



North Herts Council

Finance Audit & Risk Committee

September 2026

Anti-Fraud Progress Report 2026/2027

Purpose

1. This progress 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 2026/27.
2. A final report covering the whole year will be provided to this Committee in the summer 2027 with detailed activity against the Anti-Fraud Plan.

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 2026 meeting <https://democracy.north-herts.gov.uk/mgCommitteeDetails.aspx?ID=146>. The Plan covers all areas recommended by CIPFA and the *Fighting Fraud and Corruption Locally Strategy for the 2020s*, it also provides assurance that the council continues to benefit from a positive return on its investment in the SAFS Partnership.

2026/2027 Anti-Fraud Activity

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. All CF policies were last reviewed in late 2025/ early 2026 and await approval prior to publication.
5. SAFS provides alerts about new and emerging fraud trends through its Board members and directly with officers working in all of 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 this year SAFS issued 15 urgent Fraud Alerts including / Mandate Fraud/ Election Fraud/ Impersonation/ Poly-Workers/ Blue Badge abuse. SAFS also provides quarterly Fraud Circulars that summarise new and emerging risks and provide officers with the latest guidance to assist with identification and prevention, the latest of these circulars was issued to all officers in June 2026.
7. A training plan to build on staff awareness and fraud reporting, along with a publicity campaign to inform the public and encourage fraud reporting has been developed with officers in HR and Comms teams. Three training sessions were delivered in Q1.

8. SAFS officers have been working with the Councils HR Team to develop a new E-learning module will soon be available for all staff and will including guidance on fraud prevention, anti-bribery and anti-money laundering, this will assist the Councils compliance with Economic Crime and Corporate Transparency Act 2023.
9. Across all of our 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 were issued for the Council in Q1.

Reactive Work

10. Between April and June 2026 23 allegations of fraud were received by the Council/SAFS affecting service areas such as housing, council tax, business rates- 10 of these matters were reported by Council staff.
11. SAFS currently have 20 cases under investigation, or at referral stage, with estimated losses of **£117k** recorded in this caseload. SAFS have closed 3 investigations with fraud identified on 3 occasions. Fraud losses of **£18k** have been reported, along with savings of around **£10k**. SAFS have also conducted compliance reviews of 15 low risk council tax frauds, identifying **£20k** in council tax liability for collection.
12. No matters have been referred to the Councils legal team to consider prosecution, however in four financial penalties have been applied in council tax cases as alternatives to prosecution and two people have been excluded from the Councils housing register for suspected fraud.
13. SAFS continues to work with registered housing providers, including Clarion/Settle/Peabody to investigate allegations of 'tenancy-fraud' committed against any of the social housing stock within the Councils boundaries. Of particular relevance to the Council are 11 cases of alleged tenancy fraud being investigated on behalf of *Settle-Paradigm*.

Proactive Work

14. SAFS and Council officers are working on training and awareness to ensure that all data required for submission as part of the Cabinet Office 'National Fraud Initiative' (NFI) 2026/27 is uploaded on time and meets the correct specification. The output from this two-yearly national exercise produced more than 2,600 matches in 2024/25 so this is a big project for this year.
15. The Council is signed up to the Herts FraudHub for the current year. 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 plan to commence upload of data to the FraudHub shortly but only until Q3 when we will prioritise the main NFI exercise into Q3/Q4.

16. SAFS have been working closely with the Councils Environmental Health Team and the County Councils Trading Standards to provide support for ongoing investigations involving businesses across the District.
17. SAFS and Council officers have been collaborating to design and deliver a new Council Tax Framework for Hertfordshire. We are now in the tender valuation process and hope to have contracts agreed for the Framework by October 2026.

SAFS Performance

18. SAFS KPIs were agreed in the Anti-Fraud Plan, progress is reported below.

Key

Met/ Complete	On Target	Part Met	Not Met
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KPI	Measure	Objectives	Performance to June 2026
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 Director Resources , at least quarterly or as required by Council officers. B. Director Resources will be the SAFS Board representative for the Council and attend its quarterly meetings.	A. Meetings are being arranged with the Director Resources and other senior leaders to discuss delivery of the AF Plan and anything else relevant. B. Director Resources is a member of the SAFS Board and is invited to its quarterly meetings. SAFS meets with other service leads across the Council as and when required with a focus on the highest risk areas, and is part of the CGG/CEF.
2	Provide an investigation service.	A. Target to deliver at least 95% (274) of the funded 288 Days agreed 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 & Risk Committee. (Report/Update/Plan)	A. To the end of June 2026 SAFS had provided 74 days (26%) of those planned for the year. B. SAFS reports agreed for September/ January/ March FAR Committee as part of the Fwd Plan.
3	Action on reported fraud.	A. 95% referrals into SAFS to be reviewed within 2 working days of receipt, on Average. B. 100% of urgent/high risk referrals to be triaged through SAFS Management Team and details shared with Director Resources .	A. In Q1 100% of referrals within 24 hours on average. B. All urgent/high risk matters are recorded in the SAFS Mgt Tracker for review.
4	Triage of referrals & Outcomes for cases investigated.	A. 100% of all reported fraud (referrals) will be logged by type & source. B. 100% of all cases investigated will be recorded and the financial value, including loss/recovery/ savings of each will be reported to officers.	A. All referrals and cases are logged on the SAFS CMS B. The management and outcomes of all cases are recorded on the SAFS CMS.
5	Making better use of data to prevent/identify fraud.	A. Ensure Upload of data for NFI 2026/27 and the output from it is resolved as required by legislation.	A. SAFS are working with officers across the Council to meet this requirement by the October deadline. B. The Council is signed up the FHub for 2026/27

		B. Ensure membership of the Herts FraudHub in 2026/27.	Data-upload has commenced and we have matches to review.
6	Added value of SAFS membership.	A. Membership of NAFN & PNLD for 2026/27 B. 5 fraud awareness/prevention sessions for staff/Members in year. C. To identify an ROI of £102k (SAFS Fee) based on savings through prevention/detection, or financial values for recovery from reactive and proactive work.	A. The Council is a member of NAFN and has access to PNLD and CIFAS via SAFS/HCC. B. A Plan has been agreed with HR and Council officers for this year, with 3 sessions delivered in Q1. C. Savings through prevention and fraud loss for recovery already exceed £48k with a further £117k under investigation.

Further Reading

19. List of Background Papers - Local Government Act 1972, Section 100D
 - I. ***Councillors Workbook on Bribery & Fraud Prevention (LGA 2017)***
 - II. ***Fighting Fraud and Corruption Locally - A Strategy for the 2020's (CIPFA/CIFPA/LGA 2020)***
 - III. ***National Anti-Fraud Network- Local Authority Counter Fraud Report 2025***
 - IV. ***Code of Practice - Managing the Risk of Fraud and Corruption (CIPFA 2014)***
 - V. ***Lost Homes, Lost Hope (Fraud Advisory Panel 2023)***