



North Herts Council

Finance Audit & Risk Committee

September 2025

Anti-Fraud Progress Report 2025/2026

Purpose

1. This early 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 2025/26.
2. Further reports will be provided during this financial year and a final report covering all anti-fraud work in 2025/26 will be provided to this Committee in June 2026.

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 2025 meeting ([Public Pack](#)) [Agenda Document for Finance, Audit and Risk Committee, 12/03/2025 19:30](#) . The 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.

Anti-Fraud Prevention

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. These policies were last reviewed in 2022 and an officer review is planned for this year.
5. SAFS provided alerts on 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 July 2025 SAFS issued 2 Fraud Alerts including a reminder about fake documents and published reports on the propensity for people to commit fraud as well as guidance on the new 'Failure to Prevent Fraud' offence. SAFS also provide regular Fraud Threat Reports that summarise new and emerging risks and provide officers with the latest guidance to assist with identification and prevention. SAFS has issued 6 such reports this year focused on multiple employment fraud, housing application fraud, fake blue badges and 'mandate' fraud.
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.

8. 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.
9. A new offence of 'Failing to Prevent Fraud' introduced by the Economic Crime and Corporate Transparency Act 2023 came into force in September this year. Along with all other Councils North Hertfordshire Council will be caught by this legislation and SAFS are liaising with the LGA and FFCL to better understand the risks and implications of this new legislation so the Council is prepared for it.
10. SAFS are part of several 'working' parties with the Cabinet Office- Public Sector Fraud Authority (PSFA) including development of the Counter Fraud Profession, and new legislation passing through parliament that will impact on local government including the Public Authorities (Fraud, Error and Recovery) Bill.

Reactive Work

11. Between April and June, 26 allegations of fraud had been received affecting service areas such as housing, council tax, procurement, and Blue Badge misuse- only 2 referrals were made by Council officers, compared to previous years this is very low. SAFS currently have 18 cases under investigation, or at referral stage (8), with estimated losses of £129K recorded in this caseload.
12. One case referred to the Councils legal team earlier this year had a summons issued in Q1 and a Guilty plea at the first hearing in July. 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.
13. SAFS Accredited Financial Investigator has been assisting with an investigation conducted jointly by the Councils Enforcement Team and the County Councils Trading Standards service [Hertfordshire County Council | Detection dog aids operations as illegal vapes and tobacco are seized across the county](#) regarding the illegal sale of vapes from a business premise in Royston. The premises was closed in late July following an application by the Councils Enforcement Team, Trading Standards seized a considerable quantity of illegal products and SAFS have secured/restrained bank accounts belonging to the business owner.
14. SAFS continues to work closely across the Council Housing services, working with officers to assist in the review of housing and homelessness applications and a number of investigations have been raised since April.
15. SAFS also works with housing providers across the Borough and a new 'Tenancy Fraud Investigation' contract was signed with Settle (Housing Association) for 2025/26 which has resulted in the recovery of 3 properties that were being misused by tenants who were not living in those properties. These social homes have all

been let to residents from the Councils Housing Register. This work with housing providers could have saved the Council upto £126k this year already.*

**This assumes the figures used in the 'Lost Homes Lost Report' from FAP 2023 of £42k loss per property misused.*

Proactive Work

16. 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 1,181 general matches, creditors and council tax reports. Officers from SAFS and the Council have been reviewing the various reports/matches prioritising high-risk areas, this work has identified 13 potential frauds, with savings through prevention of £51k reported so far.
17. 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 have suspended activity on the FH until Q2 to focus on clearing the matches from the main NFI exercise.
18. SAFS KPIs were agreed in the Anti-Fraud Plan and progress is reported below.

Key

Met/ Complete	On Target	Part Met	Not Met
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KPI	Measure	Objectives	Performance for Q1
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 , at least quarterly or as required by Council officers. B. Service Director Resources will be the SAFS Board representative for the Council and attend its quarterly meetings.	A. Meetings have been planned with the Service Director Resources . B. Service Director Resources 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 CEF.
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)	A. To the end of June 2025 SAFS had provided 56 days (19%) of those planned for the year. B. SAFS reports agreed for September/ November / March FAR Committees as part of the Fwd Plan.
3	Action on reported fraud.	A. All cases to be reviewed within 2 Days of receipt, on Average.	A. In Q1 referrals were triaged within 0.6 days on average.
4	Allegations of fraud received.	A. 100% of all reported fraud (referrals) will be logged by type & source.	A. All referrals, from all sources are logged on SAFS CMS.

	& Success rates for cases investigated.	B. 100% of all cases investigated will be recorded and the financial value, including loss/recovery/ savings of each will be reported to officers.	B. All cases investigated are recorded and managed on the SAFS CMS. Reports on referrals and investigations including status/source/value/outcomes are available.
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 and that the ROI from this is reported to Council officers.	A. The NFI reports/matches are being 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 Q2.
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)	A. NHC is a member of both NAFN and PNLD via SAFS licences. Council officers have access and SAFS provide training/awareness. B. We have begun developing a training plan for NHC with HR leads.

Further Reading

19. 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) *Code of Practice - Managing the Risk of Fraud and Corruption (CIPFA 2014)*
- (d) *Lost Homes, Lost Hope (Fraud Advisory Panel 2023)*
- (e) *Tackling fraud and corruption against government (NAO 2023)*
- (f) *National Fraud Initiative Report 2022 – 2024 (HMG March 2025)*