Borough Council

Audit & Governance Committee Report

Anti-Fraud Plan 2025/26

Purpose

- 1 This report provides members with details of the Councils Anti-Fraud Plan for 2025/26.

Recommendations

- 2 **The Committee is RECOMMENDED to:**
 - I. **Review and approve the Anti-Fraud Plan for 2025/26.**

Background

- 3 The Cabinet Office, Ministry for Housing Communities and Local Government (MHCLG), NAO, CIPFA and others have issued advice, and best practice, to support local councils in the fight to reduce the risk of fraud and prevent loss to the public purse. This advice includes the need for vigilance in recognising fraud risks and the investment of sufficient resources in counter fraud activities.

Fighting Fraud and Corruption Locally a Strategy for the 2020's. The strategy focuses on the governance and 'ownership' of anti-fraud and corruption arrangements. The Strategy also identifies areas of best practice and includes a 'Checklist' to compare against actions taken by the Council to deter/prevent/investigate fraud. The checklist is maintained and reviewed by SAFS and officers.

The impact of Fraud and Error on Public Funds 2023-24 (National Audit Office). "Fraud and error cost the taxpayer billions of pounds each year – but most of the potential loss goes undetected. Based on the Public Sector Fraud Authority's (PSFA) methodology, we estimate that fraud and error cost the taxpayer £55 billion to £81 billion in 2023-24. Only a fraction of this is detected and known about".

The ***Annual Fraud Indicator 2023***, published in 2024 by Crowe, Peters and Peters and Portsmouth University states that fraud in local government exceeded £8.8bn in 2021/22 and that excluded front line service areas such as housing benefit, council tax, care services and education.

CIFAS Annual Fraudscape Report 2024 . "The impact of fraud on individuals, businesses, and the public sector has hit unprecedented levels. This is paired with a growing concern over AI generated fraud, which enables complex phishing scams and synthetic identities".

Cross Government Counter Fraud Functional Strategy 2024-2027 states that "Prevention is the most effective way to address fraud and corruption - preventing fraud through effective counter fraud practices reduces loss and reputational damage".

4. It is essential that the Council has in place a robust framework to prevent and deter fraud, including effective strategies and policies, as well as plans to deal with the investigation and prosecution of identified fraud.
5. Members of this committee have received reports about how SAFS works closely with the Shared Internal Audit Service (SIAS) dealing with all aspects of fraud from prevention and deterrence to investigation and prosecution, working with services and Council staff at all levels.

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6. The reports and papers mentioned at section 3 above and guidance from the NAO, CIPFA, MHCLG and the Local Government Association (LGA) recommend that organisations have effective and robust counter fraud and corruption measures. These measures require the acknowledgement of fraud as a tangible risk, policies, and procedures to deter and prevent fraud occurring and the provision of sufficient resources to investigate and recover losses caused by fraud. Above all an organisation should have a plan to protect itself against fraud.
7. Council officers and SAFS management develop and agree an **Anti-Fraud Plan** each year and the proposed plan for 2025/26 is presented at **Appendix A**

The Plan and Fighting Fraud and Corruption Locally

8. The Anti-Fraud Plan has been developed over several years to meet the recommendations of the [Fighting Fraud Corruption Locally Strategy 2020s | Cifas](#) (FFCL) adopting the 'pillars' of Protect, Govern, Acknowledge, Prevent and Pursue.
9. The Plan identifies officers/members who will have a role in delivering it, and SAFS will work with all concerned to ensure they understand their role both in delivering the Plan and supporting the FFCL strategy.
10. Members will note that this Committee has a role in ensuring key elements in the Plan are implemented and in continual monitoring the Councils anti-fraud work.

Counter Fraud Funding and Resources 2025/26

11. The proposed Anti-Fraud Plan can be found at **Appendix A**.
12. The Plan includes SAFS KPIs and Standards of Service. All SAFS staff are appropriately trained and accredited and the service has access to the resources of the Public Sector Fraud Authority and Government Counter Fraud Profession.
13. The **Plan** includes reference to the new Economic Crime and Corporate Transparency Act 2023. SAFS will provide detailed briefings to the Councils senior leadership with a comprehensive overview focusing on the 'failure to prevent fraud' offence, which will come into effect on 1 September 2025.

- 14 SAFS will maintain its relationship with specialist third party providers and national networks to keep the Council informed of new and emerging fraud threats or changes to best practice that assist in deterring/preventing fraud and corruption.
- 15 SAFS will continue to work closely with Council officers working in those services mentioned in the Plan.
- 16 Regular reports will be provided to senior management and this Committee on progress delivering the Plan for 2025/26.

Appendices

Appendix A - Stevenage Borough Council - Anti-Fraud Plan 2025/26.

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) ***Code of Practice - Managing the Risk of Fraud and Corruption (CIPFA 2014)***
- (e) ***Lost Homes, Lost Hope. (Fraud Advisory Panel 2023)***