

Slough Borough Council

Report To:	Audit & Corporate Governance Committee
Date:	12 November 2025
Subject:	Counter Fraud – Mid-Year Update
Chief Officer:	Ian O'Donnell – Executive Director Corporate Resources (S151 Officer)
Contact Officer:	Ian Kirby – Head of Internal Audit
Ward(s):	All
Exempt:	No
Appendices:	Appendix 1 – Counter Fraud Results Tracker

1. Summary and Recommendations

- 1.1 This report provides a summary of the Council's Counter Fraud team activity during the first half of 2025/26 to 30 September.
- 1.2 Although this summary does provide a high-level overview of on-going casework, individual live cases are not referenced in any detail.

Recommendation:

Committee is recommended to:

- (a) To acknowledge the work of the Counter Fraud team to 30 September 2025.

Reason:

- 1.3 The Counter Fraud team, through the Head of Internal Audit, has committed to providing quarterly updates of activity, both proactive and reactive, to the Audit & Corporate Governance Committee. This report represents the second quarterly report and builds upon the Annual Counter Fraud report that was presented to the Committee on 30 April 2025.

Commissioner Review

This report is outside the scope for pre-publication commissioner review; please check the [Commissioners' instruction 5 to CLT to sign off papers](#) for further details.

2. Report

Introduction

- 2.1 The Counter Fraud Team (CFT) supports the Council in meeting its statutory responsibility under section 151 of the Local Government Act 1972 for the prevention and detection of fraud and corruption. The work of the CFT underpins the Council's

commitment to a zero-tolerance approach to fraud, bribery, corruption and other irregularities, including any money laundering activity.

The CFT works closely with the Council and its partners to prevent, detect, and investigate allegations of fraud and corruption occurring within and/or against the authority. An Anti-Fraud and Corruption Response Plan has been developed to ensure that members and employees know what action to take should they become aware of or suspect fraud or corruption.

The team works on a range of high-risk areas that include, but are not limited to:

- Social Housing Fraud
- Right to Buy Fraud
- Council Tax Fraud
- Housing Tenancy Fraud
- Corporate and Internal Fraud
- Financial Investigations
- Social Care Fraud

2.2 The table below provides a summary of enquiries to the CFT since 1 April 2025.

	Public	Police	DWP	SBC (all)	LAIEFs*	Other	Total
April	2	46	0	1	0	0	49
May	2	21	0	1	3	1	28
June	2	26	0	0	3	3	34
July	5	50	2	0	3	0	60
August	0	20	0	0	4	0	24
September	4	48	0	2	4	1	59
Sub-total	15	211	2	4	17	5	254

*Local Authority Information Exchange Forms

Police referrals continue to be the primary source of enquiries for the service and account for over 80% of all enquiries in the first half of the year. These enquiries ensure SBC are assisting the Police in their protection and safeguarding of its residents.

Appendix 1 provides a table of activity and successful recovery/prosecution. The table includes the outputs from quarter 4 of 2024/25 to provide some context and useful comparison.

Quarter 2 Activity

The London Fraud Hub

- 2.3 In April 2025, the CFT became part of the London Fraud Hub, part of the National Fraud Initiative. Membership enables the CFT to come together with and share data and intelligence with a wider network of organisations, predominantly London Boroughs, to help detect and prevent fraud.

As part of our membership of the London Fraud Hub, we will be submitting adult social care data in relation to Direct Payments and Residential Care, on 20th October, for the first time since 2016. We expect to receive local data matches for review/investigation in early December. A further, national matching exercise for adult social care will take place in October next year.

Blue Badge Fraud & Concessionary Travel Passes

- 2.4 The Blue Badge Scheme is an asset to millions, providing accessible parking for those with mobility and other health-related issues. However, it must be used correctly and is a criminal offence under the Road Traffic Act to misuse one. It is estimated that 1 in 5 badges nationally are being used by someone other than the badge holder. Our National Fraud Initiative (NFI) data matching exercise identified 166 Badges still open to a deceased person. To date 34 badges have been cancelled as a result of the exercise. NFI places a nominal value on blue badges, linked to administration and lost parking revenue, it is estimated that the cancellation of the 166 badges will provide saving of around £132,000 to the Council.
- 2.5 The NFI also compares all of the concessionary travel data in the UK with national mortality data. This allows us to identify where travel passes continue to be used, fraudulently, by relatives or associates of the deceased.

As a result of the work of the CFT, recommendations and control improvements have been actioned to prevent the auto renewal of passes, without additional checks, at the end of each three-year cycle. The 2024 data match identified 1,100 concessionary badges issued to deceased persons. However, review and cancellation by the in-house team has seen the number of these passes reduce to 184. Again, NFI provides a nominal value to cancellation of passes and for Slough this represents a figure of around £25,500. Our membership of the London Fraud Hub gives us continuing access to the mortality data, following up on data matches will help prevent the future misuse of these passes at the expense of Council.

Anti Money Laundering (AML) /Right to Buy (RTB)

- 2.6 The CFT continues to ensure that the 300 plus applications that were submitted when the RTB discounts were changed in November 2024 have been cleared in reasonable time and with due diligence. This protects the Council from falling foul of anti-money laundering laws. Linked directly to this activity, around £5,500 has been recovered from Benefit overpayments.

Disability Relief Review

- 2.7 This pro-active review to assess the continuing requirement of council tax discounts for persons with disabilities was initiated by the CFT. A total of 268 letters were issued to claimants and, as a result, a sum of £19,885 in repaid discounts was returned to the Council. The review letter is now available on the Council's website for residents to complete when entitlement ceases.

Housing

- 2.8 The CFT continues to work with Housing colleagues, and our externally commissioned experts, to review and investigate an increasing number of housing-related referrals, with a number specifically concerned with the allocation of social housing. All allegations are being investigated thoroughly however, investigations can often be lengthy, complex and are of course reliant on credible evidence such as witness statements and the availability of computer and/or financial records.

In addition, the CFT will undertake an initiative to carry out visits on properties where the Council has placed tenants outside of the borough. This activity will be used to confirm residency/occupancy and end inappropriate landlord payments where residency cannot be confirmed.

- 2.9 Whilst the detail of an on-going investigation would never be publicised as this may prejudice the investigation, we are able to say that two housing-related prosecutions, that have already resulted in property returned to the Council, do have hearing dates at Reading Crown Court. However, given Reading Crown Court's caseload backlog, these court dates are not until late 2027.

In addition, legal paperwork for the recovery of three properties is being prepared, these properties were served Notices Seeking Possession in September.

- 2.10 At the conclusion of our investigative processes, successful prosecutions are routinely reported on the Council's website and in the local press.

New Homes Bonus

- 2.11 During week commencing 8th September 2025, the CFT completed the annual review of long term empty properties as part of the New Homes Bonus Scheme. Under the scheme, administered by the Ministry of Housing, Communities and Local Government (MHCLG), subsidy is awarded to local councils as an incentivised way of encouraging housing growth in their areas.

The scheme rewards local councils for each additional home added to the council tax base, including newly built properties, conversions and long term empty properties brought back into use, after deducting the number of demolished properties in the period.

In the last financial year, 2024-25, the bonus paid to Slough was £266,238. However, current year delays/backlog of the Valuation Office in banding new build/repurposed properties may result in Slough failing to achieve bonus within 2025/26.

CIPFA Review of Counter Fraud in Slough 2023.

- 2.12 In February 2023, the Chartered Institute of Public Finance & Accountancy (CIPFA) completed a review of counter fraud within Slough BC. The review identified 20 recommendations to improve activity, governance and visibility of the service. A review of progress and update to the action plan, aligned to the operational plan tabled as part of the Annual Report in April 2025, has been completed and a revised Plan has been developed. Progress can be summarised as follows:

Recommendations	20
Implemented	4
Implemented/ On-going	6
Partially Implemented/ On-going	2
Outstanding	8

Implementation/development will continue to be monitored and progress reported as a standing part of this quarterly update.

- 2.13 The 8 areas that remain outstanding are:

1. A formal update of fraud policies and procedures
2. The further development and use of fraud data analytics
3. The establishment of fraud risk champions
4. Formalising work with external stakeholders and bodies via SLAs
5. Supporting senior management to develop an ethical culture
6. Support Members and senior managers to embed that culture
7. In support of the ethical culture, to publish the relevant codes of ethics
8. Support the identification and capture of fraud and corruption risk across the Council

Corporate Communication

- 2.14 Deterring fraud is a critical part of the service's proactive responsibilities and the use of communication, through press and the Council's website will continue to be an essential tool in the deterrence of fraud.
- 2.15 In addition to external communication channels, the Team continues to promote fraud awareness and retention internally and is routinely part of corporate induction and wider training programmes.

The use of communication will continue to be an essential tool in the deterrence of fraud.

3. Implications of the Recommendation

- 3.1 Financial implications

All fraud has a detrimental financial impact on the Council. In cases where fraud is identified, recovery action is taken to minimise the impact that such instances cause. This also includes action, where appropriate, to make improvements to the financial administration arrangements within the Council as a result of frauds identified.

3.2 Legal implications

3.2.1 The Council has a duty under S151 of the Local Government Act to make arrangements for the proper administration of their financial affairs. To effectively discharge this duty, these arrangements include Council policies and procedures which protect the public purse through managing the risk of fraud and error.

3.2.2 The CIPFA Code of Practice on managing the risk of fraud and corruption emphasises five key principles to:

- acknowledge the responsibility of the governing body for countering fraud and corruption
- identify the fraud and corruption risks
- develop an appropriate counter fraud and corruption strategy provide resources to implement the strategy
- take action in response to fraud and corruption.

3.2.3 The Council has an action in its AGS Action Plan to commission an external review of corporate anti-fraud policies, procedures and practices by another local authority or sector body to review extent to which current practice is preventative based and proactively managing risks. In addition a further action was agreed by Committee in September 2025 to commission an external audit of risk of fraud in housing directorate, including considering effectiveness of internal controls.

3.3 Risk management implications

3.3.1 The risk of fraud is being managed in a number of ways including:

- Through the Counter Fraud team work on fraud, which is monitored by the Audit and Corporate Governance Committee.
- Through agreed management action taken in response to fraud investigations and/or proactive reviews.

3.3.2 There is a risk that a continuing increase in the volumes of referrals and/or enquiries outweighs the resources available to deal with them. This will be closely monitored and mitigating actions may include:

- A more stringent triage system to prioritise, accept or reject new cases
- Development a cost/benefit business case for additional investment in the team

3.4 Environmental implications

3.4.1 There are no direct environmental implications in this report.

3.5 Equality implications

3.5.1 Section 149 of the Equality Act 2010 imposes a legal duty on the Council to have due regard to three specified matters in the exercise of their functions:

- Eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and

- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The 'protected characteristics' covered by section 149 are race, gender, disability, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment. The duty to have due regard to the need to eliminate discrimination also covers marriage and civil partnership.

The Council acting in its role as Prosecutor must be fair, independent, and objective. Views about the ethnic or national origin, gender, disability, age, religion or belief, political views, sexual orientation, or gender identity of the suspect, victim or any witness must not influence the Council's decisions.

Appendix 1 - Corporate Fraud Team Results Tracker to 30 September 2025

Area of Activity	Q4 Jan-Mar 25	Q1 Apr-Jun 25	Q2 July-Sept 25	Q3 Oct –Dec 25	Q4 Jan- Mar 26
New Homes Bonus	£266,238 gross	N/A	N/A		
Right to Buy Anti Money Laundering (AML) discount)	1 x £84,600	None			
HB and Council Tax Support Overpayments Identified	£178	£10,706	£18,209		
Formal Caution payments	Nil	£1,000 10 x £100	£200 2 x £100		
Prosecutions		1 x £11,334 overpayment			
Single Person Discount recovered					
Disabled Reduction Discount	£7,698	£5,506	£6,681		
Property Recovered back into stock (value)	4 properties = £686,000	1 property = £180,000			
Blue Badge Fraud	2	10	2		
National Fraud Initiative Nominal Savings		Concessionary Badges £25,308 Blue Badges £27,790			
Financial Investigations Income	None	None	£8,086 & £7,900 Costs		
Revenue (External)	£4,737	None	None		
Revenue (Internal)	£51,883	None			
Anti-Money Laundering checks cleared	23	25	28		
AML Referrals	30	24	30		
Fraud Referrals	33	39	22		
Rejected Referrals	9	6	17		
Enquiries Actioned	78	111	114		
Cases Pending Allocation	3	15	36		