


Counter Fraud Progress Report 2025/26

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APPENDIX 1

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Background

- 1 Fraud is a significant risk to the public sector. Fraud is the most common offence in the UK, accounting for 41% of all crime¹. The National Audit Office estimates that fraud and error cost the taxpayer between £55 and £81 billion in 2023/24 and that only a fraction of this was detected². Financial loss due to fraud can reduce a council's ability to support public services and cause reputational damage.
- 2 The Council engages Veritau to undertake counter fraud work on its behalf. We employ qualified criminal investigators to deliver a range of work that helps the authority prevent, detect, and deter fraud and related criminality. This includes officer training to help prevent fraud, proactive identification of issues through data matching exercises, and investigation of suspected fraud. To deter fraud, offenders face a range of outcomes, including prosecution in the most serious cases.
- 3 This report provides the Accounts, Audit and Risk Committee with a summary of counter fraud activity undertaken by Veritau in 2025/26.



COUNTER FRAUD MANAGEMENT

- 4 In March 2025, the committee reviewed the 2025/26 Counter Fraud Development Plan. This included the team's fraud awareness training plans for the year. All staff have a responsibility to be aware of fraud and report any suspicion to the fraud team. The counter fraud team has arranged to deliver fraud awareness training to all Members and will attend an all-staff briefing. This training will help ensure that all staff and Members know how frauds can manifest, the effect it can have on the Council, and how to report their concerns to the fraud team.
- 5 Veritau is an active participant in regional and national counter fraud groups. The counter fraud team attend the Midland Counties Fraud Managers group, and recently took part in local authority counter fraud workshop in Oxfordshire that sought to share best practice and foster regional links.
- 6 In June, the counter fraud team helped provide awareness to council officers as part of World Whistleblower's Day. Veritau provide an independent hotline, which council officers can use to raise anonymous whistleblowing referrals. The awareness campaign helps ensure staff know how to raise a concern, and have a greater understanding of the types of issues which would be reportable as whistleblowing.

¹ [Progress combatting fraud \(Forty-Third Report of Session 2022-23\)](#), Public Accounts Committee, House of Commons, published March 2023.

² [An overview of the impact of fraud and error on public funds](#), National Audit Office, published November 2024.

- 7 In September 2025, the Economic Crime and Corporate Transparency Act 2023 comes into force. This Act creates a new offence of Failure to prevent fraud.³ Organisations can be criminally liable for any frauds undertaken by its employees, where the beneficiary of the fraud was the organisation, and there were not appropriate fraud prevention measures in place. Work is ongoing between the counter fraud team and the Council's Legal Department to assess any impact the legislation will have on the Council and consider what action may be required, including updates to policies.



MULTI-AGENCY WORK

- 8 In December 2024, the National Fraud Initiative (NFI) released the annual Single Person Discount (SPD) data match review. The matches compare the Council's council tax database to datasets held by other departments and authorities, including the electoral roll. A risk assessment has identified 35 data matches for further investigation and detailed triaging checks are now ongoing.
- 9 The counter fraud team and the Council's Creditors department are continuing to review outputs of the main NFI exercise. Council Tax Reduction data matches that compare benefit claims to records held by HMRC have identified claims with potential undeclared partners and undeclared income.



INVESTIGATIVE WORK

- 10 The counter fraud team has received 45 referrals since 1 April 2025. These mostly relate to issues affecting Council Tax Reduction (CTRS) and Single Person's Discount.
- 11 Sixteen cases are under investigation by the counter fraud team. These include investigations where it has been alleged that residents have provided false documents to the Council in order to obtain a discount on their council tax liability. Three investigations relate to allegations of undeclared capital by CTRS claimants, including undeclared property ownership. Those who receive CTRS are not eligible to receive the support if they hold capital or assets over £16,000, and are not receiving any passported benefits from the DWP.
- 12 Since 1 April 2025, six cases have been completed. Written warnings were issued to two residents in these cases; in the first investigation, a resident had allegedly provided incorrect or misleading information in support of a Discretionary Housing Payment claim. The second investigation was regarding an allegation that a resident failed to report ownership of a property and the income from its subsequent sale while receiving support from the Council.

³ [s199, Economic Crime and Corporate Transparency Act, 2023.](#)