COUNTER FRAUD STRATEGY AND RESPONSE PLAN

2025 - 2028

Reviewed:	M Cameron, Head of Internal Audit	August 2025
Next Review:	M Cameron, Head of Internal Audit	March 2028

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1. INTRODUCTION

1.1 According to the National Crime Agency (NCA), fraud is the most prevalent crime against individuals in England and Wales, accounting for an estimated 41% of crime reflected in the Crime Survey for England and Wales for the year ending September 2024.

1.2 Fraud is a significant challenge for public sector organisations, with the perpetrators continually seeking opportunities to exploit systems to their advantage. Every penny stolen from public funds by fraudsters is money that cannot be spent on delivering much needed services and providing support to residents.

1.3 Enfield Council ("the Council") has designated *clean and green places; strong, healthy and safe communities; thriving children and young people; more and better homes; and an economy that works for everyone* as priorities and is responsible for safeguarding the public funds used to deliver these priorities.

1.4 The Council has shaped a strong culture where fraud, bribery and corruption are totally unacceptable. This message is endorsed at the highest level in the Council by the Chief Executive and Leader of the Council who promote the Counter Fraud, Bribery and Corruption Statement (**Section 3**).

1.5 As part of the Audit, Fraud & Insurance Service ("AFIS"), the Counter Fraud team leads the Council's response to combat fraud and corruption through awareness-raising, detection and prevention activities. Where fraud is suspected the Counter Fraud team investigates and takes appropriate action against the perpetrators and to recover funds wherever possible. The Counter Fraud team's achievements are reported annually to the General Purposes Committee.

1.6 This Strategy, which forms part of the Council's governance arrangements, sets out the Counter Fraud team's approach to managing the risk of fraud and corruption during 2025 - 2028. The Response Plan (**Section 6**) details how the Strategy will be delivered.

1.7 This Strategy applies to everyone who works for or on behalf of the Council including:

- Councillors;
- Employees;
- Agency workers;
- The Council's commercial ventures and their staff;
- Contractors;
- Partners;
- Consultants;
- Suppliers;
- Voluntary workers.

Service users are also covered by this Strategy.

2. CORPORATE FRAMEWORK AND CULTURE

2.1 The Council's Section 151 Officer is the Chief Finance Officer and is responsible for the proper administration of the Council's financial affairs.

2.2 The Council is committed to the highest possible standards of openness, probity, and accountability in tackling fraud. All councillors, employees, contractors, partners, and suppliers and the wider community are expected to raise any concerns they may have about fraud and related offences in relation to the Council.

2.3 In addition to this Strategy the Council has a range of interrelated policies and procedures that form the corporate framework to combat fraudulent activity. These have been formulated in line with appropriate legislative requirements and professional best practice, and include:

- Anti Bribery and Corruption Statement
- Sanction and Prosecution Policy
- Whistleblowing Policy
- Anti-Money Laundering Policy and Guidance
- Enfield Council Covert Surveillance Procedures

2.4 The Council recognises that the successful implementation of a counter fraud and corruption culture is dependent on the commitment of internal stakeholders to adhere to Council policies, including (but not limited to):

- the Code of Conduct and other HR Policies;
- The Constitution (including Financial Regulations);
- Contract Procedure Rules;
- IT policies, including:
    - Acceptable Use Policy;
    - Data Protection Policy;
    - Software Acceptable Usage Policy;
    - Email, Internet and Social Networking Usage Policy;
    - Digital Services Operations and Network Policy;
    - Physical and Environmental Security Policy.

Failure to adhere to these will lead to disciplinary action.

2.5 The Council has clear lines of communication to raise concerns. These include:

- A fraud reporting form available on the Council's website;
- A fraud reporting telephone line (to the Customer Services team);
- A dedicated Counter Fraud telephone line and email account;
- A whistleblowing (SpeakOut) email account.

3. COUNTER FRAUD, BRIBERY AND CORRUPTION STATEMENT

3.1 Enfield Council is committed to the principles of good governance and recognises the importance of operating in an open and accountable manner, whilst demonstrating high standards of conduct. The Council expects all associated persons, i.e. anyone who works for or on behalf of the Council such as councillors, employees, agency workers, third party contractors, subsidiaries and other commercial ventures, to act honestly, with integrity and to safeguard the public purse. Likewise, the Council expects external third parties providing goods and services to the Council to act honestly in dealings with the Council.

3.2 The Council will not accept any bribery, fraud, corruption or associated offences. All allegations will be thoroughly risk assessed, investigated and dealt with appropriately.

3.3 The Council is committed to ensuring that opportunities for bribery, fraud and corruption are reduced to the lowest possible level by:

- Establishing a strong counter fraud culture;
- Raising awareness of the impact of fraud both on the organisation and the individual;
- Preventing, detecting, and deterring fraud;
- Formally investigating fraud;
- Applying sanctions against people who commit fraud;
- Seeking redress for frauds and losses.

3.4 To achieve this, the Council will:

- Promote a culture of zero tolerance for bribery, fraud, corruption and associated offences;
- Ensure that all associated persons and external third parties understand that fraud, bribery, and corruption are unacceptable;
- Provide access to rules and procedures that associated persons and external third parties are expected to follow;
- Clarify roles and responsibilities in relation to bribery, fraud, and corruption;
- Work within the law when sharing information with other authorities to deal with fraud and corruption locally and nationally;
- Increase awareness of fraud and corruption through training and communication;
- Enable managers to identify and mitigate fraud risks;
- Encourage and enable associated persons and external third parties providing goods and services to the Council to raise serious concerns;
- Formally investigate allegations of fraud, bribery, and corruption;
- Proactively seek out and investigate potential fraud;
- Apply appropriate sanctions such as disciplinary action, criminal proceedings, and recovery of losses when necessary, and, where relevant, work with other organisations to achieve this;
- Publicise successes to demonstrate an effective counter fraud culture.

Signed……… TBA………………… Signed……TBA……………………

Cllr Ergin Erbil	**Perry Scott**
Leader of the Council	**Chief Executive**

4. DEFINING FRAUD, BRIBERY AND CORRUPTION

4.1 The Fraud Act 2006 introduced a general offence of fraud in addition to establishing new offences of committing or attempting to commit fraud by:

- false representation;
- failing to disclose information;
- abuse of position

which is carried out to make gain, cause loss or expose another to the risk of loss.

4.2 In the context of this Strategy, the term fraud also includes other activities such as:

- bribery;
- corruption;
- forgery;
- money laundering;
- theft.

4.3 The Bribery Act 2010 details offences including both offering and accepting bribes, as well as a corporate offence for commercial organisations who fail to prevent bribery. A bribe is intended to induce a person to improperly perform a relevant function or activity, or to reward a person to improperly perform a relevant function.

4.4 Corruption covers a wide range of conduct and is usually referred to as the abuse of entrusted power. Nepotism and patronage are forms of corruption, as is bribery. A formal Anti-Bribery & Corruption Policy is in place and is communicated.

4.5 Money laundering involves the disguising of proceeds originating from criminal activity to make them appear to come from a legitimate source. The Council's Anti Money Laundering Policy is available on the intranet.

4.6 Section 199 of the Economic Crime & Corporate Transparency Act (ECCTA) 2023 introduced a new offence of Failure to Prevent Fraud which came into force on 1 September 2025. Under this legislation the Council may be prosecuted and face unlimited fines for failing to prevent fraud where a person who works for or on behalf of the Council has committed fraud and the Council was the intended beneficiary.

5. STRATEGIC AIMS

5.1 The Counter Fraud team is responsible for delivering the Counter Fraud Strategy and Response Plan, the strategic aim of which is to prevent, detect and investigate fraud and associated offences. This will support the Council to deliver its priorities. The Counter Fraud Strategy and Response Plan 2025-28 is based on the Fighting Fraud & Corruption Locally (FFCL) Strategy for the 2020s model and the 2014 Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Managing the Risk of Fraud and Corruption (Code of Practice).

5.2 The FFCL strategy was initially developed collaboratively by local authorities, the Local Government Association (LGA), CIPFA and private sector partners in 2011. The FCCL and the Code of Practice are strategic guides to minimise fraud and corruption in local authorities.

5.3 The FFCL Strategy for the 2020s identifies five pillars of activity that support effective counter fraud measures:

- **Govern** – robust governance arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.
- **Acknowledge** - acknowledge and understand fraud risks; commit support and resources to tackling fraud and corruption; demonstrate a robust anti-fraud response; and communicate the risks to those charged with Governance.
- **Prevent** - prevent and detect more fraud by making better use of information and technology; enhance fraud controls and processes; develop a more effective anti-fraud culture; communicate the Council's anti-fraud activity and successes.
- **Pursue** - prioritise fraud recovery and use of civil sanctions; develop capability and capacity to punish offenders; collaborate across geographical and sectoral boundaries; and learn lessons and close the gaps.
- **Protect** - recognise the harm that fraud can cause in the community; protect the Council against fraud and cybercrime; and protect residents from fraud.

5.4 Similarly, the Code of Practice has five principles:

- **Acknowledge responsibility** - the governing body should acknowledge its responsibility for ensuring that the risks associated with fraud and corruption are managed effectively across all parts of the organisation.

- **Identify risks** - fraud risk identification is essential to understand specific exposures to risk, changing patterns in fraud and corruption threats and the potential consequences to the organisation and its service users.

- **Develop a strategy** - an organisation needs a counter fraud strategy setting out its approach to managing its risks and defining responsibilities for action.

- **Provide resources** - the organisation should make arrangements for appropriate resources to support the counter fraud strategy.

- **Take action** - the organisation should put in place the policies and procedures to support the counter fraud and corruption strategy and take action to prevent, detect and investigate fraud.

5.5 The Counter Fraud team has completed a self-assessment against the Code of Practice, which can be found in **Annex A**. Actions resulting from this assessment are incorporated in the Counter Fraud Response Plan 2025.

5.6 The Counter Fraud team has developed 3 key strategic aims, incorporating the pillars and principles to manage the risk of fraud, bribery and corruption against the Council from internal and external threats. These are:

- **Promote the Council's counter fraud culture**

  Help prevent fraud and improve the Council's awareness and response to fraud risks by promoting awareness, delivering training, and sharing up-to-date intelligence.

- **Pursue fraud detection and sanction capabilities**

  Work collaboratively with internal and external stakeholders to investigate fraud referrals in accordance with legislation, Council policies, and recognised best practice, while pursuing appropriate sanctions and maximising the recovery of funds.

- **Progress the use of technology**

  Proactively harness existing and emerging technologies, with a focus on AI, to strengthen the Council's counter fraud capabilities.

5.7 The Response Plan 2025-28 (Section 6) details how these strategic aims will be delivered.

6. RESPONSE PLAN 2025-28

6.1 The Plan is designed to be agile to allow easy adaptation of any significant investigations or new risks that emerge during the period. Progress against the Response Plan will be reported annually in the Annual Internal Audit and Counter Fraud Report presented to the General Purposes Committee. The Plan will be refreshed annually.

6.2 The Counter Fraud team is part of the Audit, Fraud and Insurance Service and works closely with Internal Audit. As both teams follow risk-based approaches, this assists senior managers to better understand risks across the Council and the effectiveness of control mechanisms in place to manage the risks.

Counter Fraud Response Plan 2025-28

Strategic Aim: Promote the Council's counter fraud culture

Help prevent fraud and improve the Council's awareness and response to fraud risks by promoting awareness, delivering training, and sharing up-to-date intelligence.

No	Supporting Action	Task	Target Date	Progress
1	Support and reinforce the Council's commitment to countering fraud, bribery and corruption	Review, update and communicate: • Counter Fraud Strategy and Response Plan • Sanction and Prosecution Policy • Whistleblowing Policy • Anti-Bribery & Corruption Statement • Anti-Money Laundering Policy and Guidance	31 December 2025 31 March 2026 31 March 2026 31 March 2026 31 March 2026	
		Develop and publicise an Anti-Bribery and Corruption Policy.	31 December 2025	
2	Contribute to the Council's governance arrangements and support the Council's leadership to understand their responsibility to manage fraud risks	Provide updates of emerging and existing fraud risks and progress against the Response Plan to: • Assurance Board (AB) • Departmental Management Teams (DMTs)	Quarterly Quarterly	

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		• General Purposes Committee (GPC)	6 monthly	
3	Review, capture, understand and communicate intelligence on existing and emerging fraud risks and potential losses.	Maintain and review the specialist Fraud Risk Register and provide quarterly updates in line with the Council's Risk Management process.	Quarterly	
		Identify existing and emerging fraud risks through collaboration with Internal Audit colleagues (for intelligence on control vulnerabilities and fraud risks identified during audit work) and external parties, such as other local authorities.	Quarterly	
		Communicate fraud risks more widely in the Council via the Risk Management Group, Staff Matters, posters, screen savers, International Fraud Awareness Week activities, sending notifications about specific incidents/risks and through the Housing newsletter.	Quarterly	
		Carry out an in-depth Fraud Risk Assessment.	31 December 2026	
4	Publication of Counter Fraud team successes as a deterrence.	Publicise fraud team successes internally and externally to deter fraudsters.	Quarterly	

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		Promote fraud awareness to staff via *Staff Matters* and to residents through tenant newsletters.	Quarterly	
5	Whistleblowing policy	Continue to promote the Council's Whistleblowing Policy and procedure. Co-ordinate all whistleblowing referrals and undertake investigations where fraud is alleged.	Quarterly Ongoing	
6	Fraud awareness training	Provide fraud awareness training across the Council. Review, update and publicise fraud awareness I.learn module Deliver a focused programme of anti fraud messages during International Fraud Awareness Week (IFAW) each year.	Ongoing Annually Annually (November)	
7	Failure to Prevent Fraud	Co-ordinate the Council's response, including providing information and training.	Ongoing	

Counter Fraud Response Plan 2025-28

Strategic Aim: Lead on fraud detection and sanction capabilities

Work collaboratively with internal and external stakeholders to investigate fraud referrals in accordance with legislation, Council policies, and recognised best practice, while pursuing appropriate sanctions and maximising the recovery of funds.

No	Supporting Action	Task	Target Date	Progress
8	Risk assess all referrals	Risk assess all referrals.	Ongoing	
9	Investigate fraud referrals (reactive work). Pursue sanctions and maximum recovery of funds.	Investigate fraud referrals to the standard required for criminal prosecution, civil sanctions or disciplinary outcomes. In all cases, seek recovery of any losses. Specifically, we aim to: - Recover 25 social homes illegally used - Achieve overall savings of £3.5m.	Ongoing	
10	Identify and pursue a program of proactive work	Continue participation in the National Fraud Initiative (NFI): **Main Exercise** By continuing to meet regularly with internal stakeholders to review data matches and ensure outcomes are investigated and recorded.	Quarterly	

		London Fraud Hub By attending London Fraud Hub meetings and events and participating in the planned quarterly exercise to identify polygamous working. We will also: - expand the use of regular uploads and rematches to the Fraud Hub to identify overpayments, errors and fraud at the earliest opportunity, with particular emphasis on Housing and pensions. - explore the option to join other London or neighbouring Fraud Hubs. - continue to encourage internal stakeholders to run new applicants through App Check, particularly in Housing and Human Resources.	Quarterly Bi-annually 31 March 2026 Ongoing	
		Develop and implement Housing Fraud pilot. Implement learning from Housing Fraud pilot	31 March 2026 30 September 2026	
		Use information obtained from risk assessments and collaborative working	Ongoing	

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No	Supporting Action	Task	Target Date	Progress
		to identify opportunities for further proactive work with key high risk areas.		
11	Financial Investigations	Assist with Financial Investigations, including those undertaken on behalf of Consumer Protection and Planning Enforcement.	Ongoing	
12	Counter Fraud resources	Complete an annual assessment of whether the level of resource invested to counter fraud and corruption is proportionate to the level of risk.	30 June annually	

Strategic Aim: Progress the use of technology

Proactively harness existing and emerging technologies, with a focus on AI, to strengthen the Council's counter fraud capabilities.

No	Supporting Action	Task	Target Date	Progress
13	Explore information and technology developments to improve the fraud prevention, detection and investigation capabilities of the Counter Fraud team and wider Council, with particular emphasis on data analytics and artificial intelligence capabilities.	Explore options for buying in technology services from other local authorities/external organisations to assist with detection and progress of investigations.	Quarterly	
		Explore options for a fraud case management system.	31 December 2025	
		Implement new fraud case management system	30 September 2026	
		Review and update fraud reporting facility on Council website.	31 December 2025	

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		Explore development of an internal online fraud referral form to improve quality of referrals and to assist with risk assessment process	31 March 2026	