


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 Veritau has continued to provide fraud awareness training across Cherwell District Council. Training was provided for all Members in September 2025. Fraud Awareness sessions have also been held with Revenues and Benefits officers, and HR colleagues. All staff have a responsibility to be aware of fraud and report any suspicion to the fraud team.
- 5 Veritau also liaised with colleagues in Parking Services, to share information about current scams. In mid-September, a member of the public contacted the fraud team as they had received a text message informing them that they had an unpaid Penalty Charge Notice (PCN) to pay. This is a national scam affecting all the councils Veritau works with. Cherwell, like other councils, does not issue PCNs via text message. The resident checked the Council's website and found information informing them that this was a scam, and so subsequently did not fall victim to it. Where our team becomes aware of these issues, we speak to relevant departments and provide information for the council's websites and communications teams.
- 6 The National Anti-Fraud Network (NAFN) shares fraud alerts across the local government counter-fraud community. Veritau ensures relevant council departments receive this critical information. Recent alerts from NAFN have included details of two bank accounts used by fraudsters who

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.

impersonate trusted council suppliers to divert payments, and an individual using false documents to apply for Discretionary Housing Payments.

- 7 The Local Government Transparency Code 2015 requires councils to publish annual data on counter fraud work. Veritau provided officers with the relevant data for work completed in 2024/25 which the Council is required to publish.



MULTI-AGENCY WORK

- 8 In May and July, the team represented the Council at liaison meetings between councils, the Public Sector Fraud Authority (PSFA), and Tom Hayhoe, the recently appointed Covid Counter-Fraud Commissioner. The government has now opened a voluntary repayment amnesty scheme, for those who fraudulently obtained Covid-19 business grant funding.³ The counter fraud team is also working with the National Investigation Service (NATIS) who are continuing to investigate Covid-19 business grant scams which affected multiple local authorities during 2020-2022.
- 9 As part of the Department for Work and Pension's (DWP) arrangements for investigating Housing Benefit offences, the counter fraud team regularly responds to DWP information requests, known as LAIEFs. Since April 2025, the team has responded to 11 LAIEF requests.
- 10 In circumstances where a resident is awarded support by both the Council and DWP, the counter fraud team can jointly investigate fraud cases. One joint-investigation is in progress. This concerns an allegation that a resident has undeclared income and employment.



INVESTIGATIVE WORK

- 11 The counter fraud team has received 88 referrals since 1 April 2025. These were received from sources including members of the public, council officers and data matching from the National Fraud Initiative (NFI).
- 12 Since 1 April, 16 investigations have been completed. This includes an investigation into a nine-year Single Person Discount claim. A resident had declared that they lived alone, however investigations showed that another adult had also been living at the address during this period. The counter fraud team has supported the council with two internal cases, where large datasets had to be reviewed, for example timesheet data. In both cases, investigation work identified no evidence of fraud or criminality.
- 13 Since 1 April 2025, the Council has raised overpayments of £25,750 to residents following fraud investigations. These were in respect of Council Tax Reduction and Council Tax discount investigations. This includes the outcome of a joint-working investigation with the DWP, where a resident had failed to declare that they had received a large inheritance.

³ www.gov.uk/government/news/covid-repayment-window-opens, HM Treasury, published 12 September 2025