FINANCE, AUDIT AND RISK COMMITTEE
WEDNESDAY, 9 SEPTEMBER 2026

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: Fraud Prevention Policy

REPORT OF: Director - Resources

EXECUTIVE MEMBER: Executive Member - Resources

COUNCIL PRIORITY: All Priorities;, ,

1. EXECUTIVE SUMMARY

The over-arching fraud prevention policy (attached at Appendix A) has been updated, and the Committee are asked to comment on the revised policy before it is approved. The Shared Anti-Fraud Service have led on producing the revised policy. The changes are mainly to address the implications of the Economic Crime and Corporate Transparency Act. It also makes changes to aid understandability of coverage and requirements.

2. RECOMMENDATIONS

2.1. That the Committee comment on the revised Fraud Prevention policy (Appendix 1) before it is adopted.

3. REASONS FOR RECOMMENDATIONS

3.1. The changes to the policy help the Council manage the risks in relation to the new legislation (Economic Crime and Corporate Transparency Act). Allowing the Committee to comment on the revised strategy supports their governance role and is in line with their terms of reference.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1. None. The proposed changes help to protect the Council.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1. The Shared Anti-Fraud Service (hosted by Hertfordshire County Council) have led on the update to this policy.

6. FORWARD PLAN

6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

7.1. The Council's Fraud Prevention Policy also covers corruption, money-laundering, bribery and tax evasion. It was last updated in 2022.

7.2. The Economic Crime and Corporate Transparency Act 2023 came into force in September 2025. Whilst Council's are not the primary focus of the Act, they are covered by it. The Act means that the Council can be criminally liable for fraud committed by associated persons (including employees, agency staff and employees of contractors) unless it can be shown that there are reasonable fraud prevention measures in place.

8. RELEVANT CONSIDERATIONS

8.1. The purpose of the changes to the policy are to both (1) further strengthen controls to prevent fraud, and (2) demonstrate the fraud prevention measures that are in place.

8.2. The main specific changes made to policy include:

- Updated and simplified definitions in section 1
- Additional detail on practical considerations in section 3

8.3 The proposed revised policy is attached at Appendix 1. Additions are highlighted in blue text and deletions are shown crossed out and in red text.

9. LEGAL IMPLICATIONS

9.1. The terms of reference of the Finance, Audit and Risk Committee include "[t]o review the Shared Anti-Fraud Service ('SAFS') arrangements, including performance, effectiveness, consideration of any associated reports and approve/ make recommendations as appropriate" (Constitution paragraph 10.1.5 (n)). Presenting this report to the Committee enables them to review the effectiveness of the Council's fraud arrangements and make recommendations.

9.2. The Director- Resources will be responsible for approving a revised fraud prevention policy in line with delegations under paragraph 14.6.12 b) vii) which relate to internal audit and anti-fraud.

10. FINANCIAL IMPLICATIONS

10.1. There are no direct financial implications arising from this report.

11. RISK IMPLICATIONS

11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.

11.2. The purpose of the proposed policy changes is to reduce the risk to the Council of fraud, and also to reduce the risk of prosecution under the Economic Crime and Corporate Transparency Act 2023.

12. EQUALITIES IMPLICATIONS

12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.2. There are no equalities implications arising from this report.

13. SOCIAL VALUE IMPLICATIONS

13.1. The Social Value Act and "go local" requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

15.1 The updated policy will apply to all staff. There is already an ongoing requirement that staff should understand and comply with the policy. The Senior Managers Group and Leadership Team have already received training on the impact of the Economic Crime and Corporate Transparency Act.

16. APPENDICES

16.1 Appendix 1- Revised Fraud Prevention Policy

17. CONTACT OFFICERS

Ian Couper	Director - Resources,	ian.couper@north-herts.gov.uk, Tel: 01462 474 243
Natasha Jindal	Legal Team Manager	Natasha.jindal@north-herts.gov.uk
Amber Smith-Howell	Policy and Strategy Officer	Amber.smith-howell@north-herts.gov.uk

18. BACKGROUND PAPERS

18.1 None