



Stevenage Borough Council

Audit Committee

November 2025

Anti-Fraud Progress Report 2025/2026

Purpose

1. This mid-year report provides details of the work undertaken by the Shared Anti-Fraud Service (SAFS) and Council Officers to protect the Council against the threat of fraud and the delivery of the Council's Anti-Fraud Plan for 2025/26.
2. Further reports will be provided during the current financial year and a final report covering the whole year will be provided to this Committee in the summer of 2026.

Recommendations

Members are asked to:

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

The Anti-Fraud Plan

3. The Anti-Fraud Plan for the current financial year was approved by this Committee at its March 2025 meeting ([Public Pack](#))[Agenda Document for Audit Committee, 25/03/2025 18:00](#) This Plan covers all areas recommended by CIPFA and the *Fighting Fraud and Corruption 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.

2025/2026 Anti-Fraud Activity

4. The Council has in place Anti-Fraud, Bribery & Corruption Policies and these are reviewed routinely to ensure compliance with current best practice and the impact of any changes required by legislation. All CF policies were last reviewed in 2024, and a further review is taking place at present, along with associated policies, by the Councils Assistant Director Finance.
5. SAFS provides alerts of 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.
6. Between April and October 2025 SAFS issued 3 Fraud Alerts including a reminder about fake documents, email spoofing, false ID and guidance on the 'Failure to Prevent Fraud' offence. SAFS also provide regular Fraud Threat Reports that summarise new and emerging risks and provide officers with guidance to assist with prevention and reporting. SAFS has issued 15 such reports this year including areas such as multiple employment, housing applications, blue badges misuse, mandate fraud, purchase cards, discretionary payments, grants and council tax liability.
7. A training plan to build on staff awareness and fraud reporting, along with publicity campaigns to inform the public and encourage fraud reporting has been developed

with officers in HR and Comms teams for 2025/26. 4 training sessions have been delivered in the first half year with 4 more booked in Q3, including a session for Councillors.

8. SAFS provides Executive Reports (ER) to senior management and internal audit where investigations identify that fraud has occurred due to system/process weaknesses, these included recommendations for management to consider the removal/reduction/mitigation of any ongoing fraud risk. We have 3 ERs at draft stage for the Council, two relating to procurement processes and the third for declarations of interest, both are with Council officers to review recommendations made by SAFS.
9. A new offence of 'Failing to Prevent Fraud' introduced by the *Economic Crime and Corporate Transparency Act 2023* took effect from September this year. SAFS have recently issued a briefing paper for all senior leadership teams in each of our Partners to advise on the impact of this legislation and ensure appropriate action plans are in place.

Reactive Work

10. Between April and September this year 86 allegations of fraud had been received affecting service areas such as housing, council tax, procurement, and Blue Badge misuse- 39 referrals were made by Council officers. SAFS currently have 45 cases under investigation, or at referral stage (18), with estimated losses slightly in excess £1m recorded in this caseload.
11. SAFS have closed 10 investigations with fraud identified in eight of these cases. Fraud losses and savings, through prevention, amounting to £209k have been reported. SAFS have also conducted compliance reviews of 15 low value frauds identifying £33k of additional revenue in council tax.

One case is with the Councils shared legal service to consider prosecution for offences contrary to the Fraud Act. The Council makes use of other sanctions as alternatives to prosecutions where these are appropriate, this includes the use of civil penalties for council tax matters, cease and desist notices and disruption activity.

12. SAFS continues to work closely across the Council Housing services, working with officers to assist in the recovery of council properties that are being sub-let or misused, preventing fraudulent right to buy (RTB) applications and identifying fraudulent housing applications. So far this year one property has been secured and re-let to residents from the Councils housing register.
13. As well as working with the Councils housing services SAFS continues to work with registered housing providers to investigate allegations of 'tenancy-fraud' committed against the social housing stock within the Councils boundaries.

Proactive Work

14. SAFS officers have reviewed 19 'right to buy' (RTB) and 21 succession applications to ensure that there were no fraud or money laundering concerns with these. To the end of September two RTB application required further investigation and both were subsequently withdrawn savings around £102k in discount value of the sales had gone ahead.
15. SAFS and Council officers ensured that all data required for submission as part of the Cabinet Office 'National Fraud Initiative' (NFI) was uploaded in late 2024. The output from this exercise produced 572 general matches. Officers from SAFS and the Council are reviewing all matches with the intention to clear and close this work by the end of Q2, however only 116 were cleared and areas such as Housing Tenants and Housing Register did not receive as much attention as planned.
16. The Council is signed up the Herts Fraudhub for 2025/26. The FraudHub works in a similar fashion to the main NFI exercise with data being submitted along with the other SAFS partners to help identify fraud through data-analysis/matching. We suspended activity on the FH until Q3 to focus on clearing the matches from the main NFI exercise.
17. SAFS KPIs were agreed in the Anti-Fraud Plan and progress is shown below.

KPI	Measure	Objectives	Performance to October 2025
1	Return on investment from SAFS Partnership.	Demonstrate that the Council is receiving a financial return on investment from membership of SAFS and that this equates to its financial contribution. A. Meetings to take place with the Councils Deputy S.151, quarterly. B. S.151 or deputy will attend the quarterly meeting of the SAFS Board.	A. Meetings are being arranged with the Assistant Director Finance and other senior leaders to discuss delivery of the AF Plan and anything else relevant. The agenda is agreed by Council Officers B. Assistant Director Finance is a member of the SAFS Board and is invited to its quarterly meetings. SAFS meet with other service leads across the Council as and when required with a focus on the highest risk areas. And takes part in CGG boards.
2	Provide an investigation service.	A. Target to deliver at least 95% of the funded 409 Days of counter fraud activity including proactive and reactive investigations, data-analytics, staff training and fraud risk management. (Supported by SAFS Intel/Management). B. 3 Reports to Audit & Governance Committee. C.	A. To the end of June 2025 SAFS had provided 188 days (36%) of those planned for the year. SAFS have allocated additional resource for Q3 onwards to bring this KPI back on target. B. SAFS reports agreed for September/November/March Audit Committees as part of the Fwd Plan.
3	Action on reported fraud.	90% of all referrals into SAFS to be reviewed within 2 working days on average.	A. In Q1/Q2 100% of referrals within 0.7 days on average.
4	Anti-Fraud Training	A. Membership of NAFN & PNLD B. Membership of CIFAS/LBFIG/FAP/FFCL C. NAFN Access/Training for relevant Council Staff	A. NAFN and PNLD licences in place. B. CFIAS/LBFIG/FAP/FFCL memberships in place C. NAFN and NFI training and awareness part of the SAFS Training Plan for 25/26.

		D. 10 Training events for staff/Members in year.	D. 4 sessions delivered with more planned for Q3.
5	Allegations of fraud. & And outcomes from cases investigated.	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 Council officers. C. 6-12 Social homes secured from unlawful use or sub-letting. D. 100% Review of all Right to Buy and 'Succession' applications.	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 with a number pending recovery at the time of reporting +2 RTB applications rejected. D. 100% review of all RTBs and Succession applications completed.
6	Making better use of data to prevent/identify fraud.	A. Support the output from NFI 2025/26 Council services. B. Maintain use of the Herts FraudHub	A. The NFI reports/matches were reviewed with SAFS support. B. The Council has a contract in place for the FHUB, and data is being uploaded and output to commence in Q3.

Further Reading

18. 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/CIF9AS/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) *Fighting Fraud - Breaking the Chain (Report of Session 2022-2023 House of Lords)*
- (f) *HMG Fraud Strategy - Stopping Scams, Protecting the Public (May 2023)*
- (g) *Lost Homes, Lost Hope (Fraud Advisory Panel 2023)*