



East Herts Council

Audit & Governance Committee Report

Anti-Fraud Plan 2024/25

Purpose

- 1 This report provides members with details of the Councils Anti-Fraud Plan for 2024/25.

Recommendations

- 2 **The Committee is RECOMMENDED to:**
 - I. **Review and approve the Anti-Fraud Plan 2024/25.**

Background

- 3 Recent reports are used by SAFS and Council officers to ensure that the Council is aware of its fraud risks and finds ways to mitigate or manage these effectively wherever possible. These reports include:

Fighting Fraud and Corruption Locally a Strategy for the 2020's. The strategy focuses on the governance and 'ownership' of anti-fraud and corruption arrangements. The Strategy also identifies areas of best practice and includes a 'Checklist' to compare against actions taken by the Council to deter/prevent/investigate fraud. The checklist is maintained and reviewed by SAFS and officers.

Tackling Fraud in the Public Sector 2020. In 2019 CIPFA commissioned a survey and several round table events for senior managers in local government to establish what local authorities were doing to tackling fraud. The survey was conducted by an independent body with the support of LGA and MHCLG.

UK Fraud Strategy 'Stopping Scams and Protecting the Public. The Government launched its latest strategy in 2023 aimed at bringing government and the private sector together to tackle fraud, the pursuit and punishment of fraudsters, providing more recognition of fraud and how to avoid it .

Lost Homes, Lost Hope. This paper, published by the Fraud Advisory Panel & Tenancy Fraud Forum in April 2023 uses previous data and research to estimate the current cost to local government of tenancy fraud along with the volume of fraud across the sector. The SAFS Partners have adopted the value of fraud loss used in this academic piece when reporting 'tenancy fraud'.

- 4 According to reports from CIPFA, National Audit Office (NAO), Cabinet Office, and the Private Sector, the risk of fraud across local government in England exceeds £2billion each year, with some more recent reports indicating levels considerably higher.
- 5 The Cabinet Office, Department for Levelling Up Housing and Communities (DLUHC), NAO, and CIPFA have issued advice, and best practice guidance, to support local councils in the fight to reduce the risk of fraud and prevent loss to

the public purse. This advice includes the need for vigilance in recognising fraud risks and the investment of sufficient resources in counter fraud activities.

- 6 It is essential that the Council has in place a robust framework to prevent and deter fraud, including effective strategies and policies, as well as plans to deal with the investigation and prosecution of identified fraud.
- 7 Members of this committee have received reports about how this service works closely with the Shared Internal Audit Service (SIAS) dealing with all aspects of fraud from prevention and deterrence to investigation and prosecution, working with services and Council staff at all levels.

Report

Anti-Fraud Plan 2024/25

- 8 The reports and papers mentioned at section 3 above and guidance from the NAO, DLUHC and the Local Government Association (LGA) recommend that organisations have effective and robust counter fraud and corruption measures. These measures require the acknowledgement of fraud as a tangible risk, policies, and procedures to deter and prevent fraud occurring and the provision of sufficient resources to investigate and recover losses caused by fraud. Above all an organisation should have a plan to protect itself against fraud.
- 9 Council officers and SAFS management develop and agree an **Anti-Fraud Plan** each year and the proposed plan for 2024/25 is presented at **Appendix B**.

The Plan and Fighting Fraud and Corruption Locally

- 10 The Anti-Fraud Plan has been developed over several years to meet the recommendations of the Fighting Fraud and Corruption Locally Strategy (FFCL) (**Appendix A**) by adopting the 'pillars' of Protect, Govern, Acknowledge, Prevent and Pursue.
- 11 The Plan identifies officers/members who will have a role in delivering it and SAFS will work with all concerned to ensure they understand their role both in delivering the Plan and supporting the FFCL strategy.
- 12 Members will note that this Committee has a role in ensuring key elements in the Plan are implemented and in monitoring the Councils anti-fraud work.

Counter Fraud Funding and Resources 2024/25

- 13 At pages 4 – 6 of the main body of the Plan (**Appendix B**) details are provided of funding on counter fraud in 2024/25.
- 14 Page 7 of the Plan includes reference to the SAFS KPIs for 2024/25 and the SAFS Standards of Service agreed.

- 15 SAFS will maintain its relationship with specialist third party providers and national networks to keep the Council informed of new and emerging fraud threats or changes to best practice that assist in deterring/preventing fraud and corruption.
- 16 SAFS will continue to work closely with Council officers working in those services mentioned in the Plan.
- 17 Regular reports will be provided to senior management and this Committee on progress delivering the Plan for 2024/25.

Appendices

The following appendices are attached to this report:

Appendix A - Fighting Fraud and Local Strategy for the 2020's.

Appendix B - East Herts Council - Anti-Fraud Plan 2024/25.

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/CIFAS/LGA 2020)***
- (c) ***Tackling Fraud in the Public Sector (CIPFA 2020)***
- (d) ***Code of Practice - Managing the Risk of Fraud and Corruption (CIPFA 2014)***
- (e) ***Fighting Fraud - Breaking the Chain. (Report of Session 2022-2023 House of Lords)***
- (f) ***HMG Fraud Strategy - Stopping Scams, Protecting the Public (May 2023)***
- (g) ***Lost Homes, Lost Hope. (Fraud Advisory Panel 2023)***