



North Herts Council

Finance Audit & Risk 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 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, supported by SAFS 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 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. Two training sessions have been booked in Q3 for housing and HR, and SAFS will be presenting a short session for all staff at the Council 'Town-Hall' session in November. Further fraud awareness sessions are being arranged with the revenue and benefits teams.

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 for North Herts Council.
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. We have meetings planned with senior management at the Council to discuss the Council's compliance with the Act.
10. Earlier this year SAFS Officers worked with the National Anti-Fraud Network to develop a survey for local government to collect data nationally about the counter fraud response across the sector. This survey was then used to deliver the NAFN Counter-Fraud Report 2025- [Counter Fraud Report - National Anti Fraud Network](#)

Reactive Work

11. Between April and September this year, 54 allegations of fraud had been received affecting service areas such as housing, council tax, procurement, and Blue Badge misuse- 14 referrals were made by Council officers and although this has increased a percentage of all referrals compared to previous years this is quite low. We are hopeful that following the awareness sessions planned for Q3 that this will encourage staff to raise any concerns they have.
12. SAFS currently have 26 cases under investigation, or at referral stage (7), with estimated losses of £759K recorded in this caseload. SAFS have also conducted 16 low level reviews of council tax discounts/benefits cases and this has identified savings of around £3k. Of 5 investigations closed so far 4 identified fraud with £5k in fraud loss identified for recovery.
13. We did report to this committee in September one case referred to the Council's legal team earlier this year had a summons issued and a Guilty plea at the first hearing in July- [Woman sentenced for housing fraud in North Herts | North Herts Council](#). 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.
14. SAFS Accredited Financial Investigator has been assisting with an investigation conducted jointly by the Council's Enforcement Team and the County Council's Trading Standards service [Hertfordshire County Council | Detection dog aids operations as illegal vapes and tobacco are seized across the county](#) and SAFS have

secured/restrained bank accounts belonging to the business owner until all criminal proceedings are resolved.

15. SAFS continues to work closely across with the Councils housing services, working with officers to assist in the review of housing and homelessness applications and one person has been excluded from the Housing Register following an investigation.
16. SAFS also works with housing providers across the district and this has resulted in the recovery of 5 properties that were being misused by tenants who were not living at those addresses. These homes have all been let to residents from the Councils Housing Register. This work with housing providers could have saved the Council upto £210k 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

17. 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 £52k reported so far.
18. 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, but early reports in October show that 166 matches have been processed with 6 fraud identifying savings of £26k already.
19. 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.	<p>Demonstrate that the Council is receiving a financial return on investment from membership of SAFS and that this equates to its financial contribution.</p> <p>A. Regular meetings to take place with the Councils Service Director Resources, at least quarterly or as required by Council officers.</p> <p>B. Service Director Resources will be the SAFS Board representative for the Council and attend its quarterly meetings.</p>	<p>A. Meetings have been planned with the Service Director Resources.</p> <p>B. Service Director Resources is a member of the SAFS Board and is invited to its quarterly meetings.</p> <p>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.</p>

2	Provide an investigation service.	<p>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).</p> <p>B. 3 Reports to Finance Audit and Risk Committee. (Annual Report, Updates, 25/26 AF Plan)</p>	<p>A. To the end of September 2025 SAFS had provided 118 days (40%) of those planned for the year. We are keeping this KPI under review for NHC to ensure more capacity from Q3 onwards.</p> <p>B. SAFS reports agreed for September/ November / March FAR Committees as part of the Fwd Plan.</p>
3	Action on reported fraud.	A. All cases to be reviewed within 2 Days of receipt, on Average.	<p>A. In Q1/Q2 referrals were triaged within 0.4 days on average.</p> <p>B.</p>
4	Allegations of fraud received. & Success rates for cases investigated.	<p>A. 100% of all reported fraud (referrals) will be logged by type & source.</p> <p>B. 100% of all cases investigated will be recorded and the financial value, including loss/recovery/ savings of each will be reported to officers.</p>	<p>A. All referrals, from all sources are logged on SAFS CMS.</p> <p>B. All cases investigated are recorded and managed on the SAFS CMS.</p> <p>Reports on referrals and investigations including status/source/value/outcomes are available.</p>
5	Making better use of data to prevent/identify fraud.	<p>A. Ensure output from NFI 2024/25 is resolved as required by legislation.</p> <p>B. Ensure membership of the Herts FraudHub in 2025/26 and that the ROI from this is reported to Council officers.</p>	<p>A. The NFI reports/matches were reviewed with SAFS support, and this project is now closed.</p> <p>B. The Council has a contract in place for the FHUB and data is being uploaded and output to commence in Q3 as planned.</p>
6	Added value of SAFS membership.	<p>A. Membership of NAFN & PNLD for 2025/26</p> <p>B. 5 fraud awareness/prevention sessions for staff/Members in year. (To be agreed with Service leads and HR)</p>	<p>A. NHC is a member of both NAFN and PNLD via SAFS licences. Council officers have access and SAFS provide training/awareness.</p> <p>B. From Q3 we have begun to deliver our training plan for NHC with HR leads.</p>

Further Reading

20. 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) *National Fraud Initiative Report 2022 – 2024 (HMG March 2025)*
- (f) *NAFN Counter Fraud Report 2025 (National Anti-Fraud Network 2025)*