ISLE OF ANGLESEY COUNTY COUNCIL	
Report to:	Governance and Audit Committee
Date:	30 September 2025
Subject:	Annual Counter Fraud, Bribery and Corruption Report 2024-25
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Nature and Reason for Reporting:

The Governance and Audit Committee's terms of reference require it to oversee any major areas of fraud, identified in an annual report and monitor action plans to address control weaknesses (3.4.8.9.5). The committee is also required to consider the assurance provided by internal audit (3.4.8.9.6).

In addition, the Accounts and Audit (Wales) Regulations 2014 state that the Council's responsible financial officer (Section 151 Officer) must ensure that its accounting control systems include measures to enable the prevention and detection of inaccuracies and fraud.

Finally, while no longer a standard in its own right in the new Global Internal Audit Standards in the UK Public Sector (GIAS), fraud is considered a pervasive risk and is considered throughout the standards.

1. INTRODUCTION

1.1. This report presents the activity carried out by internal Audit during 2024-25 to minimise the risk of fraud, bribery and corruption occurring within and against the council and provides assurance to the committee on the effectiveness of the council's arrangements to minimise the risk of fraud.

2. RECOMMENDATION

2.1. That the committee considers and comments on the activity carried out during 2024-25 to minimise the risk of fraud, bribery and corruption occurring within and against the council and notes the assurance provided to the committee on the effectiveness of the council's arrangements to minimise the risk of fraud.

Annual Counter Fraud, Bribery & Corruption Report 2024-25

September 2025

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Introduction

1. This report presents the activity that Internal Audit carried out during 2024-25 to minimise the risk of fraud, bribery and corruption[1] occurring within and against the council.

2. During 2024-25, this supported the requirements of the Public Sector Internal Audit Standards, 2022 (PSIAS), which required internal audit to evaluate the potential for fraud occurring and how the organisation manages fraud risk (Standard 2120).

3. With effect from 1 April 2025, the Global Internal Audit Standards in the UK Public Sector (GIAS) has replaced PSIAS. While no longer a standard in its own right, fraud is considered a pervasive risk and is considered throughout the standards.

4. The Accounts and Audit (Wales) Regulations 2014 state that the Council's responsible financial officer (Section 151 Officer) must ensure that its accounting control systems include measures to enable the prevention and detection of inaccuracies and fraud.

5. A report[2] by the Auditor General for Wales stated that the value the public sector loses to fraud is unknown. A Cabinet Office report[3] identified an upper and lower range for likely losses in government spend between 0.5% and 5% of expenditure.

6. Applying those estimates to the £226 million gross revenue budget of the Isle of Anglesey County Council in 2024-25 suggests that losses to fraud and error may be anywhere between £1.13 million and £11.3 million per annum.

7. The report also provides an un update on the council's progress in responding to the Auditor General's recommendations in a report[4] published in 2020.

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[1] An explanation of what constitutes fraud, bribery and corruption is included at Appendix 1
[2] Counter-Fraud Arrangements in the Welsh Public Sector, Audit Wales, June 2019
[3] Cross-Government Fraud Landscape Annual Report 2019, Cabinet Office
[4] 'Raising Our Game' Tackling Fraud in Wales, Audit Wales, July 2020

Why is Countering Fraud, Bribery and Corruption Important?

8.   Each pound lost to fraud, bribery and corruption represents a loss to the public purse and reduces the ability of the public sector to provide services to people who need them.

9.   At a time of increasing financial pressure, it is more important than ever for all public bodies in Wales to seek to minimise the risks of losses through fraud and support financial sustainability.

10.   Fraud can also affect the public sectors' reputation, undermining public trust and organisational efficiency.

11.   When councils take effective counter fraud measures, they rebuild this public trust and ensure that scarce funds are used effectively.

12.   The public sector is now being increasingly targeted due to their larger financial transactions and the greater potential profits for fraudsters.

13.   CIPFA, in its 'Code of Practice on Managing the Risk of Fraud and Corruption'[5] advocates that:

> **"Leaders of public services organisations have a responsibility to embed effective standards for countering fraud and corruption in their organisations. This supports good governance and demonstrates effective financial stewardship and strong public financial management".**

Current Context

14.   With the war in Ukraine continuing and the cost-of-living crisis, other business-critical risks such as supply chain disruption, staff retention, and cyber threats, the opportunities for fraud continue to increase, and fraudsters will take advantage of the situation using increasingly sophisticated tools to commit crime.

15.   There is real concern in the public and private sectors in the UK that fraud is now at unprecedented levels. According to the Home Office, fraud accounts for over 40% of crime but receives less than 1% of police resource and is the most commonly experienced crime in England and Wales[6], with an estimated 4.2 million fraud incidents in 2024-25; a 31% increase, compared with 2023-24 (3.2 million incidents) and was mainly because of a 30% increase in bank and credit account fraud and a 23% increase in consumer and retail fraud.

16.   Concerningly, a report published in October 2024[7] by The Co-operative Bank which analysed cases using the National Fraud Intelligence Bureau (NFIB) information revealed that Wales has the three highest areas of incidences of fraud per population in the UK, with north Wales with the highest rate at 43 reports per 1,000 residents, with Gwent and south Wales following. The financial impact is significant, with nearly £10m lost to fraud in north Wales — equating to £141 per person.

17.   Fraud against the government also remains a significant concern, although the total value decreased. The Public Sector Fraud Authority's estimate, released in the Fraud Landscape Report in March 2024, indicates the challenge for the government in taking action on fraud against the public sector remains significant. The

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[5] Code of Practice on Managing the Risk of Fraud and Corruption, CIPFA, 2014
[6] 'Crime in England and Wales: year ending March 2025, ONS, July 2025
[7] The UK fraud Report: Where are the biggest fraud hotspots, The Co-operative Bank, 25 October 2024

estimate (including tax and welfare) is that every year between £39.8bn and £58.5bn of public money is subject to fraud and error.[8]

18. KPMG's Fraud Barometer[9] highlights that there was a dramatic increase in benefit fraud, largely driven by a single large, organised crime case, highlighting the need to ensure appropriate safeguards and controls are in place.

19. Artificial Intelligence (AI) has a dual role, with the increasing use of AI by both fraudsters (creating sophisticated schemes) and organisations (improving fraud detection).

20. The internal threat from management and staff continues to be recognised as a serious issue. Although reduced from last year, in 2024-25, there were 5,387 'thefts by an employee' offence reported in England and Wales, compared with 6,235 in 2023-24. [10]

21. The Auditor General, in his report[11] discussing the challenges facing Welsh public services, fears that it is too easy for public bodies to think of their investment in counter fraud work as a luxury rather than a necessity amid other pressures.

22. Quoting the Cabinet Office's estimates of at least £33 billion of UK taxpayers' money (including tax and welfare) subject to fraud and error every year, the Auditor General suggests the opportunities are significant if there is the will to pursue them.

23. In response we have seen the UK government establish the Public Sector Fraud Authority, launched in August 2022 to modernise the counter fraud activity in the public sector, issue its Fraud Strategy[12] and introduce new legislation including the 'failure to prevent fraud' offence introduced in the Economic Crime and Corporate Transparency Act 2023, which came into force on 1 September 2025.

Strategic objectives 2025-2028

24. When considering our objectives, we considered CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption (2014) (the CIPFA Code), which sets out best practice for counter-fraud work in local government, based on five principles.

25. In addition, in the absence of a Wales-specific overarching strategy we used the 'Fighting Fraud and Corruption Locally: A Strategy for the 2020s' (FFCL), to underpin our strategic focus. This is the overarching counter-fraud and corruption strategy for local government in England and provides a blueprint for a tougher response to fraud and corruption perpetrated against local authorities.

26. Similar to the CIPFA Code, the FFCL strategy focuses on five pillars of activity, or strategic objectives, which are detailed at Appendix 2, and helps us to set out where the council needs to concentrate its counter-fraud efforts.

27. These strategic objectives have been used to develop a delivery plan of counter fraud activity. A progress update is included at Appendix 3.

28. Highlights include a tangible increased awareness of potentially fraudulent emails as a result of the training programme delivered during 2023-24, and the launch of the corporate fraud reporting tool. Details follow below.

Attempted CEO bank mandate fraud

29. An email purporting to be from the CEO was sent directly to the HR Manager asking for their bank details to be changed. The email

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[8] Public Sector Fraud Authority Delivery Plan 2024/2025, Cabinet Office, January 2025
[9] Fraud Barometer 2024, KPMG, May 2025
[10] Number of theft by an employee offences in England and Wales from 2002/03 to 2024/25, Statista, accessed 15/09/2025
[11] From firefighting to future-proofing – the challenge for Welsh public services, Audit Wales, February 2024
[12] Fraud Strategy: stopping scams and protecting the public, June 2023

looked like it had come directly from the CEO and had not been detected as malicious by ICT systems. However, the HR Manager had recently attended the counter fraud training, and their awareness of fraudulent emails was heightened. While the email looked entirely genuine, the language used raised a concern. After investigation by the ICT Cyber Team, they detected it had come from a 'spoofed' gmail account and blocked the sender's email.

Fraud Reporting Tool

30. In November 2024, the council's Fraud Reporting Tool went live on the council's website. Due to capacity issues within the team, the launch was not promoted via the council's corporate communications team. However, despite not being promoted, the results have been excellent and are detailed at Appendix 4.

31. As expected, most allegations relate to Revenues and Benefits fraud. (68% or 13/19). Allegations of council tax single person discount (CTSPD) and council tax relief scheme (CTRS) fraud (commonly due to a failure to disclose a partner living at the address) can be sensitive and difficult to investigate. The forthcoming external CTSPD data matching review will be used to investigate these allegations.

32. An allegation of social housing tenancy fraud (council property not used as main/principal home) was investigated by a council housing management officer and concluded, on the balance of probabilities, the allegation could not be proven and the case closed.

33. We are currently in the process of recruiting an Insurance and Counter Fraud Officer. This post will provide greater strategic and operational support to services so that allegations of fraud can be investigated more effectively, resulting in improved outcomes.

34. Consequently, we aim to launch the Fraud Reporting Tool during the International Fraud Awareness week in November 2025 (16-22 November 2025), with an accompanying programme of promotion.

Fraud attempted against the council 2024-25

35. Five allegations of potential fraud against the council were received. Following preliminary investigations, no further action was taken with regards four cases due to:

- Employee's contract terminated due to unrelated gross misconduct
- Insufficient evidence to proceed, however, the service was advised to decline any further grant applications
- No loss or gain to the council or anyone externally
- No improper action by the employee

36. In the remaining case, we undertook an internal investigation in response to allegations concerning the council's expenditure on electrical contractors, specifically focusing on the procurement relationship with a contractor.

37. The outcome of our investigation was reported to the Governance and Audit Committee at its meeting in February 2025 and is summarised below for reference.

Electrical Contractor Expenditure, January 2025

38. A complainant alleged that council officers demonstrated preferential treatment toward the contractor during the procurement and allocation of electrical works. The complaint further suggested that this preference may be influenced by undisclosed personal connections between council staff and the contractor. However, no specific individuals or job titles were identified, and the complainant declined to provide further evidence or participate in follow-up discussions.

39. In light of these concerns, the investigation focused on four key areas aimed to clarify the integrity of the council's procurement

practices – procurement procedures, an expenditure analysis, conflicts of interest management and fraud controls.

40. Our investigation concluded that the procurement of electrical works awarded to the contractor was found to be compliant with contract procedure rules, conducted through fair, transparent, and competitive processes that ensured value for money.

41. Allegations of favouritism towards the contractor were not substantiated. Due to the contractor's low ranking on relevant contractor lists, they were not considered for school or corporate building projects. Significant work undertaken at a school was awarded through a separate competitive tender via Sell2Wales.

42. Although a potential conflict of interest was identified involving a former officer, there is no evidence of undue influence in the award of a contract. Notably, the contractor continued to receive substantial work in 2022 and 2023, post-resignation, based on competitive evaluation of price and quality.

43. A new tender was issued via Sell2Wales. Given the prior allegations, a qualified evaluation panel to oversee the process to ensure fairness and equal treatment was advised.

44. The investigation also identified opportunities to strengthen the declaration and management of personal and financial interests, as well as minor procedural discrepancies in invoicing, which were referred for internal review.

Progress with Implementing the Auditor General's Recommendations

45. We assessed the progress the council has made to implement the 15 recommendations made in the Auditor General for Wales's 2020 report[13] on fraud to the Welsh Public Sector.

46. Of the 15 recommendations, one applied to Welsh Government and the remaining 14 applied to the wider public sector in Wales, including local government.

47. In response, to address one of the recommendations regarding better collaboration across the sector, a Counter Fraud Working Group, a sub-group of the North and Mid-Wales Audit Partnership (N&MWAP), has been established to work collaboratively. The group has developed a template of 'best practice' and continues to meet regularly to share emerging risks and good practice.

48. The council's Counter Fraud, Bribery and Corruption Strategy 2025-2028 addresses the remainder of the recommendations.

49. Work continues to build the council's anti-fraud culture with the launch of the Fraud Reporting Tool. The launch of eLearning and refreshed policies, to coincide with the International Fraud Awareness Week in November 2025, will actively promote the importance the council gives to countering fraud and will give confidence to staff and members of the public that fraud is not tolerated.

[13] 'Raising Our Game' - Tackling Fraud in Wales, Audit Wales, July 2020

Conclusion

50. The effective management of fraud and corruption risks is a critical part of an effective, modern council. Some level of public sector fraud is likely, even in normal times. Given that all elements of the classic fraud triangle in which fraud thrives (motivation, opportunity and rationalisation) are heightened, the prediction for fraud is that it continues to pose a major financial threat for councils, with no sign of slowing down.

51. The council is not immune to theft in the workplace, which can go undetected for years, and occur at all levels. Unless we have the right protections in place, the council will have little chance of recovering stolen cash and goods, and may face other expenses, such as regulatory fines. The council can reduce the risk of employee theft by implementing robust controls, robust oversight and a positive work culture.

52. Delivery of the Counter Fraud, Bribery and Corruption Strategy 2025-28 and Delivery Plan will ensure the council is successful in fighting fraud. A key next step is the development of council-wide fraud risk assessments which will help to improve the council's ability to identify potential instances of fraud, as well as any weaknesses in its counter-fraud arrangements or areas at higher risk of fraud. This will allow the council to better target its limited resources and activities appropriately, particularly if and when new fraud risks emerge.

53. These fraud risk assessments will also be used as a live resource and integrated within the general risk management framework to ensure that the risks identified are appropriately managed and escalated as necessary.

54. The council continues to seek to maximise benefit from its National Fraud Initiative work and continues to use data analytics in its continuous monitoring work.

55. Where fraud is identified and successfully addressed it will be publicised to re-enforce a robust message from the top that fraud will not be tolerated.

56. The Governance and Audit Committee is engaged with counter-fraud. It receives reports of the outcome of fraud investigations, and provides support and direction, monitoring and holds officials to account.

57. While the council has trained counter-fraud staff that meet recognised professional standards, capacity remains an issue, and the limited resources will need to be prioritised on a risk basis. The appointment of dedicated counter fraud officer will provide a step-change in the council's ability to counter fraud effectively.

58. Finally, the behaviours and actions of individuals play a crucial role in tackling fraud risks. We must all, staff and members alike, play our part in creating a culture hostile to the risks of fraud and corruption, clearly setting out the line between acceptable and unacceptable behaviour within the council.

Appendix 1 – What is Fraud, Bribery and Corruption?

Fraud

The Fraud Act 2006 sets out three ways in which the crime can be committed:
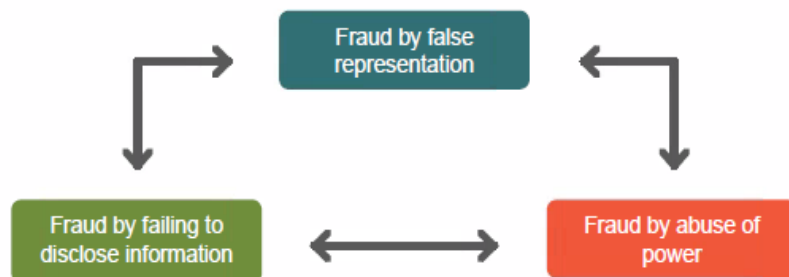
It involves leading the perpetrator to make a gain (generally financial), causing a loss to another (including an organisation), or exposing someone else to loss.

For example, fraud by false representation is where the perpetrator deliberately submits false overtime claims or submits false qualifications during the recruitment process.

An example of fraud by failing to disclose information includes not disclosing information to a judge during litigation which results in the organisation losing the case and paying compensation.

Fraud by abuse of position includes where a member of staff abuses their position to award contracts to friends and family or transferring creditor payments into their own personal account.

Bribery

The Bribery Act 2010 sets out four ways in which the crime can be committed:

- Giving bribes either directly or through a third party
- Receiving bribes
- Bribery of a foreign public official
- Failure of a commercial organisation to prevent bribery (corporate offence)

The concept of bribery is broad and includes the offer, promise or giving of a financial or other advantage intended to induce or reward the improper performance of a public function or business activity. Special consideration is also given in the Act to certain areas of activity, including hospitality and gifts.

For example, someone giving a council employee an advantage in return for them not performing their function properly. Just offering or promising a bribe is a criminal offence, there does not have to be any payment or reward given; accepting a bribe is a criminal offence as is agreeing to take or asking for a bribe. The advantage can be money, concert tickets or any other type of gift or hospitality. Examples include if someone offers money in return for:

- Not checking the accuracy of a benefits application
- Providing confidential information on a tendering process
- Influencing a council outcome e.g., lobbying for private companies.

The council is legally bound to prevent bribery and could face a fine for not doing so. Staff are under a duty to report any suspicions they have about financial or professional misconduct. The penalty for being involved in bribery is up to 10 years in prison and / or an unlimited fine.

Corruption

While there is no legal definition of corruption, corruption is often seen as a precursor to bribery and His Majesty's Government uses the definition developed by the Home Office. [14]

Corruption is often seen as a precursor to bribery and has been defined as:

"...the abuse of entrusted power for private benefit that usually breaches laws, regulations, standards of integrity and/or standards of professional behaviour."

Corruption or someone being 'corrupt' relates to behaviour and is the lack of integrity or honesty (which may involve bribery) or the abuse of position for dishonest gain.

It is used to describe someone who engages in fraud, theft, money laundering and other potential criminal or damaging practices where they act against the interests of the council for their or another's gain.

For example:

- Deliberate misrepresentation of performance information
- Taking money or a gift to award a contract
- Theft of assets (laptops, equipment)
- Passing sensitive information to third parties for their advantage in a tendering process
- Not disclosing a conflict of interest for financial gain
- Using their influence to secure a job for friends / family members.

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[14] Government Counter Fraud Functional Strategy 2024-2027

Appendix 2 – Strategic Pillars

Govern
Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.

What is expected

The foundation of the strategy is that *'those charged with governance'* support the activity by ensuring that there are robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the council.

Beating fraud is everyone's business, and the council needs robust internal arrangements, which are communicated throughout the council to demonstrate the culture and commitment to preventing fraud.

The first principle of the CIPFA Code also advocates that 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.

The third principle of the Code advocates that organisations need a counter fraud strategy setting out its approach to managing its risks and defining responsibilities for action.

What we do / What we are going to do

A framework of policies exists, as recommended by the guidance and policy acceptance software tracks staff's acceptance and understanding of some policies. A programme of policy refreshment, counter fraud awareness raising, and an eLearning package will be delivered as part of the Counter Fraud Strategy for 2025-28.

The council has a clearly defined three-year strategy, approved at the highest level, which is focused on outcomes, helping to ensure that the risk of fraud and corruption is taken seriously in the council.

Acknowledge

Assessing and understanding fraud risks.
Committing the right support and tackling fraud and corruption.
Demonstrating that it has a robust anti-fraud response.
Communicating the risks to those charged with governance.

What is expected

To create a counter-fraud response, the council must acknowledge and understand fraud risks and demonstrate by committing the appropriate resource for tackling fraud.

The CIPFA Code advocates fraud risk identification as essential to understanding exposures to risk, changing patterns in fraud, corruption threats and the potential consequences to the organisation and its service users. It supports fraud and corruption risks as business risks and to be managed as part of the organisation's risk management process.

The fourth principle advocates that organisations should make arrangements for appropriate resources to support the counter fraud strategy.

What we do / What we are going to do

The Leadership Team (LT) has acknowledged the threats of fraud and corruption by mandating the inclusion of fraud in every service risk register. The establishment of a council-wide Counter Fraud Working Group will enhance this. The group's first task will be to develop council-wide fraud risk assessments.

Similar to all services within the council, there has been limited resources within the council towards counter fraud arrangements. The appointment of a dedicated counter fraud officer will provide a step-change in the council's counter fraud response.

We submit an annual report to the Governance and Audit Committee to enable it to challenge activity and understand the council's counter-fraud activity.

Prevent

Making the best use of information and technology.
Enhancing fraud controls and processes.
Developing a more effective anti-fraud culture.
Communicating its activity and successes.

What is expected

The most efficient and effective way to fight fraud is to prevent fraud occurring in the first place. This can be achieved by sharing knowledge and raising awareness. The council can prevent and detect by enhancing fraud controls and processes, making better use of information and technology and developing a more effective anti-fraud culture.

What we do / What we are going to do

In conjunction with the Training and Development Team, we provided a programme of counter fraud training events in 2023-24, targeted at elected and lay members, and managers and officers with financial and procurement responsibilities. We will repeat this training at regular intervals, which will be supported by the rollout of eLearning during 2025.

We will undertake regular awareness raising initiatives across the council and distribute National Anti-Fraud Network alerts to the relevant parts of the organisation when received.

Where fraud is identified and successfully addressed it will be publicised to re-enforce a robust message from the top that fraud will not be tolerated.

We will actively promote the importance the council gives to countering fraud, giving confidence to staff and members of the public that fraud is not tolerated.

Pursue	Protecting itself and its residents
Prioritising fraud recovery and use of civil sanctions. Developing capability and capacity to punish offenders. Collaborating across geographical and sectoral boundaries. Learning lessons and closing the gaps.	**Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.** **Recognising the harm that fraud can cause in the community.**

What is expected

While preventing fraud and corruption from happening in the first place is the council's primary aim, it is essential that a robust enforcement response is available to pursue fraudsters and deter others.

The fifth principle of the Code advocates that organisations put in place the policies and procedures to support the counter fraud and corruption strategy and take action to prevent, detect and investigate fraud.

It establishes that the ability to take action will be dependent upon the size and nature of an organisation and the size of its counter fraud capacity. Irrespective of the size and activities of an organisation, however, it needs to take appropriate action and report on that action to its governing body.

What we do / What we are going to do

The council will always seek the strongest possible sanction against any individual or organisation that defraud or attempt to defraud the council. Where criminality has been proven then the Proceeds of Crime Act 2002 will, where appropriate, be used to recover funds. Other methods of recovery may include, but are not confined to, civil proceedings, unlawful profit orders and compensation orders.

We will continue attending the North & Mid Wales Audit Partnership's Counter Fraud Working Group.

We will continue to coordinate data required from the council by the National Fraud Initiative for its biennial data matching exercise and explore high-risk matches identified by the NFI data matching exercise.

What is expected

This theme lies across the pillars of this strategy and involves protecting the council against serious and organised crime, protecting individuals from becoming victims of crime and protecting against the harm that fraud can do to the wider community. It also covers protecting public funds, protecting the council from cyber-crime and protecting itself from future frauds.

What we do / What we are going to do

The council recognises that fraud is not a victimless crime and seeks to protect the vulnerable from the harm that fraud can cause in the community.

We have a duty to protect residents in our communities from fraud, and we will work in collaboration with officers across the council and partner agencies to prevent fraud and safeguard the vulnerable.

Appendix 3 – Counter Fraud, Bribery and Corruption Delivery Plan 2025-2028

Issue / Risk / Opportunity	Action	By Whom	By When	Current Status
Progress with delivering outstanding actions from Counter Fraud, Bribery and Corruption Action Plan 2022-2025				
Procurement was one of the highest perceived fraud risk areas in 2019-20	We will work with the Procurement Manager to implement the action plan following the internal audit review of 'Managing the Risk of Fraud and Corruption in Procurement', undertaken in August 2022.	Head of Audit and Risk	March 2023	**Work in progress and included in 2025-28 Strategy.** One out of six 'Issues/Risks' remain outstanding from the 'Managing the Risk of Fraud and Corruption in Procurement' Action Plan - the Counter Fraud Working Group is currently being established
Purchase to pay processes are vulnerable to fraud given their large processing volumes, diverse suppliers, staffing challenges, and high-value transactions	We will continue to work with the Creditors Team to identify and prevent error and fraud, including through the use of data analytics (continuous monitoring) and issuing National Anti-Fraud Network (NAFN) and other fraud alerts.	Head of Audit and Risk with Payroll and Payments Team Manager	Ongoing	**Ongoing and included in 2025-28 Strategy.** Continuous monitoring is carried out annually. Duplicate Payments report issued in September 2024 and submitted to the Governance and Audit Committee. Appendix 5 details the alerts issued across the council to raise awareness and prevent fraud.
Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.	Having a corporate counter-fraud framework, which provides a whole range of high-level parts, will contribute to the Council having an effective counter-fraud strategy. The Council has a robust framework of procedures and policies, which combine to act as an effective deterrent to fraudulent activity and provide the means for reporting or detecting fraud or corruption. We will therefore undertake: • a comprehensive programme of policy refreshment • counter-fraud awareness raising • an eLearning package	Head of Audit and Risk	December 2023	**Work in progress and included in 2025-28 Strategy.** • Policy refreshment will be completed by the end of 2024-25. • A programme of training was provided in December 2023, with two mop-up sessions in March 2024. • An eLearning package has been procured and will be rolled out by the end of 2024-25. • We supported colleagues in the Housing service to develop a Housing Tenancy policy.

Issue / Risk / Opportunity	Action	By Whom	By When	Current Status
The identification, assessment and understanding of fraud risks is a cornerstone of effective counter-fraud arrangements	We will, in conjunction with services, develop three key work streams which will: • seek to identify fraud risks across the Council • assess fraud control activities and their effectiveness, and • dedicate the right level of resource to investigating and detecting fraud where reported A counter-fraud working group will be developed to help identify fraud risk across the Council. We will work with the group to develop a fraud risk assessment to identify the possible frauds to which services may be exposed. The assessment will estimate both the potential impact of a given fraud and the likelihood of it occurring. The results of the assessments will enable the Council to understand better the fraud-threat environment in which it operates. The assessments will also be used as a tool to assist in focusing resources on the most relevant fraud risks.	Head of Audit and Risk	December 2024	**Carried forward to the 2025-28 Strategy.** Due to capacity issues within the team, this work has not started. Key to responding to the risks the council faces from fraud is using its available resources to bring together services to undertake comprehensive fraud risk assessments, using appropriately skilled staff, using national intelligence as well as organisation-specific intelligence. These fraud risk assessments will be used as a live resource and integrated within the general risk management framework to ensure that the risks identified are appropriately managed and escalated as necessary. The establishment of a Counter Fraud Working Group is key to this action. A proposal will be made to Leadership Team to seek support for the establishment of this group. This will be taken forward and prioritised in the 2025-28 Strategy.
Making the best use of information and technology by participating in the National Fraud Initiative	We will participate in the annual and biennial NFI exercises, which use data provided by some 1,200 participating organisations from across the public and private sectors to prevent and detect fraud. The NFI matches electronic data within and between public and private sector bodies, which include police authorities, local probation boards, fire and rescue authorities as	Head of Audit and Risk in conjunction with services	Ongoing	**Ongoing and included in 2025-28 Strategy.** National Fraud Initiative Outcomes Progress Report 2022-24 submitted to the Governance and Audit Committee in July 2024. The timetable for the 2024-2026 exercise was released in October 2024 with data

Issue / Risk / Opportunity	Action	By Whom	By When	Current Status
	well as local councils and a number of private sector bodies. The NFI data matching plays an important role in protecting the public purse against fraud risks.			upload later the same month. Matches released in December 2024 are currently being reviewed. A report is being submitted to the Governance and Audit Committee in September 2025.
Promotion of an anti-fraud culture	We will promote an anti-fraud culture across the Council by publicising the impact of fraud on the Council and the community, through social media.	Head of Audit and Risk in conjunction with the Corporate Communications Team	Ongoing	**Ongoing and included in 2025-28 Strategy**. A programme of fraud awareness training has been provided internally, and the National Anti-Fraud Network alerts continue to be circulated, a programme of more general communications has not yet started.
Raising awareness	The best way to prevent fraud is to share knowledge and raise awareness. Therefore, we will in conjunction with the Training and Development Team, hold regular fraud awareness raising events, including issuing newsletters, training sessions and briefings.	Head of Audit and Risk in conjunction with the Training and Development Manager	Ongoing	**Ongoing and included in the 2025-28 Strategy**. A week-long programme of training was provided in December 2023, with two mop-up sessions in March 2024. Discussions are being held with the trainer to provide more sessions in 2025. The eLearning will be launched during International Fraud Awareness Week in November 2025.
Fraud Reporting	All fraud occurrences are required to be reported to Internal Audit. We will report investigation outcomes and lessons to be learned to the Governance and Audit Committee and the Leadership Team.	Head of Audit and Risk in conjunction with services	Ongoing	**Ongoing and included in the 2025-28 Strategy**. Information is provided to the Governance and Audit Committee through the Annual Counter Fraud, Bribery and Corruption Report and the Internal Audit Updates submitted to every meeting of the Governance and Audit Committee.
Collaboration, learning lessons and closing the gap	We will continue collaborating across the north Wales region to drive forward improvements in counter-fraud activity, including addressing the 15 recommendations made by the Auditor General in his July 2020 report.	Head of Audit and Risk	Ongoing	**Ongoing and included in the 2025-28 Strategy**. The North and Mid Wales Audit Partnership Counter Fraud Working Group has completed its work on developing a

Issue / Risk / Opportunity	Action	By Whom	By When	Current Status
	We will also continue collaborating across national boundaries to collaborate with the North West Chief Audit Executive Counter Fraud Sub Group, to learn lessons, share good practice and close the gap.			template to address the 15 recommendations made by the Auditor General. The Group continues to meet to share knowledge, organise training and discuss emerging risks.
Protecting the Council and its residents	To ensure our counter-fraud strategy aligns with the Council's safeguarding responsibilities to actively protect the most vulnerable in our communities, we will work closely with social care teams to develop joint approaches to identify best practice in countering risks relating to social care fraud.	Head of Audit and Risk with the Director of Social Services	Ongoing	**Carried forward to the 2025-28 Strategy.** Due to capacity issues within the team, this work has not started.
New actions from Counter Fraud, Bribery and Corruption Action Plan 2025-2028				
Professional Training	The Global Internal Audit Standards in the UK Public Sector forms the basis of UK public sector internal audit, effective from 1 April 2025. A requirement of the GIAS is that internal auditors should develop competencies related to pervasive risks, such as fraud. The team will continue with a programme of professional fraud training.	Head of Audit and Risk	March 2028	
The use of data analytics as detective exercises on areas of vulnerability	Data interrogation tools will be used in a continuous monitoring exercise of the payroll system to identify missing data such as NI numbers; high levels of pay or overtime claimed; duplicate names; duplicate bank account numbers, links to other organisations.	Head of Audit and Risk	March 2026	**Ongoing.** First report is submitted to the Governance and Audit Committee in September 2025.
Failure to prevent fraud offence	Under the legislation, an organisation will be criminally liable where a specified fraud offence is committed by an employee, agent or other 'associated person', for the organisation's benefit and the organisation did not have 'reasonable' fraud prevention procedures in place. A self-assessment will be undertaken.	Head of Audit and Risk	March 2026	**Work in progress.**

Appendix 4 – Fraud Reporting Tool Outcomes (between 25/11/2024 and 31/03/2025)

Type of Fraud	Number of allegations received	Number of allegations closed as unfounded	Number of allegations closed as the service conclude that there is insufficient evidence to investigate further	Number of allegations that are currently still under review	Number of allegations where fraud / error has been identified	Actual and estimated value of fraud / error	Comment
Revenues • **Single Person Discount** • **Second Home premium evasion** • **Property not on the council tax / business rates list**	13	8	1	3	1	£5,000+	Property found not to be on council tax list. Awaiting Valuation Office Agency (VOA) banding. Estimated £1,100 revenue for 2024/25 and £4,508 for 2025/26, plus future years
Benefits • **Council Tax Reduction Scheme (CTRS)** • **Housing Benefit**	2		2			£0	
Blue Badges	1	1				£0	
Procurement / failure to deliver contract	1	1				£0	
Social Housing Tenancy Fraud	1	1				£0	
Planning	1	1				£0	
Total	**19**	**12**	**3**	**3**	**1**	**£5,000+**	

Appendix 5 – Fraud alerts issued

NAFN Alert Types: 2024/25 vs 2023/24