


Counter Fraud Progress Report 2024/25

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BACKGROUND

- 1 Fraud is a significant risk to the public sector. The Public Sector Fraud Authority estimated that between £39.8 and £58.5 billion of public spending was lost to fraud in 2021/22¹. Financial loss due to fraud can reduce a council's ability to support public services and can cause reputational damage.
- 2 Veritau delivers a corporate fraud service to the Council which aims to prevent, detect and deter fraud and related criminality. The counter fraud team investigate allegations of fraud, plan and take part in counter fraud campaigns (eg the National Fraud Initiative), undertake fraud awareness activities with staff and the public, and maintain and update the Council's counter fraud framework and associated policies.
- 3 This report updates the Audit Committee on counter fraud activity in 2024/25.



COUNTER FRAUD MANAGEMENT

- 4 In December, the counter fraud team worked with council officers to undertake a proactive day of action to tackle misuse of disabled parking badges in the city. It is an offence to misuse a blue badge and abuse of the scheme reduces access to disabled parking spaces for legitimate badge holders. Officers checked 38 badges that day and one case of suspected misuse was identified for further investigation. The work was supported by the charity Disabled Motoring UK.



MULTI-AGENCY WORK

- 5 The National Fraud Initiative (NFI) is a large-scale data matching exercise that involves all councils and other public sector bodies in the UK. The work of the NFI is overseen by the Public Sector Fraud Authority (PSFA) and the exercise runs every two years. The counter fraud team helps to ensure that the Council meets government data matching requirements and best practice. Data from a variety of council departments was submitted in October. To date 52k matches have been released from the exercise. A further 4,600 matches have been produced as part of a separate annual NFI datamatching exercise that aims to identify potential single person discount fraud. The counter fraud team will assess the matches produced from both exercises and investigate where appropriate.
- 6 The counter fraud team have been working with the Department for Work and Pensions (DWP) since September 2024. Since then, the team have responded to 32 requests for information relating to housing benefit fraud offences.

¹ [Cross Government Fraud Landscape Report 2021-22](#), Public Sector Fraud Authority

INVESTIGATIVE WORK

- 7 Between 1 April 2024 and 31 January 2025, the counter fraud team have received 109 referrals of suspected fraud. Twenty-nine investigations have been completed this year and there are currently 20 cases under investigation. One person has accepted a formal caution in lieu of prosecution for a council tax single person discount fraud. One internal investigation has concluded. Eight people have received formal warnings for fraud relating to the council tax reduction scheme, council tax discounts, business rates, and use of blue badges. One person has been referred to the Home Office for possible immigration offences. Financial loss to the Council was identified in a further four investigations and information was provided to the Legal Department in three debt evasion cases.
- 8 Investigative work in 2024/25 has helped identify £102k of loss due to fraud, error and debt evasion. The counter fraud team supports the Council to recover losses identified as part of investigations. Counter fraud savings² are tracked by monitoring repayments to the Council and calculating the value of stopping ongoing frauds. To date £147k of counter fraud savings have been identified.

² Counter fraud savings consist of money recovered during the course of the year (debts may have been calculated in previous years as well as the current financial year) and 12 months of savings where an ongoing fraud has been stopped through the work of the counter fraud team.