Stevenage Borough Council

Audit Committee

September 2026

Anti-Fraud Progress Report 2026/2027

Purpose

1. This progress 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 Action Plan for 2026/27.

2. A final report covering the whole year will be provided to this Committee in the summer 2027 with detailed activity against the Anti-Fraud Plan.

Recommendations

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.

The Anti-Fraud Plan

3. The Anti-Fraud Plan for the current financial year was approved by this Committee at its March 2026 meeting https://democracy.stevenage.gov.uk/ieListDocuments.aspx?CId=138&MId=5902&Ver=4
The Plan covers all areas recommended by CIPFA and the *Fighting Fraud and Corruption Locally Strategy for the 2020s*, and provides assurance that the council continues to benefit from a positive return on its investment in the SAFS Partnership.

2026/2027 Anti-Fraud Activity

4. 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. All CF policies are due to be reviewed in the summer of 2026.

5. SAFS provides alerts about new and emerging fraud trends through its Board members and directly with officers working in all 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 July this year SAFS issued 15 urgent Fraud Alerts including / Mandate Fraud/ Election Fraud/ Impersonation/ Poly-Workers/ Blue Badge abuse. SAFS also provides quarterly Fraud Circulars that summarise new and emerging risks and provide officers with the latest guidance to assist with identification and prevention, the latest of these circulars was issued to all officers in June 2026.

7. 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. Four training sessions were delivered in Q1 with seven further sessions planned for Q2/Q3.

8. SAFS officers have been working with the Councils HR Team to design and deliver a new E-learning module, including guidance on fraud prevention, anti-bribery and anti-money laundering. This will also assist the Councils compliance with Economic Crime and Corporate Transparency Act 2023.

9. Across all partners SAFS provides Executive Reports (ER) to senior management and internal audit where investigations identify that fraud or attempted fraud occurred due to system/process weaknesses, SAFS also provides recommendations for management to consider the removal/reduction/mitigation of any ongoing fraud risk. No ERs have been issued so far this year.

Reactive Work

10. Between April and June 2026 39 allegations of fraud were received by the Council/SAFS affecting service areas such as housing, council tax, business rates- 20 of these matters were reported by Council staff. We are pleased to see an increase in reporting overall but in particular from staff in Q1.

11. SAFS currently have 32 cases under investigation, or at referral stage (9), with estimated losses of **£693k** recorded in this caseload. SAFS have closed 11 investigations with fraud identified on 10 occasions. Fraud losses of **£24k** have been reported, along with savings of around **£84k**. SAFS have also conducted compliance reviews of 3 alleged council tax frauds, identifying **£7k** in council tax liability.

12. One case was referred to the Councils legal team to consider prosecution in 2025 and this case remains open. These cases often involved high losses and will take time to resolve through the court process.

13. 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. One property was recovered and returned to stock in Q1 and one case is with the Councils legal team pending recovery.

14. As well as working with the Councils Housing services SAFS continues to work with registered housing providers, including Clarion/Settle/Peabody to investigate allegations of 'tenancy-fraud' committed against any of the social housing stock within the Councils boundaries.

Proactive Work

15. SAFS have reviewed 18 Right to Buy (RTB) applications and 5 Succession applications to ensure that there were no fraud or money laundering concerns with these. One RTB application has been cancelled following concerns about the source of the funding for the purchase.

16. SAFS and Council officers are working on training and awareness to ensure that all data required for submission as part of the Cabinet Office 'National Fraud Initiative' (NFI) 2026/27 is uploaded on time and meets the correct specification.

17. The Council is signed up to the Herts FraudHub for the current year. 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 plan to commence upload of data to the FraudHub shortly but only until Q3 when we will prioritise the main NFI exercise into Q3/Q4.

SAFS Performance

18. SAFS KPIs were agreed in the Anti-Fraud Plan, progress is reported below.

Key

Met/ Complete	On Target	Part Met	Not Met

KPI	Measure	Objectives	Performance to July 2026
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 S.151, quarterly. B. S.151 or deputy will attend the quarterly meeting of the SAFS Board.	A. Meetings are being arranged with the S.151 and other senior leaders to discuss delivery of the AF Plan and anything else relevant. B. The S.151 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 is part of the CGG
2	Provide an investigation service.	A. **Target to deliver at least 95% (478) of the funded 503 Days** agreed counter fraud activity including proactive and reactive investigations, data-analytics, staff training and fraud risk management. (Supported by SAFS Intel/Management). B. To deliver **3 Reports** to Audit & Governance Committee. (Report/Update/Plan)	A. To the end of June 2025 SAFS provided 135 days **(27%)** of those planned for the year. B. SAFS reports agreed for September/ November/ March Audit Committees as part of the Fwd Plan.
3	Action on reported fraud.	A. **95% referrals** into SAFS to be reviewed within **2 Days** of receipt, on Average. B. **100% urgent/high risk** referrals to be triaged through SAFS Management Team and details shared with S151 Officer.	A. In Q1 100% of referrals within 24 hours on average. B. All urgent/high risk matters are recorded in the SAFS Mgt Tracker for review.
4	Triage of referrals & Outcomes for cases investigated.	A. **100% of reported fraud** (referrals) will be logged by type & source on SAFS case management system (CMS). B. **100%** cases investigated will be recorded and the financial value, including loss/recovery/ savings of each will be reported to officers. C. Recover or secure **6-12 properties** belong to the Council that were subject to fraud/misuse.	A. All referrals and cases are logged on rhe SAFS CMS B. The management and outcomes of all cases are recorded on the SAFS CMS. C. The Council secured 1 property following SAFS investigations in Q1 and 1 more property awaits recovery via legal action.
5	Making better use of data to prevent/identify fraud.	A. Ensure upload of data for **NFI 2026/27** and the output from it is resolved as required by legislation. B. Ensure membership of the **Herts FraudHub** in 2026/27. C. That the **ROI** for the FraudHub exceeds it cost.	A. SAFS are working with officers across the Council to meet this requirement by the October deadline. B. The Council is signed up the FHub for 2026/27 C. Data-upload has commenced and we have matches to review.

6	Added value of SAFS membership.	A. Membership of **NAFN, PNLD & CIFAS** (via HCC) B. **10 Training events** for staff/Members in year. A. Identify financial Savings or fraud loss that exceeds the Councils contribution **(£188k)** towards SAFS for 2026/2027.	A. The Council is a member of NAFN and has access to PNLD and CIFAS via SAFS/HCC.. B. A Plan has been agreed with HR and Council officers for this year, with 4 sessions delivered in Q1 and 7 more planned for later in the year. C. Savings through prevention and fraud loss for recovery already exceed **£115k.**

Further Reading

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

I. ***Councillors Workbook on Bribery & Fraud Prevention*** *(LGA 2017)*
II. ***Fighting Fraud and Corruption Locally - A Strategy for the 2020's*** *(CIPFA/CIFPA/LGA 2020)*
III. ***National Anti-Fraud Network- Local Authority Counter Fraud Report 2025***
IV. ***Code of Practice - Managing the Risk of Fraud and Corruption*** *(CIPFA 2014)*
V. ***Lost Homes, Lost Hope*** *(Fraud Advisory Panel 2023)*