

**Counter Fraud  
& Investigation**



See it.



Report it.



Stop it.

# **Counter Fraud Strategy**

## **2024/25 – 2026/27**



**thurrock.gov.uk**

# Key Information

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Section/Directorate: Counter Fraud & Investigations, Corporate Services

**External Consultation:** N/A

**Internal Consultation:**

- Audit Committee
- Senior Leadership Team

**Background Information:**

- Counter Fraud, Bribery & Corruption Policy
- Whistleblowing Policy
- Anti-Money Laundering Policy
- The Fraud Act 2006
- The Bribery Act 2010
- The Proceeds of Crime Act 2002
- The Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014
- The Prevention of Social Housing Fraud Act 2013
- The Money Laundering, Terrorist Financing
- Transfer of Funds (Information on the Payer) Regulations

**Strategy Approval, Senior Officer Level**

Michael Dineen – Assistant Director for Counter Fraud, Enforcement, Community Safety & Public Protection

Strategy Approval, Member Level

PFH

Audit Committee

Policy Review Date: March 2027

CEIA Review: March 2025

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## 1. Introduction

Thurrock Council is committed to protecting public funds by the prevention and detection of fraudulent activity across the borough. In the current climate of reduced funding and financial hardship it is more important than ever that losses to the Authority, as a result of fraud and corruption, are kept to a minimum to ensure that our limited resources are utilised for their intended purpose.

The Authority also has a legal responsibility under the Accounts and Audit (England) Regulations 2015 for ensuring that financial management is adequate and effective and has a sound system of internal control which facilitates the effective exercise of functions which includes arrangements for the management of risk.

To deliver successfully against the Counter Fraud Policy the Authority's approach and key priorities for the next three years are confirmed in this strategy, which will be subject to regular review. Key actions have been identified and are set out in the Strategy Action Plan at Appendix A.

## 2. Strategy Context

The ongoing delivery of the strategy will be based upon comprehensive ongoing risk assessments in all areas of Authority activity, to reduce losses from fraud and corruption through:

- Reinforcing an organisational culture of 'zero tolerance' to fraud and corruption
- Encouraging prevention
- Pro-actively detecting fraud and corruption.
- The instigation of legal, disciplinary (Authority employees only) and financial recovery action against any individual found to have acted fraudulently or corruptly in their relationship and dealings with the Authority.

This holistic approach to tackling fraud and corruption is an integral part of existing governance arrangements, policies and procedures. Providing a raft of measures and interventions designed collectively to deter 'would be' offenders.

As a living document it is envisaged that this strategy will continually evolve as the Authority gains a better understanding of the potential threat from fraud and corruption and as new and existing partnerships, both internally and externally, develop. The

strategic ambitions will be further supported in practical terms by an operational delivery plan.

### The National Fraud Landscape

The Fighting Fraud and Corruption Locally Strategy 2020 is a document produced for local government, which suggests that over one in three of all crimes committed nationally are fraud based. The Annual Fraud Indicator produced by Crowe Clark Whitehill estimates that the National figure for fraud may be as high as £219bn in 2023 and the public sector lost £50.2bn. Fraud in local government (excluding benefits) also increased from an estimated £7.8 billion in 2017 to 8.8 billion in 2021-2022.

In addition to the scale of losses, there are further challenges arising from changes to the wider public sector landscape including public expenditure specific to the pandemic, budget reductions, service remodelling and integration, and government policy changes.

### Why it is important for us to protect Thurrock residents?

Any fraudulent or corrupt act committed against the Authority effectively constitutes theft of taxpayers' money. It is unlawful and deprives the Authority of resources that should be available to provide public services.

Fraudulent applications for housing, 'Right to Buy' or succession of tenancy and subletting of property, has a direct impact on our residents, especially those in need of Authority or social housing. More than 1.21 million people in the UK are currently on the waiting list for an Authority or social housing home with Thurrock's figure is currently at approximately 4,612.

### How does this strategy support the Authority's overall corporate plan?

In 2024 the Authority launched a new corporate plan, which identified new values and priorities for the Authority. This strategy has been created to ensure those values and priorities factor in how the Authority deals with individuals and businesses that would seek to disrupt those priorities and take from the Authority.

## Our Values

The corporate values that have been adopted ensure that accountability, collaboration, and improvement are at the heart of these values. Below you can see how the CFI work will support each value.

1. Together, we hold ourselves to account to get things done. We do this by demonstrating accountability and integrity – This is what this strategy promotes. The responsibility for reporting concerns as well as the requirement on the Authority to ensure staff are trained appropriately in Fraud Awareness, contributes to being accountable as an Authority as well as individually when matters go wrong.
2. Together, we make possible what cannot be achieved alone. We do this by being collaborative and focusing on impact – Projects will always have an element of financial risk, including through criminal behaviour. Targeting fraud awareness and ensuring departments have access to the expertise of the CFI team means that projects will have a 'anti-fraud' thought process added to the management of them. This reduces risk through awareness.
3. Together, we will listen and act to continually improve. We do this by being responsive to local people and the issues they raise and adapting our approach to achieve better outcomes – The CFI team will work with departments after completion of investigations to ensure learning and recommendations are put in place, which will enable improvement.

## Our priorities

We have organised our priorities into 3 main areas:

- an **Enabling** council
- **People**
- **Place**

This strategy looks to develop the priorities and protect what they are intended for. Thurrock is a vibrant and diverse borough, and the 3 priorities will ensure that the people and places within Thurrock remain the priority of the Authority.

The Counter Fraud and Corruption Strategy supports these priorities in seeking to ensure sound governance. In adopting this approach and culture the strategy supports the priorities in enabling greater engagement with the community and partners, while protecting the public purse. As such this strategy is a key supporter for the delivery of the corporate plan.

### **3. Our Approach**

Minimising fraud and irregularity is everyone's concern. Whilst specialist teams have a key role, the Authority expects the highest standards of probity, propriety and conduct from all Elected Members, employees and contractors. This includes a requirement to act lawfully and to comply at all times with the Authority's policies, procedures and regulations.

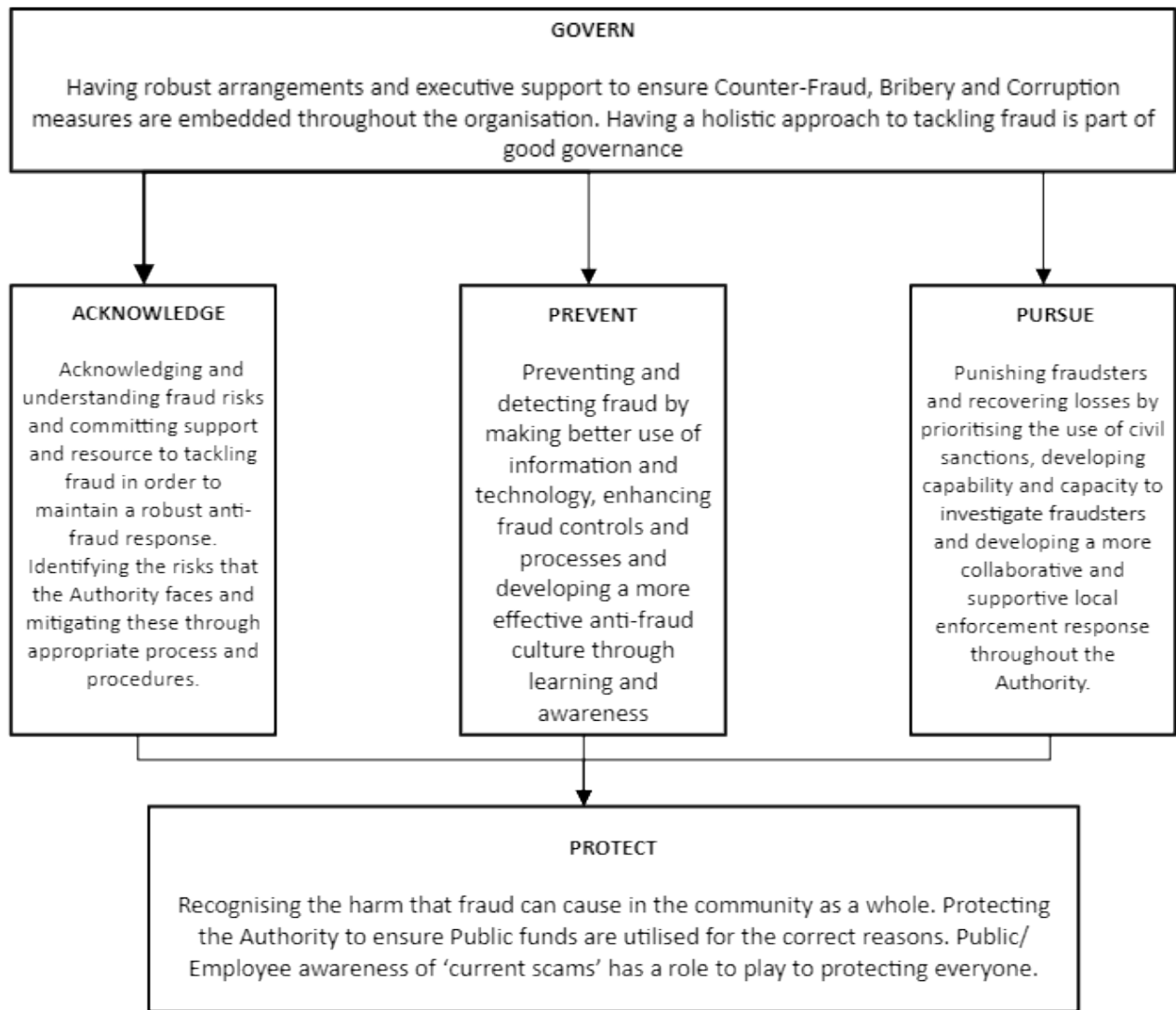
The Authority will fulfil its aim to reduce fraud and corruption to an absolute minimum through a strategic approach consistent with that outlined in the Local Government Fraud Strategy 'Fighting Fraud & Corruption Locally' and in the Authority's Counter Fraud Policy. We will continue to engage with internal and external stakeholders through various workshops/programs in the promotion of this strategy, encouraging the reporting of all fraud and working with fraud response partners to combat all aspects of public sector fraud.

Fighting Fraud and Corruption Locally 2020 is the updated counter fraud and corruption strategy for local government. It provides a blueprint for a coordinated response to fraud and corruption perpetrated against local authorities with the support of those at the very top of the Authority. The strategy can be seen in the diagram below; however, it consists of 5 areas that the Authority should concentrate its efforts on and work towards, which are Govern, Acknowledge, Prevent, Pursue and Protect.

The concept of 'govern' sits before 'acknowledge/Prevent/Pursue' as it is recognised that without good governance, nothing will be imbedded throughout the organisation to assist with acknowledging risks, preventing threats or pursuing those that commit criminal acts against the Authority.

This therefore means it is vital that we have robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation. Lastly, we look towards 'Protect', which recognises the harm that fraud can cause in our community; for us this also includes protecting public funds, protecting

the organisation from fraud and cybercrime and also protecting itself from future frauds, which restarts process once again.



#### 4. How do we succeed

The ongoing development of this strategy will be informed through our understanding of the threat, emerging risks, trends and the savings that can be achieved by investing in counter fraud and corruption, which will be monitored through the Fraud Risk Register. This will focus on greater use of technology and interrogation of data to assess vulnerability and proactively target higher risk areas.



We will also be focusing on raising staff awareness of the risks of fraud and corruption and what they can do to prevent or identify it through staff awareness training.

Since 2018, the measures to prevent fraud and corruption have been strengthened through the establishment of a dedicated counter fraud investigation team that has the capability and capacity to:

- Investigate allegations of fraud and corruption
- Prosecute and sanction offenders.
- Identify fraud prevention controls across the organisation.

The themes that will allow us to succeed in our approach can be summarised by the following areas.

- Culture  
The Authority will create a culture where fraud and corruption are unacceptable, and staff feel supported in reporting any concerns they have.
- Capability  
The Authority will assess the full range of fraud risks ensuring that the range of counter fraud measures deployed is appropriate.
- Capacity  
The Authority will deploy the appropriate resources to deal with the level of risk identified.
- Competence  
The Authority will ensure that resources employed on tackling the full range of counter fraud and corruption activity have the appropriate skills and competence.
- Communication  
The Authority will raise awareness internally and externally, deterring fraudsters, sharing information and celebrating successes.
- Collaboration  
The Authority will work together across internal and external boundaries, for example with colleagues, other local authorities and other agencies, sharing resources, skills, learning and best practice.

Whistleblowing remains the most common way that fraud and corruption is detected within large organisations. The Authority will raise awareness and continually promote

its Whistleblowing policy and other associated policies and procedures ensuring all reports of suspected fraud or corruption are treated seriously and acted upon, thereby developing a robust and proportionate response to counter any threats. The Authority will also ensure that people have confidence in the Whistleblowing policy and arrangements and are confident and protected when raising issues, which forms the 'culture' of the Authority.

The best way to fight fraud and corruption is to prevent it happening in the first place. The Authority will continually work towards realigning counter fraud resources away from enforcement towards prevention; ultimately, aiming to deter all would-be offenders.

The Authority has already established a robust framework of procedures and controls which provide the major elements of its counter-fraud and corruption governance arrangements. This strategy is an integral part of a series of interrelated policies, procedures and controls designed to deter any attempted fraudulent or corrupt act.

These policies, procedures and controls include:

- The Constitution, including Financial Regulations
- Internal Control Systems and Procedures
- Standards Committee
- Code of Conduct for Councillors; for Employees
- Registers of Interest
- Gifts & Hospitality Procedure
- Procurement Rules and Guidance
- Counter Fraud, Bribery & Corruption Policies
- Anti Money Laundering Policy and Procedures
- Whistleblowing Policy
- Human Resources policies and procedures for managing performance including disciplinary matters.
- Human Resources policies and procedures for managing recruitment (employee vetting procedures)
- Information Technology Security Policy
- Information Sharing Arrangements

A priority aim is to fully integrate this strategy into existing policies, procedures and controls, ensuring it becomes a key part of the Authority's governance and risk

management framework. Preventative measures will be supported by ongoing assessment of those areas most vulnerable to the risk of fraud and corruption, in conjunction with risk management arrangements and risk-based audit reviews.

Records of this will be kept within the fraud risk register, as well as the mitigation the organisation has put in place so that repeat instances are kept to a minimum.

The sheer diversity of the services the Authority and its partners provide and the multiplicity of systems used to manage them generates huge volumes of records and data. The Authority will re-engineer its fraud detection processes by comparing data from a variety of its systems, as well as partners' systems to identify anomalies, improve information sharing across services and inform the risk management process.

The Authority is resolute that the culture and tone should be one of honesty & transparency, with zero tolerance towards fraud and corruption. This is already demonstrated through its behavioural framework and codes of conduct for employees and its Members. The right organisational culture will be continually reinforced by:

- Raising awareness of this strategy to new and existing employees
- Ensure yearly training is given to all staff concerning counter fraud and how they can help in the Authority's fight to protect its resources.
- Publicising the results of all proactive work, sanctions and recovery of losses due to fraud and corruption.
- Increase and maintain the awareness of the facilities available to report concerns about fraud and corruption.

The Authority will seek to deter any fraudulent activity by publicising all criminal convictions of those found to have committed fraud against it. Press releases will always follow successful prosecutions. In addition, the Authority will take every opportunity to publicise the number of disciplinary, regulatory or civil sanctions taken against those who commit fraud against it.

National schemes such as the National Fraud Initiative (NFI) are examples of national fraud detection tools that identify many frauds that might have previously gone unnoticed. This is achieved by matching data from numerous sources to identify discrepancies. These data sets outline several service areas within the Authority, including payroll, HR, and housing.

In addition to specific counter fraud activity, all managers play a major role by the regular checking of work in their own service areas, thus detecting fraudulent activity at the earliest opportunity.

We believe the best defence against fraud, corruption and bribery is to create a strong anti-fraud culture within the organisation. We promote the 'seven principles of public life' (the Nolan Principles) and expect all our staff, including contractors, and Councillors to make themselves aware of and to follow these principles and all legal rules, procedures & practices, and to always protect our legitimate interests.

These principles are:

- i. Selflessness
- ii. Integrity
- iii. Objectivity
- iv. Accountability
- v. Openness
- vi. Honesty
- vii. Leadership

We will commit to making efforts to proactively seek out instances of fraud and take effective action once it is identified. The Authority will make best use of its communications strategy to highlight instances of fraud, for the purposes of seeking the maximum deterrence effect.

Fraud must not pay. Where fraud or corruption is discovered, the full range of sanctions will be deployed, including civil, disciplinary and criminal action. Every effort will be made to recoup losses and confiscate assets gained as a result of criminal activity. We will enhance our provision further by making best use of existing legislation, for example the Proceeds of Crime Act 2002, to ensure that where possible funds are recovered.

Criminal prosecutions deter offenders and reinforce a culture of zero tolerance towards fraud. Successful prosecutions require cases to be professionally investigated ensuring all evidence is collected within the law. Investigative staff must be adequately trained with the appropriate skills and access to specialist resources to secure effective prosecutions.

Organised crime has no respect for boundaries and can cross a range of organisations and services. Effective co-operation and joint working between local authorities and with other agencies including the Police will be essential in the ongoing development of the Authority's strategic response.

Our communication strategy, which sets out our detailed approach to anti-fraud communication, but this will be underpinned by our commitment to always being proactive in promoting our culture and approach to fraud and corruption, both internally to the Authority's staff and Councillors, but also externally to the public, businesses and partners through specific departments within the Authority.

The Authority's counter fraud officers are experienced counter fraud professionals who have undergone extensive training in the investigation of fraud. Counter fraud officers employed at Thurrock have far-reaching powers to obtain employment records, bank account records, other financial records, applications for mortgages, credit cards and other records that may be confidential. Records of this nature can legally be accessed by accredited counter fraud investigation officers where there is a reasonable suspicion of fraud.

Thurrock Council will always seek to recover as much as possible to ensure the criminal behaviour does not 'pay' and we will do this as promptly as possible.

## **5. Strategy Action Plan**

### Key Actions

There may be some realignment of existing resources, in terms of delivery of the strategy but at this stage it is not anticipated that there will be any additional financial implications because of implementing this strategy.

### Monitoring

The Authority's Counter Fraud, Bribery & Corruption Policy as well as this Counter Fraud Strategy will bring together the ethos of the Authority and its transparent and open approach. Fraud should not be hidden, instead it should be detected and learned from. There is a requirement for the Authority to monitor the outcome of this Strategy and to review its effectiveness.

Counter fraud arrangements will be evaluated through the implementation of the Strategy and through the outcome of proactive work identified in the Counter Fraud

proactive work Plan. Progress will be monitored by the Standards and Audit Committee and the Annual Governance Statement.

### Review

This strategy is subject to review yearly, however if only small changes are made this will result in control adjustments being noted at the beginning of the strategy. This strategy has a lifespan of 3 years in total. The Counter Fraud Manager is responsible for this Strategy.

## **6. Links to other corporate policies and strategies**

This document should be read in conjunction with the Authority's Counter Fraud, Bribery and Corruption Policy, Anti-Money Laundering Policy and Whistleblowing Policy and associated procedures.

Strategy Action/Work Plan

Govern:

Key Actions	Responsible Service	Lead Officer	Timescales
Develop a communication plan that sets out how we are to publicise and promote the Authority's: <ul style="list-style-type: none"> <li>- Counter Fraud Policy,</li> <li>- Bribery &amp; Corruption</li> <li>- Whistleblowing Policy</li> <li>- Money Laundering Policy;</li> <li>- and the results of the CFI work.</li> </ul>	Counter Fraud & Investigations	Counter Fraud Manager	December 2024
Develop the webpage and intranet page for Counter Fraud & Investigation team.	Counter Fraud & Investigations	Counter Fraud Manager	October 2024
Develop a number of campaigns to run over the next three years, as part of the Communications strategy.	Counter Fraud & Investigations	Counter Fraud Manager	Continuous Action
Report results of the Counter Fraud team to Audit Committee	Counter Fraud & Investigations	Counter Fraud Manager	Twice a year

Publicise on the Council Website the number of fraud cases investigated each year as part of the Authority Transparency arrangements.	Counter Fraud & Investigations	Counter Fraud Manager	Yearly
Review and Refresh Policies, if required.	Counter Fraud & Investigations	Counter Fraud Manager	Yearly

**Acknowledge / Prevent / Pursue:**

<b>Key Actions</b>	<b>Responsible Service</b>	<b>Lead Officer</b>	<b>Timescales</b>
Participation in the National Fraud Initiative.	Counter Fraud & Investigation	Counter Fraud & Investigation Manager	Every two years – Constant Review
Proactive Counter Fraud Activity - Performance of tenancy checks as part of examination of C/Tax liability, Right To Buy and Housing applications.	Counter Fraud & Investigation	Counter Fraud & Investigation Manager	Not time restricted – Ongoing activity
To explore closer working with housing associations, and undertaking fraud work for other local authorities.	Counter Fraud & Investigation	Counter Fraud & Investigation Manager	Not time restricted – Ongoing activity



Attend Eastern Counter Fraud Working Group to share ideas and discuss the latest developments with regard to fraud identification and prevention.	Counter Fraud & Investigation	Counter Fraud & Investigation Manager	Not time restricted – Ongoing activity
Undertake joint working with the DWP on cases that have a Housing Benefit and/or a Local Authority Tax Support interest.	Counter Fraud & Investigation	Counter Fraud & Investigation Manager	Not time restricted – Ongoing activity

**Protect:**

<b>Key Actions</b>	<b>Responsible Service</b>	<b>Lead Officer</b>	<b>Timescales</b>
Provision of Advice and Guidance to Service areas on internal controls for the prevention and detection of fraud.	Counter Fraud & Investigation	Counter Fraud & Investigation Manager	Annually as part of the Audit Plan
Ensure staff have completed the e-learning fraud awareness training or where not possible, have received awareness training through face to face training.	Counter Fraud & Investigation	Counter Fraud & Investigation Manager	Annually

<p>Complete a detailed review of the key risks of fraud for the authority and identify the appropriate controls are in place to manage such risks. This is known as the Fraud Risk Register.</p>	<p>All Services Supported by Counter Fraud &amp; Investigations</p>	<p>Heads of Service supported by the Counter Fraud &amp; Investigations Manager</p>	<p>Not time restricted – Living Document</p>
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