

COUNTER FRAUD ANNUAL REPORT 2025/26

Date: 17 June 2026

APPENDIX 1

CONTENTS

- 3** Background
- 3** Counter Fraud Management
- 4** Multi-Agency work
- 4** Summary of Investigative Work



BACKGROUND

- 1 Fraud and corruption present a significant and ongoing risk to local authorities. Fraud is the most common offence in the UK, accounting for 43% 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 is detected². Financial loss due to fraud can reduce a council's ability to support public services and can cause reputational damage.
- 2 Veritau provides a corporate fraud service to Cherwell District Council, which aims to prevent, detect and deter fraud and related criminality. We use qualified criminal investigators to support departments with fraud prevention, proactively identify issues through data matching exercises, and investigate suspected fraud. To deter fraud, offenders face a range of outcomes, including prosecution in the most serious cases.
- 3 The counter fraud team also plans and takes part in counter fraud campaigns, undertakes fraud awareness activities with staff and the public, and maintains and updates the Council's counter fraud framework and associated policies.
- 4 This report provides the Audit & Governance Committee with a summary of counter fraud activity completed in 2025/26.



COUNTER FRAUD MANAGEMENT

- 5 The counter fraud team regularly meets with counter fraud colleagues in other Local Authority teams in Oxfordshire, and as part of the Midland Counties Fraud Group. These forums provide the opportunity to discuss regional issues and share best practice.
- 6 Veritau has continued to provide fraud awareness training across Cherwell District Council. Training was presented to the Housing Benefit section in September and the Corporate Leadership Team in November. Further training will be delivered during 2026/27. All staff have a responsibility to be aware of fraud and report any suspicion to the fraud team. Veritau also provided information to the communications team for internal massaging around the International Fraud Awareness week in November and International Anti-Corruption day in December.
- 7 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. These alerts can include attempted mandate frauds or fake parking ticket messages.

¹ [National Economic Crime Centre Annual Report 2024-2025](#), National Crime Agency, published July 2025.

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

MULTI-AGENCY WORK

- 8 Veritau coordinates the Council's participation in the National Fraud Initiative (NFI) exercises. The 2024/25 bi-annual exercise began in Autumn 2024; data privacy notices held by relevant departments were reviewed, to ensure they are compliant with government guidance. Datasets were then collated and securely provided to the PSFA. Following this, the PSFA conducted the data-match, comparing data held by Cherwell District Council to other Local Authorities and Government Departments. In December 2024, over 1,000 data matches were sent to the counter fraud team for triaging. The matches cover Council areas including Council Tax Reduction, Housing Benefits, Housing Allocations, Payroll and Creditors. Work has been carried out and a total of 603 matches have been checked. The remaining matches do not require further action due to the very low risk.
- 9 In December 2025, data was also supplied to the NFI for the annual Single person discount review. This data match compared council tax records to other datasets, including the electoral roll, to identify properties which receive Single person discount, but where there may be other adults resident at the address. Triaging work is ongoing to assess these matches.
- 10 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. In 2025/26, the team responded to 11 LAIEF requests.

INVESTIGATIVE WORK

- 11 Veritau received 171 referrals of suspected fraud during the year this compares to 47 for 2024/25. These reports come from a range of sources, including council officers, members of the public, and data matching exercises. Each referral is reviewed to determine if an investigation is necessary. Where issues are raised relating to other organisations, such as the DWP, then our service passes the referral onto the relevant agency. Cases are allocated in order of urgency, including consideration of the potential financial impact on the local authority, should the allegation be proven.
- 12 In 2025/26, the counter fraud team completed 37 investigations. Successful outcomes were achieved in 51% of cases³ this includes 3 warnings for CTRS and Single Person discount. Investigative work identified £22,550 of savings and £47,000 overpayments following investigations into Empty Homes Premium, Single person discount and Council Tax Reduction.
- 13 These savings comprise the repayment of debt arising following investigative work, a maximum of one year future savings if an investigation has stopped an ongoing fraud that would otherwise have

³ Actual outcomes vary by case type but include, for example, benefits or discounts being stopped or amended, sanctions, prosecutions, or warning issued in writing.

continued, and the prevention of any one-off payments that would have been made without intervention.