

North Herts Council

Anti-Fraud Plan 2025-2026

In partnership with

The Hertfordshire Shared Anti-Fraud Service



**North
Herts
Council**



SAFS

Shared Anti-Fraud Service
Fighting Fraud Together

<u>Contents</u>	Page No.
Introduction	2.
The National Context	3.
SAFS Resources for 2025- 2026	4.
SAFS KPIs & Standards of Service	7.
Appendices	
A. Anti-Fraud Action Plan 2025-2026	8.
B. SAFS KPIs 2025-2026	9.

Introduction

This plan supports the Council's **Fraud Prevention Policy** www.north-herts.gov.uk/fraud-prevention (including fraud, corruption, money-laundering, bribery and tax evasion) by ensuring that the Council, working in partnership with the Shared Anti-Fraud Service (SAFS), has in place affective resources and controls to prevent and deter fraud as well as investigate those matters that do arise.

The **Fraud Prevention Policy** applies to all staff, elected members, agency staff, temporary staff, volunteers, consultants, contractors and partners and states;

That staff and others must:

- **Be aware of the definitions in relation to fraudulent and related activity, including the various criminal offences they include.**
- **Not commit any of the offences detailed.**
- **Report any suspicions of these offences being committed.**
- **Develop (where applicable to role) and fully comply with policies and processes to reduce the risk of these offences being committed.**
- **Disclose any gifts and hospitality that you receive, in line with other policies.**

This plan includes objectives and key performance indicators that support the Councils Policy and follows the latest best practice/guidance/directives from the Ministry for Housing and Local Government (MHCLG), National Audit Office (NAO), Local Government Association (LGA) Public Sector Fraud Authority (PSFA) and the Chartered Institute for Public Finance and Accountancy (CIPFA).

National Context.

In 2013 the National Fraud Authority stated that the scale of fraud against local government “is large, but difficult to quantify with precision”. Since 2013 a number of reports have been published including by CIPFA, NAO and Fraud Advisory Panel indicating that the threat of fraud against local government is both real, causing substantial impact (including reputational, service as well as financial) and should be prevented wherever possible.

In November 2024, the National Audit Office (NAO) published its report to the new Government **The impact of fraud and error on public funds 2023-24**. The report states “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”. There are no accurate statistics for fraud loss/prevention in local government since CIPFA ceased its Counter Fraud Tracker in 2019/20, but it safe to say that fraud is still there and based on our own experience the risk is significant

The *Fighting Fraud and Corruption Locally, A Strategy for the 2020’s*, published in March 2020 and supported by CIPFA, the LGA, SOLCACE and External Auditors provides a framework for the Council to adopt in developing its counter fraud activity and this Anti-Fraud Plan follows the guidance and recommendations of the *Strategy*. A copy of the *Strategy* can be found at <https://www.cipfa.org/services/cipfa-solutions/fraud-and-corruption/fighting-fraud-and-corruption-locally>

The *Strategy* compliments work undertaken in 2019 by CIPFA, NAO and Cabinet Office as well as the *Code of practice on managing the risk of fraud and corruption* CIPFA 2015 including the four ‘Pillars’ of **Govern, Acknowledge, Prevent, Pursue** with an overarching aim of **Protect**:

For the Council this includes protecting public funds it administers and protecting the Council and its residents against fraud and cybercrime.



Anti-Fraud Plan 2025-2026

The Councils Anti-Fraud Plan will be managed by the Hertfordshire Shared Anti-Fraud Service (SAFS), but officers at all levels across the Council will have responsibility for ensuring that the plan is delivered and the Council protected against acts of fraud and corruption.

The Anti-Fraud Plan highlights specific areas of work to protect the Council against fraud and corruption. The Council also has a duty to protect the public, and it does this through its work across all services and in particular by sharing information and knowledge. The Council has frameworks and procedures in place to prevent fraud and encourage staff and the public to report suspicions of fraud.

The Anti-Fraud Plan for 2025-2026 follows the guidelines and checklists contained in the *Fighting Fraud and Corruption Locally Strategy* and progress against this will be reported to senior management and the Councils Audit and Governance Committee. A break-down of work included in the Plan can be found at **Appendix A** along with the officers with responsibility for ensuring the plan is delivered.

SAFS Resources 2025-2026

Anti-Fraud Arrangements

The Council is a founding member of the Hertfordshire Shared Anti-Fraud Service (SAFS) and this service has provided the majority of the anti-fraud arrangements for the Council since April 2015. The SAFS Partnership, as well as North Herts Council, includes Stevenage Borough Council, Hertsmere Borough Council, Hertfordshire County Council, Luton Borough Council, Borough of Broxbourne Council, East Herts Council and Welwyn and Hatfield Council. The SAFS Team also provides services to other public sector bodies across Hertfordshire.

The SAFS Core Service is made up of 22.5 FTE staff for 2025/26. All staff are trained and accredited specialising in fraud prevention, fraud investigation, fraud awareness, fraud risk assessment as well as proceeds of crime, anti-bribery and anti-money laundering. All staff are required to members of the Counter Fraud Profession- or working toward this via professional qualification or apprenticeships.

The SAFS Team has been nominated for and/or won awards for the services it provides including the ***Tackling Economic Crime Awards*** (TECAS), the ***Institute of Revenue Rating and Valuation Awards*** (IRRV), the ***Public Finance Awards*** (PFA), and ***Public Sector Counter Fraud Awards***.

In 2023/24 SAFS underwent an external Peer Review with a final report provided to the Board in March 2024. This report commended the service provide to the SAFS Partners and the work of the SAFS Team. A number of recommendations included in the final report, to further enhance the service offering, were adopted by SAFS Management and implemented in 2024/25.

SAFS is a Partnership with each organisation paying an annual fee to Hertfordshire County Council for a contracted service to all Partners. SAFS, as a service, has a number of key objectives developed by its Management Board (the Board) and every Partner has a seat on that Board. For the Council the **Service Director- Resources** is the Board representative.

Although SAFS will provide much of the Councils operational counter fraud work Council officers are responsible for ensuring the policies, procedures, training and appropriate resources are in place to protect the Council from fraud, corruption and bribery.

Budget

In October 2024 the SAFS Board agreed fees for all Partners from April 2025. The Board also received assurance from financial modelling that the service would be sustainable, in its current form, for the next three years.

Fees for North Herts Council in 2025-2026 have been agreed at £98,311+ VAT- this is an increase of 4% from 2024-2025.

Staffing

The full complement for SAFS in 2025-2026 is planned to be 22.5 FTE for its Core Service.

SAFS will provide 298 days (an increase from the 267 days in 24/25) of counter fraud work, access to intelligence functions of the service, all data-matching services being offered through the SAFS Data-Hub and Herts *FraudHub* (hosted by Cabinet Office) and can call on SAFS management for liaison meetings, management meetings and three reports per annum to the Audit Committee. An Accredited Financial Investigator is available to assist in money laundering or proceeds of crime investigations.

SAFS has access to specialist IT forensics, covert surveillance and national counter fraud intelligence services provided via third parties and criminal litigation services to support the Councils legal team.

SAFS will provide fraud alerts/updates (local and national) to Council officers and senior management of all new and emerging fraud risks through its membership of anti-fraud forums and specialist providers including the Fighting Fraud and Corruption Locally Board (FFCLB) the Credit Industry Fraud Avoidance Service (CIFAS), Certified Institute of Public Finance and Accountancy (CIPFA) Finance, National Fraud Intelligence Bureau (NFIB), Fraud Advisory Panel (FAP), National Anti-Fraud Network (NAFN) and the Public Sector Fraud Authority (PSFA).

Workplans & Projects 2025-2026

As well as an agreed programme of work (see **Appendix A**) SAFS will work in the following areas delivering specific activity agreed with service managers. Progress with this work will be reported to the relevant head of service/managers on a quarterly basis.

Service Area	Agreed Projects
<p>Cross Cutting Corporate Initiatives</p>	<p>General Support. Three Reports to the Finance Audit and Risk Committee. (Incl this AF Plan, regular updates on progress with the Plan, an annual report on AF work in 2024/25) SAFS meetings with Senior Managers and Corp Enforcement Group. Assisting with the review of the Councils existing anti-fraud policies, including the implications of the new 'Failure to Prevent Fraud' offence introduced by the ECCT Act 2023. Money Laundering Reporting Officer (MLRO) role. Assist with NFI 2025 Output and the Herts FraudHub. Assisting with Payroll fraud matters including disciplinary investigations. Identify new fraud risks and fraud alerts across all Council services and providing a resource to support any investigation, reporting or risk assessment required from any emerging fraud or corruption. Access to PNLD for the Councils Legal Team.</p> <p>Training. Provide fraud training/awareness events for staff/members in year delivered face to face/virtually/hybrid. Work closely with HR to review the Councils I-Learn training package on fraud/bribery/money laundering. Roll out of NAFN training and registration for appropriate services/officers.</p> <p>Procurement. Work with the Procurement Team developing a bespoke risk assessment for fraud in procurement/contracts.(continued from 2024/25 plan)</p>
<p>Revenues and Benefits</p>	<p>This work will be arranged with the Councils R&B Service (Mgrs from Revenue and Benefits are both engaged with SAFS) Proactive training and awareness for management and front-line staff. Reactive investigations for council tax support/discount and business rate fraud. Support for single person discount review utilising 3rd party framework. Identify systems/processes/new developments to assist in recovery of debt created by fraud. Use of data-analytics to identify fraud/evasion of business rate liability and collection. Joint working with DWP where council tax support and other 'national' benefits are in payment- where this benefits the Council. Support the Councils Visiting Officer with Intel and access to data to improve revenue collection. Support the Council with the Government led review of Covid Grants.</p>
<p>Housing Services</p>	<p>This work will be arranged with the Councils housing services and in partnership with Settle and other housing providers owning stock within the Councils boundaries. Proactive training and awareness for management and front-line staff. Reactive investigations for Housing Application or fraud linked to Homelessness/Temporary Accommodation.</p>

SAFS Key Performance Indicators (KPI) & Standards of Service.

SAFS will work to a set of KPIs agreed with senior officers and these targets will assist in delivering the Councils Anti-Fraud Plan. The KPI's can be found at **Appendix B** and will be reported to senior officers and Audit and Standards Committee throughout the year.

SAFS - Standards of Service.

SAFS will provide the Council with the following anti-fraud services.

1. 24/7 Access to a fraud hotline, email and online solution for public reporting.
2. Process for Council staff to report suspected fraud to SAFS via email/phone/weblinks.
3. Training in: Fraud Awareness (management/staff/members), Fraud Prevention, Identity Fraud and Money Laundering.
4. A Money Laundering Reporting Officer service as laid out in the relevant Council policies.
5. Assistance in the design/review of Council policies, processes, and documents to deter/prevent fraud.
6. SAFS will design shared/common anti-fraud strategies and policies or templates to be adopted by the Council.
7. SAFS will continue to develop with the Cabinet Office and Council officers a data-matching solution (NFI- Herts *FraudHub*) to assist in the early identification and prevention of fraud.
 - The FraudHub will be funded by the Council.
 - The FraudHub will be secure and accessible only by nominated SAFS and Council Staff.
 - Data will be collected and loaded in a secure manner.
 - SAFS will design and maintain a data-sharing protocol for all SAFS Partners to review and agree annually.
 - SAFS will work with Council officers to identify datasets (and frequency) of the upload of these.
 - SAFS will work with Council officers to determine the most appropriate data-matching.
8. All SAFS Staff will be qualified, trained and/or accredited to undertake their duties lawfully.
9. All SAFS investigations will comply with legislation including DPA, GDPR, PACE, CPIA, HRA, RIPA* and relevant Council policies.
10. Reactive fraud investigations.
 - Any high profile, high value, high risk cases or matters reported by senior managers will receive a response from SAFS Mgt and be added to the Management Tracker so they are prioritised appropriately.
 - All cases reported to SAFS will be reviewed within 2 days of receipt and decision made on immediate action including selection of cases for further review, no action, investigation, or referral to 3rd parties including police, DWP, Action Fraud.
 - The Council will be informed of all reported fraud affecting its services.
 - SAFS will allocate an officer to each case.
 - SAFS officers will liaise with nominated officers at the Council to access data/systems to undertake investigations.
 - SAFS officers will provide updates on cases and a summary of facts and supporting evidence on conclusion of the investigation for Council officers to review and make any decisions.
 - Where criminal offences are identified SAFS will draft a report for Council officers to decide on any further sanctions/prosecutions.
11. Where sanctions, penalties or prosecutions are sought SAFS will work with the Council to determine the appropriate disposal in line with the Council's policies.
12. SAFS will provide Alerts to the Council, of suspected fraud trends or reports/guidance from government and public organisations that are relevant to fraud.
13. SAFS will provide reports to senior management on the progress with delivery of this Plan and any other relevant activity planned or otherwise.

14. SAFS will provide reports through the SAFS Board and to the Council's Audit Committee as agreed in the SAFS Partnership Contract.

**Data Protection Act , General Data Protection Regulation, Police and Criminal Evidence Act, Criminal Procedures and Investigations Act, Human Rights Act, Regulation of Investigatory Powers Act, Investigatory Powers Act.*

Appendix A.

NHC / SAFS Action Plan 2025/2026

FFCL Pillars	Objectives	Activities	Responsible Officer
Governance	Having robust arrangements and executive support to ensure anti fraud, bribery and corruption measures are embedded throughout the organisation.	Ensure the Councils Anti-Fraud and Corruption Strategy & Fraud Response Plan and associated policies to deter, prevent, investigate and punish acts of fraud or corruption are reviewed against latest best practice.	Managing Director / Monitoring Officer / Service Director-Resources
		The Councils Finance Audit and Risk Committee will receive reports during the year about the arrangements in place to protect the Council against fraud and the effectiveness of these.	Head of SIAS /Head of SAFS
		The Finance Audit and Risk Committee and its Chairman, along with the senior management team, will ensure compliance with the latest best practice in the Councils anti fraud arrangements.	FARC Chair/ Service Director-Resources / Monitoring Officer
		System/process weaknesses or risks revealed by instances of actual fraud will be reported to departments/services with recommendations to manage/mitigate these risks. Reports will be shared with senior managers or the Shared Internal Audit Service (SIAS) to review outcomes and management response to recommendation.	Head of SIAS / Head of SAFS
		SAFS will assist the Council in providing its Fraud Data for the Transparency Code.	Head of SAFS
		The Council will make it clear through its policies and codes of conduct for staff and Members that fraud and corruption will not be tolerated.	Service Director-Resources / HR Services Manager/ Monitoring Officer
ACKNOWLEDGE	<p>Accessing and understanding fraud risks.</p> <p>Committing the right support .</p> <p>Demonstrating a robust anti-fraud response.</p> <p>Communicating the risks to those charged with Governance.</p>	Inclusion of Fraud Risks and actions to manage/mitigate/reduce this in its Annual Governance Statement.	Head of SIAS /Service Director-Resources/ Monitoring Officer
		The Councils Communication Team will publicise fraud alerts/awareness/campaigns to staff and residents to help prevent/deter fraud.	Head of SAFS/ Communications Mgr
		The Council and SAFS will provide fraud awareness & specific anti-fraud training across all Council services and review the Councils E-Learning training for staff.	Service Director- Resources / Head of SAFS
		The Council is a member of the Hertfordshire Shared Anti-Fraud Service (SAFS).	Service Director-Resources
		SIAS will take into account known or emerging fraud risks provided by SAFS or others when audit panning takes place. SIAS will share the details of all suspected fraud to senior management and SAFS for review/action.	Head of SIAS
PREVENT	<p>Making the best use of information and technology.</p> <p>Enhancing fraud controls and processes.</p> <p>Developing a more effective anti-fraud culture.</p> <p>Communicating activity and successes.</p>	SAFS will provide fraud alerts and new and emerging fraud threats to be disseminated to appropriate officers/staff/services.	Head of SAFS
		SAFS will work with all Council services to make best use of 3rd party providers such as NAFN, PNLD, CIPFA, CIFAS.	Head of SAFS
		The Council will renew it's membership of the Herts Fraud-Hub. SAFS will Develop the Herts FraudHub and support Council officers with the output from NFI 2024/2025 Exercise.	Head of SAFS/ Service Director-Customers
		The Council and SAFS will work with other organisations, including private sector, to improve access to data and data-services that will assist in the detection or prevention of fraud.	Head of SAFS/ Service Director-Resources
		The SAFS Mgt will provide reports to the SAFS Board on anti-fraud activity across the Partnership and any learning will be shared with all Partners	Head of SAFS
		The Council will review data sharing agreements/protocols to ensure compliance with DPA & GDPR(UK) to maximise the use of sharing data with others to help prevent/identify fraud.	Monitoring Officer
		SAFS will work with the LGA and Cabinet Office to support the work of the Public Sector Fraud Authority and the Fighting Fraud Locally Board.	Head of SAFS
PURSUE	<p>Prioritising fraud recovery and use of civil sanctions.</p> <p>Developing capability and capacity to punish offenders.</p> <p>Collaborating across geographical and sectoral boundaries.</p>	All fraud reported to the Council will be captured via SAFS fraud reporting tools (web/phone/email) for staff, public and elected Members. SAFS will work with officers to promote the reporting of suspected fraud by officers and the public.	Head of SAFS
		All investigations will comply with relevant legislation and Council Policies. Investigations will include civil, criminal and disciplinary disposals	Head of SAFS
		SAFS will use its case management system to record and report on all fraud referred, investigated and identified.	Head of SAFS
		Legal Service and debt recovery teams will seek to 'prosecute' offenders, apply sanctions and recover financial losses- supported by relevant policies.	Monitoring Officer/ Service Director- Customers
		SAFS and the Councils R&B Service will work with DWP to deliver joint investigations where fraud affects both council tax and housing benefit or other 'national' 'benefits'	Head of SAFS/ Service Director-Customers
		All SAFS staff will be fully trained and accredited. SAFS will continue to work with the Cabinet Office to support the Counter-Fraud Profession.	Head of SAFS
		SAFS will use its in-house expertise as well as external partners when considering the use of POCA, NAFN services, Surveillance or IT Forensics.	Head of SAFS
PROTECT	<p>Recognising the harm that fraud can cause in the community.</p> <p>Protecting the Council and residents from fraud.</p>	SAFS will provide reports and data to Fraud Champions on all anti-fraud activity as required by Council officers.	Head of SAFS
		Regular reports for the Finance Audit and Risk Committee on all Counter Fraud activity at the Council.	Head of SAFS / Service Director-Resources
		The Council has in place measures to protect itself against cyber crime, malware and other potential attacks aimed at its IT infrastructure, with training for staff and elected members	Service Director- Customers
		SAFS will work with bodies including MHCLG/LGA/CIPFA/FFLB to develop anti-fraud strategies at a national level that support fraud prevention in local government	Head of SAFS

Appendix B.

SAFS KPIs - 2025/ 2026- NHC

KPI	Measure	Objectives	Reason for KPI
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. Regular meetings to take place with the Councils Service Director Resources and Service Director Customers , quarterly. B. Service Director Resources will be the SAFS Board representative for the Council and attend its quarterly meetings.	Transparent evidence to Senior Management that the Council is receiving a service matching its contribution.
2	Provide an investigation service.	A. Target to deliver at least 95% of the funded 298 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 Finance Audit and Risk Committee. (Annual Report, Updates, 25/26 AF Plan)	Ensure ongoing effectiveness and resilience of the Councils Anti-fraud arrangements.
3	Action on reported fraud.	A. All cases to be reviewed withing 2 Days of receipt, on Average.	Ensure that all cases of reported fraud are triaged within agreed timescales.
4	Allegations of fraud received. & Success rates for cases investigated.	A. All reported fraud (referrals) will be logged 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.	This target will measure the effectiveness of the service in promoting the reporting of fraud & measure the effectiveness in identifying cases worthy of investigation.
5	Making better use of data to prevent/identify fraud.	A. Ensure output from NFI 2024/25 is resolved as required by legislation. B. Ensure membership of the Herts FraudHub in 2025/26.	Build a data hub that will allow the Council to access and share data to assist in the prevention/detection of fraud.
6	Added value of SAFS membership.	A. Membership of NAFN & PNLD for 2025/26 B. 5 fraud awareness/prevention sessions for staff/Members in year. (To be agreed with Service leads and HR)	Deliver additional services that will assist in the Council in preventing fraud across all services and in the recovery of fraud losses.