



North Herts Council

Finance Audit & Risk 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 Finance, Audit and Risk Committee, 13/03/2024 19:30 \(north-herts.gov.uk\)](#). 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.

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 or 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 ID 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, are being developed with officers in HR and Comms teams. Five specialised training events (including ID fraud, Benefits and Blue Badge abuse), and we have further sessions planned for September on contract/bid-rigging for Officers and fraud awareness for Members.
9. Between April and end of July 2024, a further 33 allegations of fraud have been received by the Council/SAFS including Housing, Council Tax and Blue Badge abuse. SAFS currently have 32 cases under investigation, or at referral stage (13), with estimated losses of £234k. These figure are positive when compared to other SAFS Partners in the level of reporting with the estimated loss being much lower, which is very positive.

Four investigations have been closed and fraud losses/savings identified in all but one case. SAFS have also conducted 15 reviews of low value council tax frauds identifying £10.5k of loss in council tax.

10. SAFS and Council officers across the Council 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 2025.
11. The Council is signed up to the Herts FraudHub for 24/25. The FraudHub 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 1.5K records for review, SAFS and Council officers are reviewing these at present, with a small number of frauds/discrepancies already identified and prevented fraud recorded at £17k.
12. SAFS continues to work with registered housing providers, predominately settle for North Herts Council, to investigate allegations of 'tenancy-fraud' committed against the social housing stock within the Councils boundaries. Currently 7 such cases are being investigated by SAFS and one property has already been recovered with the Council having nomination rights to place a family from the Housing Register into that property.
13. 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 and the Council's Revenues Manager is considering whether to make use of the framework in 2024 following its positive outcomes in 2023.
14. Another area of proactive work for the Council to detect fraud and error is the AnalyseLocal Project. This system, funded by the County Council, and provided by third party specialists identifies businesses claiming exemptions or discounts they are not entitled to. The Councils Revenues Manager is considering the use of this service for 2024.
15. In June this year SAFS worked with Councils across Hertfordshire, Buckinghamshire and Oxfordshire to provide a campaign with local civil enforcement teams to tackle the twin problem of Blue Badge theft and the misuse of borrowed or stolen badges in carparks owned by Councils. In Hertfordshire, SAFS also engaged with the Hertfordshire Constabulary and joint patrols with SAFS, Police and Council Civil Enforcement Officers all taking part. These were conducted through June targeting known hotspots.

16. SAFS KPIs were agreed in the Anti-Fraud Plan and progress against them is reported in the table below.

SAFS KPIs - 2024/ 2025- (NHC)

KPI	Measure	Objectives	Performance to August 2024
1	Return on investment from SAFS Partnership.	<p>A. Meetings to take place with the Councils Service Director-Resources and Service Director-Customers.</p> <p>B. Service Director-Resources will sit on the SAFS Board that meets quarterly.</p> <p>C. Regular meetings to take place with Service Leads to agree and update local work plans.</p>	<p>A. Meetings are scheduled with the Service Director-Resources and Service Director-Customers.</p> <p>B. Service Director-Resources is a SAFS Board Member and attends quarterly meetings.</p> <p>C. SAFS meet with other service leads across the Council as and when required with a focus on the highest risk areas.</p>
2	Provide an investigation service.	<p>A. Target to deliver 90%-110% of the funded 267 Days of counter fraud activity including proactive and reactive investigation work, data-analytics, training and fraud risk management (Supported by SAFS Intel/Management).</p> <p>B. 3 Reports to Finance Audit and Risk Committee.</p> <p>C. SAFS attendance at corporate governance, 'service champion' meetings, local management team meetings.</p>	<p>A. To the end of July 2024 SAFS had provided 97 days (36%) of those planned for the year.</p> <p>B. SAFS will be delivering reports to the Councils FAR Committee in the summer, autumn of 2024 and Spring 2025.</p> <p>C. SAFS has identified service champions in R&B, HR and Housing. And, takes part in the Councils Corp Enforcement Forum.</p>
3	Action on reported fraud.	<p>A. All urgent/ high risk cases will be responded to within 24 hours.</p> <p>B. All other cases 2 Days, on Average.</p>	<p>A. We are still unable to separate urgent cases from others in our Case Management System.</p> <p>B. All referrals (including urgent/high risk) were actioned within 24 hours on average.</p>
4	Added value of SAFS membership.	<p>A. Membership of NAFN & PNLD</p> <p>B. Access to CIFAS/NCSC/AF/FFCL alerts, trends, best practice</p> <p>C. NAFN Access/Training for relevant Council Staff</p> <p>D. 5 Training sessions for staff/Members in year. (To be agreed with Service leads and HR)</p>	<p>A. SAFS has membership of PNLD and NAFN via SAFS.</p> <p>B. SAFS (HCC) is a member of CIFAS.</p> <p>C. NAFN service awareness is part of the training plan for 24/25</p> <p>D. 5 Sessions delivered in Q1/Q2, and we have 2 more planned for Q2.</p>
5	Allegations of fraud received. & Success rates for cases investigated.	<p>A. All reported fraud (referrals) will be logged and reported to officers by type & source.</p> <p>B. All cases investigated will be recorded and the financial value, including loss/recovery/ savings of each will be reported to officers.</p> <p>C. SAFS will work with social providers across the Borough.</p>	<p>A. Fraud reporting options available for staff and residents on the Council's webpage and intranet- This is linked to SAFS reporting tools.</p> <p>B. All cases with reports/values/ outcomes recorded on SAFS CMS.</p> <p>C. SAFS is working with housing providers through separate contracts.</p>
6	Making better use of data to prevent/identify fraud.	<p>A. Support the output from NFI 2024/25 Council services.</p> <p>B. Membership and VFM from the Herts FraudHub in 2024/25.</p>	<p>A. The NFI data-upload is planned for October with plans to review output from January 2025.</p> <p>B. The Council has a contract in place for the FHub and data is being uploaded and output under review currently.</p>

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)***