

Date of Meeting 29 January 2026

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

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## Annual report of Fraud & Compliance Work 2024-25 and Delivery Plan update.

### **Report summary:**

This report covers:

- Actions and outcomes for work on fraud, error and compliance in the 2024-25 financial year.
- An update on the delivery plan that sits under the Fraud, Corruption and Compliance Strategy 2024-2028 that was approved at the Audit and Governance meeting in March 2024.

### **Is the proposed decision in accordance with:**

Budget Yes  No

Policy Framework Yes  No

### **Recommendation:**

1. That the Audit and Governance Committee approve the continuation of the Fraud, Error, and Compliance Team's proactive and reactive work for the upcoming financial year, as outlined in this report, and that the Single Person Discount (SPD) review be repeated in three years, subject to input from Devon County Council (DCC).
2. That the Committee approve the annual review and reporting for the Delivery Plan as part of the Corporate Fraud, Corruption and Compliance Strategy 2024–2028.
3. That delegated authority be granted to the Assistant Director responsible for Fraud, Error and Compliance to update the Delivery Plan throughout the year in response to changes in legislation, emerging fraud risks, or auditor recommendations. These updates will be made in consultation with the Director of Finance and the Director of Governance.

### **Reason for recommendation:**

#### **Recommendation 1:**

The work has delivered measurable outcomes—preventing fraud, reducing error, and generating income and savings. Continuing these activities will ensure the Council remains responsive to fraud risks and maintains effective safeguards for public funds. The SPD review has been part of this and should be repeated on a cyclical basis to maintain effectiveness.

#### **Recommendations 2 & 3:**

The Delivery Plan is the operational mechanism for delivering the Fraud Strategy. Without it, there is a risk the strategic objectives will not be achieved. Given the dynamic nature of fraud, the plan

must remain flexible, regularly updated, and responsive to new threats, legislation, and external advice. Annual reporting ensures transparency and continued alignment with objectives, while delegated authority enables timely and efficient updates throughout the year.

Approving the updates on the delivery plan will ensure we continue the roadmap for the objectives of the strategy in managing fraud and protecting the public purse.

Officer: Libby Jarrett, Assistant Director – Revenues, Benefits, Corporate Customer Services, Fraud & Compliance 01395 517450

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Portfolio(s) (check which apply):

- Assets and Economy
- Communications and Democracy
- Council, Corporate and External Engagement
- Culture, Leisure, Sport and Tourism
- Environment - Nature and Climate
- Environment - Operational
- Finance
- Place, Infrastructure and Strategic Planning
- Sustainable Homes and Communities

### **Equalities impact** Low Impact

The Delivery Plan itself has been assessed as low impact in terms of equalities, as it serves primarily as a strategic and operational framework for delivering the objectives of the Fraud, Error, and Compliance Strategy.

Any direct investigation or enforcement action involving individuals will be carried out under the Council's Anti-Fraud, Theft and Corruption Policy or Regulatory Enforcement and Prosecution Policy, both of which are subject to appropriate equalities considerations and safeguards.

As outlined in the Strategy, where feasible, we will collect demographic data in line with our Equalities duties. This will support analysis of any potential trends or disproportionate impacts on individuals with protected characteristics and inform any adjustments or mitigations required.

### **Climate change** Low Impact

**Risk:** Medium Risk; Not having a plan on how the Fraud strategy will be implemented may increase the risk of fraud and error therefore harming funding available for public services within East Devon.

**Links to background information** [\(Public Pack\)Agenda Document for Audit and Governance Committee, 21/03/2024 15:00 \(eastdevon.gov.uk\)](#)

[Fighting fraud and corruption locally | Local Government Association](#)

[Agenda for Audit and Governance Committee on Wednesday, 27th November, 2024, 10.30 am - East Devon](#)

### **Link to Council Plan**

Priorities (check which apply)

- A supported and engaged community
- Carbon neutrality and ecological recovery

- Resilient economy that supports local business
- Financially secure and improving quality of services

## Report in full

### 1. Background

1.1 In March 2024, the Audit and Governance (A&G) Committee approved the updated Fraud, Corruption and Compliance Strategy for 2024–2028. It was agreed that a supporting Delivery Plan would be developed which was approved by A&G on 27 November 2024

1.2 The Delivery Plan has been created in line with the five key pillars of the Fighting Fraud and Corruption Locally (FFCL) strategy: Govern, Acknowledge, Prevent, Pursue, and Protect.

1.3 It sets out a clear roadmap for delivery and is intended to be a live, evolving document.

1.4 The Plan outlines 29 requirements, leading to 49 identified actions which are categorised under the five FFCL pillars. The actions due are extracted in appendix 3. The full delivery plan can be accessed here [Delivery Plan 2024-28.pdf](#)

1.5 As outlined in the Plan, annual reporting to the A&G Committee on outcomes and progress is required.

### 2. Progress against Delivery Plan Update

At the time of writing this report, progress against the delivery plan is as follow:

- 6 actions are recurring annually
- 5 are continuous
- 2 are monthly
- 18 have been completed
- 15 actions are in progress with due completions by 31 March 2026 (some of these have required revised timelines).

### 3. 2024–25 Fraud, Error and Compliance Work

Appendix 1 sets out the work completed on fraud, error and compliance in the 2024-25 year these actions are set out against the 5 pillars from the FFCL checklist. It should be noted that the outcomes are work that will have involved other council teams in delivering these.

Key highlights are:

- Right to Buy reviews\*: 73 cases, 3 rejected, saving £178,000
- Devon Home Choice\*\*: 25 reviews, 6 rejected, saving £252,000
- SPD review: 3,198 cases, 702 removed, £385,195 income\*\*\*
- 116 allegations of fraud closed, with identified outcomes of £60,884
- 48 missing/undervalued Business Rated assessments identified, £770,796 rating increase
- 242 NFI matches reviewed, financial value: £14,466

\*Forms part of the Council's review process when an application is received. \*\*Cases are referred to Fraud & Compliance as part of their checks. \*\*\*Part of a Devon District wide review as funded by Devon County Council.

#### **4. 2025-26 Fraud, Error and Compliance work to date (April – November 2025)**

Appendix 2 sets out the work completed on fraud, error and compliance so far in the 2025-26 year (April to November), these actions are set out against the 5 pillars from the FFCL checklist.

At the time of writing this report the key highlights are:

- 58 new allegations of fraud received
- 45 allegations of fraud closed, with identified outcomes of £61,896
- Devon Home Choice: 14 reviews, 2 rejected, saving £84,000
- 44 missing/undervalued Business Rated assessments identified, £420,421 rating increase
- 518 NFI matches reviewed, financial value: £46,897

#### **5. Ongoing Review and Update of the Delivery Plan**

5.1 In March 2024, A&G approved delegated authority for the Assistant Director responsible for Fraud and Compliance to update the delivery plan during the year to take account of changes in legislation, new and emerging fraud risks or auditors' recommendations which will be done in consultation with the Director of Finance and Director of Governance.

5.2 Due to recent staffing and resourcing challenges, updates have not yet been progressed. The SWAP Fraud Audit and risk assessment is being worked on and will provide a valuable basis for identifying and informing new areas of focus. Any updates to the delivery plan, incorporating these areas, will be shared with Audit & Governance Committee as part of the annual update.

#### **6. Summary**

6.1 The Council's counter fraud and compliance work reflects a strong commitment to protecting public funds.

6.2 The Delivery Plan provides a structured approach to fraud prevention and response, enhancing transparency and accountability.

6.3 Annual reporting to A&G enables Members to assess progress, provide challenge, and remain informed on fraud management and risks.

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#### **Financial implications:**

There are no direct financial implications arising from the recommendations in this report.

#### **Legal implications:**

There are no substantive legal issues to be added to this update report.

## Appendix 1

Work completed by the Fraud, Error and Compliance team throughout the 2024-25 financial year. Broken down into the 'five key pillars' Govern, Acknowledge, Prevent, Pursue and Protect.

Govern	
<b>Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation. Having a holistic approach to tackling fraud is part of good governance.</b>	
<b>Fraud and Error Reporting to Portfolio Holder</b>	The Finance Portfolio Holder continues to receive regular updates on fraud and error, ensuring ongoing oversight and transparency.
<b>Fraud Training – Members and Staff Module</b>	A fraud training module, developed by SWAP in conjunction with the team, has been delivered to all members. The staff model has been tested and is ready for the Fraud Forum to sign off, it will be presented to them for approval and implementation. This will be rolled out to all existing and new staff as part of their 3 yearly mandatory training.
<b>Fraud Alerts</b>	A total of 17 fraud alerts were disseminated to Council teams and external partners, reinforcing vigilance across the organisation and ensuring timely responses to emerging fraud risks.
<b>Fraud Forum</b>	The Fraud Forum meet quarterly to approve actions on allegations received or potential frauds identified.

Acknowledge	
<b>Acknowledging and understanding fraud risks and committing support and resource to tackling fraud in order to maintain a robust anti-fraud response.</b>	
<b>Procedure and Risk Assessment Updates</b>	Updated procedures and risk assessments regarding fraud and non-compliance in relation to Council Tax and Housing Benefits were implemented in line with the Regulatory, Enforcement, and Prosecution Policy and also the Household Support Fund schemes.
<b>Referral Process Review</b>	An updated referral process for compliance and fraud matters was introduced to the Fraud Forum to improve reporting standards and transparency.

Prevent			
<b>Preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes, and developing a more effective anti-fraud culture.</b>			
Task	Actions / amount completed	Actions Outcome	Financial outcome
<b>Right to Buy (RTB) Applications</b>	In 2024/25, 73 RTB applications were reviewed	6 applications were returned for clarification and 3 applications were rejected,	3 RTB applications rejected, avoiding a potential loss of £178,700 (*calculations)

		preventing discounted sales.	
<b>Devon Home Choice Applications</b>	A total of 25 Devon Home Choice applications were referred for further verification.	2 applications were deferred, and 6 applications were rejected	A prevention saving of £252,000, based on government-calculated average savings per property. <i>(** calculations)</i>
<b>Housing Allocations</b>	A total of 153 housing allocation assessments were reviewed to ensure fair and accurate distribution of housing resources	7 cases were returned for additional information to clarify eligibility.	

Pursue	
<p><b>Punishing fraudsters and recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters and developing a more collaborative and supportive local enforcement response.</b></p> <p><b>Local authorities have achieved success by following this approach; however, they now need to respond to an increased threat and protect themselves and the community.</b></p>	
<b>Fraud Allegations</b>	A total of 51 new fraud referrals were received during 2024/25, broken down as follows: <ul style="list-style-type: none"> <li>• Tenancy Fraud: 12</li> <li>• Council Tax Reduction: 25</li> <li>• Council Tax (general): 13</li> <li>• Non-Domestic Rates: 1</li> </ul>
<b>Closed Cases</b>	A total of 116 cases were closed, resulting in a financial outcome of £60,884 (3-year rule £89,073). These outcomes include recovered funds, cancelled discounts, and penalties.
<b>Department for Work and Pensions (DWP) Referrals</b>	28 cases were referred to the DWP during 2024-25 for further investigation, collaborating with other agencies to address fraud in the welfare system.
<b>Rates Liability Avoidance/Compliance Case</b>	A significant compliance litigation case regarding rates liability avoidance was resolved in April 2024, recovering £300,290 in rates, including legal fees. <ul style="list-style-type: none"> <li>• Outcome: £42,357 retained by East Devon and £35,000 in legal fees recovered.</li> </ul>

## Protect

**Protecting against serious and organised crime, protecting individuals from becoming victims of crime and protecting against the harm that fraud can do to the community.**

**For a local authority this will also cover protecting public funds, protecting its organisation from fraud and cybercrime and also protecting itself from future frauds.**

Task	Actions & Outcomes
<b>Single Person Discount Review (in conjunction with Capacity Grid) – Council Tax</b>	<p>3198 accounts in receipt of a Single Person Discount were reviewed, and the associated work identified 702 cases where the SPD was removed, resulting in £385,195 income from the following:</p> <ul style="list-style-type: none"> <li>• £371,195 - Council Tax increase (Over 3 years £1.1m)</li> <li>• £14,000 - Penalties applied to Council Tax accounts.</li> </ul> <p>In addition to the above, this resulted in 132 Council Tax Reduction claims being re-assessed which would have created additional savings but currently not recorded.</p>
<b>Small Business Rate Relief review</b>	<p>3060 cases identified, 2133 were reviewed in 2024-25 year resulting in:</p> <ul style="list-style-type: none"> <li>• 12 Accounts where SBRR was removed (£11,059 increase in rates payable)</li> <li>• 120 Accounts where changes in liability were made</li> <li>• 77 Properties were removed from rating (no longer in Non-Domestic Rates)</li> </ul> <p>The remaining 927 cases will be completed in 2025-26 year</p>
<b>Missing or undervalued Business Rateable assessments</b>	<p>48 cases were identified (changes without planning), resulting in an increase in Rateable Value of £1,014,145, which equates to rating income of £770,796 up to 01/04/2025 (£2.3m over 3 years)</p>
<b>National Fraud Initiative (NFI)</b>	<p>The National Fraud Initiative (NFI) is an essential tool for fraud detection and prevention. NFI matches are currently being processed with expected completion by January 2026.</p> <ul style="list-style-type: none"> <li>• Outcome: 242 matches completed, circa 900 remaining. The financial value identified through this work to date is £14,466.</li> </ul>

**\*RIGHT TO BUY CALCULATIONS:** Our calculations are based on EDDC's Housing Stock Valuations as of 31 March 2024 and the Right to Buy discounts tenants would have received.

**Before 21 November 2024:** Tenants received a 35% discount after 3–5 years in public housing. After 5 years, the discount increased by 1% for each extra year (2% for flats), up to a maximum of 70% (50% for flats) or £102,400 — whichever was less.

**From 21 November 2024 onwards:** The same discount percentages applied, but the maximum discount was reduced to £30,000 for the Southwest region.

**\*\*TENANCY FRAUD / DEVON HOME CHOICE SAVINGS CALCULATIONS:** This is the national standard formula to arrive at an average national cost for measuring tenancy fraud. [Calculating losses from housing tenancy fraud - Prevent Charity Fraud](#)

## Appendix 2

Work completed by the Fraud, Error and Compliance team so far in the 2025-26 financial year. Broken down into the 'five key pillars' Govern, Acknowledge, Prevent, Pursue and Protect.

<b>Govern</b>	
<b>Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation. Having a holistic approach to tackling fraud is part of good governance.</b>	
<b>Fraud Risk Assessment</b>	SWAP has completed the Fraud Risk Assessment stage 1 for EDDC, it covers all inherently high-risk areas within the Authority. Actions are due to be discussed with service leads; the first meeting is scheduled for 13 January 2026.
<b>Fraud and Error Reporting to Portfolio Holder</b>	The Finance Portfolio Holder continues to receive regular updates on fraud and error, ensuring ongoing oversight and transparency.
<b>Fraud Training – Members and Staff Module</b>	The new staff training module 'Fraud Awareness Training' is now live, it has been added to employees eLearning accounts. It has been promoted by email and in Stay Connected.
<b>Fraud Alerts</b>	A total of 15 fraud alerts received have been disseminated to Council teams and external partners, reinforcing vigilance across the organisation and ensuring timely responses to emerging fraud risks.
<b>Fraud Forum</b>	The Fraud Forum meet regularly to approve actions on allegations received or potential frauds identified. The last meeting was 19 November 2025.

<b>Acknowledge</b>	
<b>Acknowledging and understanding fraud risks and committing support and resource to tackling fraud in order to maintain a robust anti-fraud response.</b>	
<b>Procedure and Risk Assessment Updates</b>	The SWAP Fraud Risk Assessment stage 1 has now been completed; subsequent actions are due to be agreed with service leads for the risk areas identified.
<b>Referral Process Review</b>	The team in conjunction with SWAP are working on the referral process to authorise investigations, actions and closure of cases. The updated processes are due to be presented to the Fraud Forum in January 2026.
<b>Resource, Qualifications and CPD</b>	EDDC now has a fully qualified Accredited Counter Fraud Specialist, and the teams work is now being managed by external fraud specialists from SWAP who are also fully accredited. This provides support and resource in the efforts to tackle fraud.

<b>Prevent</b>			
<b>Preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes, and developing a more effective anti-fraud culture.</b>			
<b>Task</b>	<b>Actions / amount completed</b>	<b>Actions Outcome</b>	<b>Financial outcome</b>

<b>Right to Buy (RTB) Applications</b>	So far in 2025-26 13 RTB applications have been reviewed	2 applications were returned for clarification / extra information	
<b>Devon Home Choice Applications</b>	A total of 14 Devon Home Choice applications have been referred for further verification.	4 applications were returned to gather more information, and 2 applications were rejected	A prevention saving of £84,000, based on government-calculated average savings per property. <i>(** calculations)</i>
<b>Housing Allocations</b>	A total of 87 housing allocation assessments have been reviewed to ensure fair and accurate distribution of housing resources	10 cases were returned for additional information to clarify eligibility.	

<b>Pursue</b>	
<b>Punishing fraudsters and recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters and developing a more collaborative and supportive local enforcement response.</b>	
<b>Local authorities have achieved success by following this approach; however, they now need to respond to an increased threat and protect themselves and the community.</b>	
<b>Fraud Allegations</b>	A total of 61 new fraud referrals have been received so far during 2025/26, broken down as follows: <ul style="list-style-type: none"> <li>• Tenancy Fraud: 6</li> <li>• Council Tax Reduction: 18</li> <li>• Council Tax (general): 21</li> <li>• Non-Domestic Rates: 2</li> <li>• Devon Home Choice: 14</li> </ul>
<b>Closed Cases</b>	A total of 45 cases have been closed, resulting in a financial outcome of £61,896 (3-year rule £86,264). These outcomes include recovered funds, cancelled discounts, and penalties.
<b>Department for Work and Pensions (DWP) Referrals</b>	26 cases have been referred to the DWP so far this year (4 open cases and 22 NFI identified cases) for further investigation, collaborating with other agencies to address fraud in the welfare system.
<b>DWP Joint working Interviews Under Caution</b>	1 Interview Under Caution has been completed on joint working cases, there are a further 5 cases where these joint interviews are likely to take place.
<b>Webpages and Online reporting</b>	A new webpage has been designed specific to Fraud, this will be public facing and will include a new (firmstep) online reporting form, making it easier for people to report fraud for us to investigate.

<b>Council Tax Penalties</b>	So far in 2025/26 6 civil penalties have been added to Council Tax accounts. Financial outcome £420.
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<b>Protect</b>	
<b>Protecting against serious and organised crime, protecting individuals from becoming victims of crime and protecting against the harm that fraud can do to the community.</b>	
<b>For a local authority this will also cover protecting public funds, protecting its organisation from fraud and cybercrime and also protecting itself from future frauds.</b>	
Task	<b>Actions &amp; Outcomes</b>
<b>Small Business Rate Relief review</b>	<p>There are 855 accounts still under review.</p> <p>The overall figures have not been calculated for this yet.</p> <p>There have been 15 changes in liability recorded where the SBRR in payment has been stopped to those individuals/businesses.</p>
<b>Missing or undervalued Business Rateable assessments</b>	44 cases have been identified (changes without planning), resulting in an increase in Rateable Value of £502,075, which equates to rating income of £420,421 up to 01/04/2026 (£1.17million over 3 years)
<b>National Fraud Initiative (NFI)</b>	<p>The National Fraud Initiative (NFI) is an essential tool for fraud detection and prevention. NFI matches are currently being processed with expected completion by March 2026.</p> <ul style="list-style-type: none"> <li>• Outcome: 518 matches completed, with the financial value identified through this work £46,897</li> <li>• (+ 242 matches completed in 2024-25, with the financial value identified of £14,466)</li> <li>• Total outcome of the NFI work to date: 760 matches complete with a financial value of £61,363</li> <li>• 361 matches left to complete</li> </ul>
<b>Council Tax 2<sup>nd</sup> home review</b>	This has been highlighted as a high-risk area due to the premium charges being introduced in April 2025. A pilot has been undertaken, and a wider review is being planned.

Appendix 3 – Fraud Delivery Plan – 2024-25 / 2025-26 actions

	Source	Requirement	In Place / Action	Due	Owner	Status & Comments
<b>Govern</b>						
1	Fighting Fraud and Corruption Locally (FFCL) Checklist (16)  (Partially complete)  Grant Thornton Auditors Annual Report for 22/23 (Outstanding recommendation)	<p>There is an independent and up-to-date whistleblowing policy which is monitored for take up and can show that suspicions have been acted upon without internal pressure.</p> <p>Policy due to be reviewed and approved by January 2025 in line with Grant Thornton 22/23 auditors report (improvement recommendation 4 p54) to provide greater detail on the process and the safeguards for whistleblowers and publish the policy for all officers and members as well as providing a downloadable PDF of the policy on its website.</p>	<p><u>In Place</u></p> <p>Whistleblowing policy in place and reviewed and approved by Audit &amp; Governance Committee (A&amp;G) in January 2022.</p> <p><u>Action</u></p> <p>Policy to be reviewed to take account of Grant Thornton recommendation and approved by A&amp;G.</p> <p>A downloadable copy has been placed on the website and a revised policy is to be taken to the Audit and Governance Committee in November 2024 for approval.</p>	January 2025  January 2025	Director of Governance	<p>The Whistleblowing Policy was reviewed in early 2025 to ensure that the appropriate officers to be contacted in the event of an allegation were correctly identified and that their contact details were up to date.</p> <p>A wider review of the Policy is now required and forms part of the work being undertaken by the Constitution Working Group.</p> <p>A revised Policy is currently in progress and is scheduled to be considered by the Constitution Working Group on 18 February 2025. Subject to approval, it will then be submitted to the Audit and Governance Committee on 19 March 2026, followed by Full Council on 15 April 2026.</p> <p><b>Date of amendment: April 2026</b></p>

2	SWAP Audit Baseline Report Sept 2022 – Theme 3: Policy Related (Outstanding recommendation)	The organisation has an appropriate and approved money laundering policy available to stakeholders.	<p><u>In Place</u></p> <p>EDDC has a Proceeds of Crime Act (Anti Money laundering) policy which is due to be reviewed.</p> <p><u>Action</u></p> <p>To be reviewed, updated, and signed off by A&amp;G. Updated policy to be added to the internet.</p>	March 2025	Director of Finance	This is now planned to go to the Audit & Governance meeting for 19 March 2026.
3	FFCL Checklist (5) (Partially complete)  SWAP Audit Baseline Report Sept 2022 – Theme 4: Committee Related (Outstanding recommendation)	<p>The Audit committee supports counter fraud work and challenges the level of activity to ensure it is appropriate in terms of fraud risk and resources.</p> <p>Audit Committees and Portfolio Lead roles in relation to fraud management are agreed and understood, including Awareness and support counter fraud activity (including proactive and reactive) and receive training to support them; Receiving of regular reports on the work of those leading on fraud; Supporting counter fraud work and challenges the level of activity to ensure it is appropriate in terms of fraud risk and resources.</p>	<p><u>In Place</u></p> <p>Annual reports submitted to A&amp;G from both Internal and External auditors on risks and potential threats.</p> <p>Members induction process includes code of conduct and standards in public life.</p> <p><u>Action</u></p> <p>The member development working group are reviewing the member development programme to ensure all relevant training provided and that all members have completed their mandatory training.</p>	March 2025	Director of Governance	Completed - Members training completed in January 2025

		<p>A&amp;G members to be provided with training to understand their specific role in relation to fraud risks as per the terms of reference. An invite to be sent to the Finance portfolio holder to attend the training.</p> <p>Fraud to be included in the responsibilities listed against the finance Portfolio Holder to be referenced within the constitution.</p> <p>Annual report submitted by Fraud, Error &amp; Compliance (FEC) team to A&amp;G at first meeting after year end.</p> <p>Updates are provided to portfolio holder as part of their monthly updates.</p>	<p>January 2025</p> <p>March 2025</p> <p>Annually</p> <p>Monthly</p>	<p>Assistant Director Revenues, Benefits, Customer Service, Fraud &amp; Compliance</p> <p>Director of Finance</p> <p>Assistant Director Revenues, Benefits, Customer Service, Fraud &amp; Compliance</p> <p>Assistant Director Revenues, Benefits, Customer Service, Fraud &amp; Compliance</p>	<p>Completed - Training completed in January 2025</p> <p>Completed - Referenced in the Constitution</p> <p>Completed - Report to A&amp;G January 2026</p> <p>Completed - Updates being provided at portfolio holder meeting with assistant director</p>
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4	FFCL Checklist (7) (Partially Complete)	<p>The local authority has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business.</p>	<p><u>In Place</u></p> <p>Council has a range of policies, strategies, and codes in place, including:</p> <ul style="list-style-type: none"> <li>• Code of Conducts for staff</li> <li>• Whistleblowing Policy</li> <li>• Fraud and Corruption Strategy</li> <li>• Policies relating to declaration of interest and gifts and hospitality.</li> <li>• Financial Procedure Rules</li> <li>• Contract Procedure Rules</li> <li>• Anti-Fraud and Corruption Policy</li> </ul> <p>Audit and Governance Committee has oversight of the governance statement.</p> <p>Internal audit function delivered through SWAP which consider these aspects when delivery its annual audit plan.</p>	<p>Dates published</p> <p>January 2023</p> <p>January 2022</p> <p>March 2024</p> <p>Anti-bribery 2018</p> <p>November 2018</p>		
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		<p><u>Action</u></p> <p>Policies reviewed and updated in line with any legislative, technical, and/or administrative changes that need to be made. A programme of work for reviewing and updating any necessary amendments to be in place based on risk and date.</p>	Continuous	SWAP/ Revenue Fraud & Compliance Manager/ Assistant Director Revenues, Benefits, Customer Service, Fraud & Compliance	<p>Ongoing - Policies are reviewed and updated in line with legislative, technical, and administrative changes, with a risk-based programme in place to manage amendments.</p> <p>Examples include Whistleblowing and Anti-Money Laundering</p>	
5	Fraud Strategy	<p>Continue work to review the procedures and documentation used in relation to fraud and compliance work. This is to ensure we have a robust governance framework in place.</p>	<p><u>In Place</u></p> <p>There are already policies and procedures in place to manage Fraud and Compliance work.</p> <p><u>Action</u></p> <p>To continually develop and ensure our policies and procedures are in-line with current best practice, legislation and on the use of technology, covering all areas of fraud and</p>	Continuous	SWAP/ Revenue Fraud & Compliance Manager/ Assistant Director	<p>Ongoing - We are continually updating our policies and procedures to align with best practice, legislation, and technological advancements, addressing all areas of fraud and error risk to the local authority.</p>

		<p>error that the local authority is exposed too.</p>		<p>Revenues, Benefits, Customer Service, Fraud &amp; Compliance</p>	<p>SWAP has recently completed an initial fraud risk assessment for EDDC.</p> <p>The exercise included an assessment of fraud risk (both inherent and residual) across Council service areas, together with the rationale for scoring and a summary of existing controls. Risks are categorised as either internal or external threats. Residual risk scores have been aligned to the EDDC Corporate Risk Management Grid, and visualised on a heat map - attached as <a href="#">appendix 4</a>.</p> <p>The second part to the fraud risk assessment and recommended next steps are to:</p> <ul style="list-style-type: none"> <li>• Assign owners – Appoint responsible individual/s to keep the assessment up to date as a live reflection of fraud risk. Establish a continuous review cycle – ensuring that the assessment stays relevant and responsive to changes in internal or external factors.</li> </ul>
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					<ul style="list-style-type: none"> <li>• Define risk appetite – Determine what levels of risk are acceptable to the organisation.</li> <li>• Use the appetite to guide action – Once appetite is set, prioritise further action on each risk, with timelines and milestones.</li> <li>• Consider integrating into a risk management system to help streamline the process.</li> <li>• Support proactive and detective measures – The assessment should inform fraud prevention, detection, and annual audit planning.</li> <li>• Maintain a feedback loop – Incorporate insights from audit and assurance work (from SWAP and others), as well as any reactive fraud investigations.</li> </ul>
6	FFCL Checklist (33) (Partially Complete)	The counter fraud team has access to the FFCL regional network. There are professionally trained and accredited staff for counter fraud work. If auditors undertake counter	<u>In Place</u> Fraud staff have access to the latest information via Credit Industry Fraud Avoidance System (CIFAS), Chartered Institute of Public Finance and Accountancy		

	<p>SWAP Audit Baseline Report Sept 2022 – Theme 5: Culture and Awareness (Partial outstanding item)</p>	<p>fraud work, they too must be trained in this area. The counter fraud team has adequate knowledge in all areas of the local authority or is trained in these areas. The counter fraud team has access (through partnership/ other local authorities/or funds to buy in) to specialist staff for:</p> <ul style="list-style-type: none"> <li>– surveillance</li> <li>– computer forensics</li> <li>– asset recovery</li> <li>– financial investigations.</li> </ul> <p>Weaknesses revealed by instances of proven fraud and corruption are scrutinised carefully and fed back to departments to fraud-proof systems.</p>	<p>(CIPFA), National Anti-Fraud Network (NAFN), Institute of Revenues Rating and Valuation (IRRV), Local Authority Civil Enforcement Forum (LACEF) Knowledge Hub and other bodies. Regular updates to training and Continuous Professional Development (CPD) available. Along with, SWAP and NAFN fraud alerts received by team. Attending various fraud conferences (Tenancy Fraud Forum, Oxford Fraud Conference)</p> <p>CIFAS accredited counter fraud specialist training completed by Fraud Manager.</p> <p>Members have induction training on codes of conduct and seven principles of public life.</p> <p>Council also has access to qualified investigators from SWAP internal audit services.</p> <p>Fraud strategy that reflects best practice</p> <p>SWAP's counter fraud team regularly share fraud alerts with</p>			
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		<p>the Council on rising and successful fraud threats.</p> <p><u>Action</u></p> <p>Fraud officer to complete the CIPFA Level 4 Counter Fraud Investigator Apprenticeship.</p> <p>CPD for the Fraud, Error and Compliance team ensuring they are informed of latest requirements including where appropriate membership to professional bodies in fraud.</p>	<p>December 2025</p> <p>Continuous</p>	<p>Revenues Fraud and Compliance Manager</p>	<p>Completed – results received October 2025</p> <p>Ongoing - Continuous CPD ongoing, including CIPFA learning, Conferences.</p> <p>SWAP management/relationship enables the use of their team for sharing knowledge/ training opportunities.</p>
7	FFCL Checklist (3) (Outstanding)	<p>There is an annual report to the audit committee, or equivalent detailed assessment, to compare against FFCL 2020 and this checklist.</p>	<p><u>In Place</u></p> <p>An assessment against the FFCL checklist has been carried out to inform our delivery plan and presented to A&amp;G.</p> <p><u>Action</u></p> <p>Present a progress report against compliance of the FFCL checklist</p>	<p>Annually</p>	<p>Assistant Director Revenues,</p> <p>Complete - Reporting at A&amp;G, January 2026</p>

			at the first A&G committee meeting of each financial year.		Benefits, Customer Service, Fraud & Compliance	
8	<p>FFCL Checklist (15) (partially complete)</p> <p>SWAP Audit Baseline Report Sept 2022 – Theme 5: Culture and Awareness (Outstanding Item)</p> <p>Grant Thornton Auditors Annual Report for 21/22 (Outstanding recommendation)</p>	<p>There is a programme of work to ensure a strong counter fraud culture across all departments and delivery agents led by counter fraud experts.</p> <p>The organisation educates and trains employees regarding the importance of ethics and anti-fraud programs and senior management exhibit and encourage ethical behaviour.</p> <p>The Council should strengthen governance arrangements in line with Grant Thornton 21/22 auditors report (improvement recommendation 3 p31) providing specific training for members of overview, scrutiny and A&amp;G.</p>	<p><u>In Place</u></p> <p>Induction and 3-year mandatory training on whistleblowing and Bribery Act in place for staff. Induction training for members on principles in public life and code of conduct in place. Members of Overview, Scrutiny and A&amp;G committees received training as part of the induction in the summer of 2023.</p> <p><u>Action</u></p> <p>Fraud training module adopted as part of the induction for new staff and then rolled out to all existing staff. To be made mandatory and completed every 3 years in line with other fraud training (Bribery &amp; Whistleblowing).</p> <p>In line with Grant Thornton 21/22 auditors report, members training programme to be reviewed and updated to include specific member training for</p>	<p>March 2025</p> <p>January 2025</p>	<p>Director of Governance</p> <p>Director of Governance</p>	<p>Complete – distributed to all staff November 2025, staff have until 31 January 2026 to complete it before being chased. They are currently being reminded weekly in the 'one team East Devon' emails.</p> <p>Completed - Training completed for A&amp;G January 2025</p>

		<p>A&amp;G to better understand their roles, including fraud.</p> <p>Bespoke fraud awareness sessions delivered on a rolling basis for services with a higher risk to fraud.</p>	March 2026	Assistant Director Revenues, Benefits, Customer Service, Fraud & Compliance	<p>Ongoing –</p> <p>Council Tax team bespoke training completed by Team.</p> <p>Bespoke training being designed for Streetscene Mobile Operatives.</p>	
9	<p>FFCL Checklist (6) (Partially Completed)</p> <p>SWAP Audit Baseline Report Sept 2022 – Theme 3: Policy Related (Partially outstanding item)</p> <p>FFCL Checklist (27) (Partially completed)</p>	<p>There is a counter fraud and corruption strategy applying to all aspects of the local authority's business which has been communicated throughout the local authority and acknowledged by those charged with governance.</p> <p>There is a zero-tolerance approach.</p> <p>There is a zero-tolerance approach to fraud and corruption that is defined and monitored, and which is always reported to committee.</p>	<p><u>In Place</u></p> <p>A new Fraud strategy was approved in March 2024.</p> <p>The delivery plan has been developed with input from the Director of Finance, Director of Governance and SWAP.</p> <p>As set out in paragraph 2.3 of the Corporate Fraud, Corruption and Compliance Strategy EDDC has a zero-tolerance approach to fraud and corruption.</p> <p><u>Action</u></p> <p>A&amp;G to approve the delivery plan.</p>	November 2024	Assistant Director Revenues, Benefits, Customer Service,	Completed - Delivery Plan agreed by A&G November 2024

			Fraud Strategy and the associated Delivery Plan to be communicated to the wider business. Intranet and website to be updated with latest versions of the strategy.	December 2024	Fraud & Compliance	Ongoing - Strategy to be uploaded onto website, Fraud webpages drafted – awaiting review and signoff Date Amendment – 1 February 2026
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### Acknowledge

10	FFCL Checklist (18) (Partially Complete)  SWAP Audit Baseline Report Sept 2022 - Theme 1: Resource and Communication (Outstanding recommendation)	Fraud resources are assessed proportionately to the risk the local authority faces and are adequately resourced.  The organisation has internal audit and external audit planning aligned to fraud risks. Fraud resources are assessed proportionately to the risk the local authority faces and are adequately resourced.	<u>In Place</u>  Annually the councils internal and external audit align their planning to fraud risks. SWAP's Assistant Director ensures that fraud risk areas are included in the annual audit plan through discussion with the SWAP Counter Fraud Team.  <u>Action</u>  The Fraud risk assessment completed in September 2021 to be reviewed, updated, and assessed proportionately against the current risks faced by the Council to ensure adequate resourcing.	June 2025	SWAP/ Revenue Fraud & Compliance Manager/ Director of Finance	Completed - Fraud Risk Assessment complete and is being reviewed to identify action areas Original FRA completed in 2021, and has been revisited in 2025
11	FFCL Checklist (4) (Partially Complete)	The relevant portfolio holder has been briefed on the fraud risks and mitigation.	<u>In Place</u>  Portfolio Holder is provided with an update on current Fraud			

		<p>position as part of the Assistant Director monthly update.</p> <p>Portfolio Holder will have access to all future reports that go to A&amp;G.</p> <p><u>Action</u></p> <p>Portfolio holder to be briefed on any new risks and activities to mitigate against them as part of the Assistant Director monthly update.</p>	Monthly	Fraud Team/ Assistant Director Revenues, Benefits, Customer Service, Fraud & Compliance	Ongoing - Portfolio holder being updated from the Assistant Director
12	<p>FFCL Checklist (23) (partially complete)</p> <p>SWAP Audit Baseline Report Sept 2022 – Theme 6: Reporting. Investigating and Monitoring (outstanding recommendation)</p>	<p>All allegations of fraud and corruption are risk assessed.</p> <p><u>In Place</u></p> <p>Allegations for Fraud and corruption are being risk assessed.</p> <p><u>Action</u></p> <p>To review the procedures and risk assessment for allegations of Fraud and Corruption and agreed by the S151 and Monitoring Officer.</p>	November 2024	Director of Finance/ Director of Governance / Assistant Director Revenues, Benefits, Customer Service, Fraud & Compliance	Completed - Allegations are assessed, assessment method being reviewed by SWAP

13	FFCL Checklist (12) (Partially complete)	<p>The local authority has put in place arrangements for monitoring compliance with standards of conduct across the local authority covering:</p> <ul style="list-style-type: none"> <li>– codes of conduct including behaviour for counter fraud, anti-bribery, and corruption</li> <li>– register of interests</li> <li>– register of gifts and hospitality.</li> </ul>	<p><u>In Place</u></p> <p>Register of interests, gifts, and hospitality in place. Paper based system held within legal.</p> <p>Employee and member code of conducts in place.</p> <p>Code of conduct included in new starter link for all employees.</p>			
	FFCL Checklist (14) (Partially complete)	<p>Members and staff are aware of the need to make appropriate disclosures of gifts, hospitality, and business. This is checked by auditors and reported to committee.</p>	<p><u>Action</u></p> <p>Code of conduct training for all employees to be made mandatory when joining and then every 3 years thereafter in line with whistleblowing and anti-bribery training. All Members to receive code of conduct training as part of their induction plan.</p>	March 2025	Director of Governance	<p>Is referenced in induction and is part of the Constitution.</p> <p>There is a link to it on the intranet.</p> <p>Further Code of Conduct training for members is due to be scheduled in February/March 2026</p>
	SWAP Audit Baseline Report Sept 2022 – Theme 3: Policy Related (Outstanding recommendation)	<p>The local authority has put in place arrangements for monitoring compliance with standards of conduct across the local authority covering: Codes of conduct including behaviour for counter fraud, anti-bribery, and corruption; Register of interests; Register of gifts and hospitality; and Members and staff are aware of the need to make appropriate disclosures of gifts, hospitality and business. This is checked independently.</p>	<p>The gifts and hospitality protocol which has been drafted to be signed off and published.</p>	January 2025	Director of Governance	<p>Employee and Councillor Codes of Conduct which can be located in the Council's Constitution.</p> <p>Gifts and Hospitality Protocol for Members approved by Council in late 2025.</p> <p>Regular updates now being provided to Standards Committee on the Gifts and Hospitality declared by officers and members.</p>

			Online form to be created for members and staff to register interests, gifts, and hospitality with regular 2 monthly reminders to be sent to staff and members.	March 2025	Director of Governance	Ongoing - There is an online form for the application for registering hospitality and gifts. Regular reminders continue to be issued and reporting to Standards introduced. Improvements to be made to the Officer gifts and hospitality declaration process (to introduce an online rather than paper process) in this first quarter 2026.
14	<p>FFCL Checklist (2) (Partially complete)</p> <p>FFCL Checklist (1) (Partially Complete)</p> <p>SWAP Audit Baseline Report Sept 2022 – Theme 2: Risk Management (Outstanding recommendation)</p> <p>SWAP Fraud Risk Assessment – September 2021</p>	<p>The local authority has undertaken a fraud risk assessment against the risks and has also undertaken horizon scanning of future potential fraud and corruption risks. This assessment includes the understanding of the harm that fraud may do in the community.</p> <p>The local authority has made a proper assessment of its fraud and corruption risks, has an action plan to deal with them and regularly reports to its senior Board and its members.</p>	<p><u>In Place</u></p> <p>SWAP fraud risk assessment completed September 2021 covering the following areas:</p> <p>A. HR &amp; Payroll <i>Recruitment and selection, Pension Fund, Payroll, and Expenses</i></p> <p>B. Tax, Rates &amp; Benefits <i>Council Tax, Business Rates, and Housing Benefit</i></p> <p>C. Finance, Procurement, Contracts <i>Income (use of cash), Income (Non-cash), creditors, Contracts/Procurement, Insurance, Mandate, Asset/Stock, Treasury</i></p>			

	(Outstanding action)	<p>D. Allowances, funding, <i>Housing Grant, Housing and tenancy</i></p> <p>E. Cyber <i>Technology enabled services.</i></p> <p>F. Other <i>Planning, Licensing, Elections, Covid Grants</i></p> <p>SWAP's Assistant Director ensures that fraud risk areas are included in the annual audit plan through discussion with the SWAP Counter Fraud Team.</p> <p><u>Action</u> Following the fraud risk assessment being updated (requirement 10) we will then work with SWAP and the relevant service managers to establish the follow on actions, and these are updated within the delivery plan.</p> <p>An annual workplan is presented to A&amp;G with proactive risk based work and reactive activity built in.</p>			
			June 2025	Assistant Director Revenues, Benefits, Customer Service, Fraud & Compliance /Director of Finance/ SWAP	<p>Ongoing – Fraud Risk Assessment and follow on actions in the process of being arranged / agreed. SWAP's Counter Fraud Team are included as part of the annual audit planning cycle and meetings are arranged in Q4 to determine what proactive counter fraud work will be undertaken in 2026-27. The results of the FRA will be considered at these meetings.</p> <p>Completed – Contained within this report</p>

					Service, Fraud & Compliance /Director of Finance/ SWAP	
15	FFCL Checklist (8) (Partially Complete)  SWAP Audit Baseline Report Sept 2022 – Theme 2: Risk Management (Outstanding action)  Grant Thornton Auditors Annual Report for 22/23 (Outstanding recommendation)	The risks of fraud and corruption are specifically considered in the local authority's overall risk management process.   The cabinet should in line with Grant Thornton 22/23 auditors report (improvement recommendation 2 p52) receive updates on strategic risks, including mitigation and direction of travel and each portfolio holder should receive reports on the operational risks arising in the services and areas of operation for which they are responsible, at least four times a year.	<u>In Place</u>  There is mention of fraud in the risk management policy and the operational risk register but not in the corporate risk register.  <u>Action</u> Cabinet needs to receive risk reports. To be implemented in 2024/25.  The SWAP fraud risk assessment to be incorporated into the risk management process by Directors, Assistant Directors, and corporate leads and consideration on whether fraud should be included on the corporate risk register.	March 2025  June 2025	Director of Finance  SWAP / Director of Finance	Officer not in post and will be progressed in first performance update to Cabinet – May /June 2026.   Ongoing – Actions from FRA being arranged and will be agreed with Directors, Assistant Directors and Corporate leads, this will lead to risks being addressed in the risk management process.
16	FFCL Checklist (29) (Partially Completed)	The counter fraud team works jointly with other enforcement agencies and encourages a	<u>In Place</u>  The team currently share data and work jointly with the DWP, HMRC, DWP and NFI. We also			

		<p>corporate approach and co-location of enforcement activity.</p>	<p>share data in-house for regulatory and enforcement requirements.</p> <p>DWP can recommend for sanctions be applied in relation to Fraud and Error cases as an alternative to prosecution.</p> <p><u>Action</u></p> <p>To work more proactively with other enforcement agents instead of reactively. To set up regular meetings with partner agencies to discuss initiatives and closer joint working.</p>	September 2025	AD – Revenues & Benefits, Customer Services	Complete – Operational management transferred to SWAP, West of England Fraud Group restarted, DWP joint working, including joint interviews under caution
17	FFCL checklist (25) (Partially Complete)	<p>The fraud response plan is linked to the audit plan and is communicated to senior management and members.</p>	<p><u>In Place</u></p> <p>Fraud strategy in place and approved by A&amp;G committee in March 2024</p> <p>Director of Finance, Director Governance and SWAP consulted in drafting the plan.</p> <p><u>Action</u></p> <p>Delivery Plan and Annual Plan to be communicated to ELT and A&amp;G. Both to be shared with SWAP and Grant Thornton once signed off so they can be</p>	Annually	Swap/ Grant Thornton/ Assistant Director Revenues, Benefits, Customer Service,	<p>Ongoing - Once this report is approved, updates based on the SWAP fraud risk assessment will be added to the delivery plan and submitted to A&amp;G January 2026</p>

			considered with any audit planning.		Fraud & Compliance /Director of Finance	
18	<p>SWAP Audit Baseline Report Sept 2022 – Theme 6: Reporting, investigating and monitoring (Outstanding Item)</p> <p>Grant Thornton Auditors Annual Report for 22/23 (Outstanding recommendation)</p>	<p>The organisation provides an anonymous way to report suspected violations of the ethics and anti-fraud programs.</p> <p>Policy due to be reviewed and approved by January 2025 (as per line 1) in line with Grant Thornton 22/23 auditors report (improvement recommendation 4 p54) to provide greater detail on the process and the safeguards for whistleblowers and publish the policy for all officers and members as well as providing a downloadable PDF of the policy on its website.</p>	<p><u>In Place</u></p> <p>Anti-fraud, theft and corruption policy and whistleblowing policy includes section and procedure on how a staff member can report a suspected fraud.</p> <p>Anonymous Fraud Hotline and Fraud email published on the council website.</p> <p><u>Action</u></p> <p>Whistleblowing policy to be reviewed to take account of Grant Thornton auditors report 2022/23 recommendation and approved by A&amp;G.</p>	January 2025	Director of Governance	<p>The Whistleblowing Policy was reviewed in early 2025 to ensure that the appropriate officers to be contacted in the event of an allegation were correctly identified and that their contact details were up to date.</p> <p>A wider review of the Policy is now required and forms part of the work being undertaken by the Constitution Working Group.</p> <p>A revised Policy is currently in progress and is scheduled to be considered by the Constitution Working Group on 18 February 2025. Subject to approval, it will then be submitted to the Audit and Governance Committee on 19 March 2026, followed by Full Council on 15 April 2026.</p> <p><b>Date of amendment: April 2026</b></p>

		<p>Anti-fraud, theft, and corruption policy to be reviewed in line with the above policy and along with any other legislative or administrative changes and approved by A&amp;G</p> <p>Report on how many concerns raised by whistleblowers have been made and the outcomes submitted to A&amp;G on an annual basis.</p>	<p>September 2025</p> <p>Annually</p>	<p>Director of Governance</p> <p>Director of Governance</p>	<p>This is to be reviewed after the Whistleblowing consultation. <b>Date of Amendment: June 2026</b></p> <p>To be provided once new policy is approved. <b>Date amendment: April 2026</b></p>
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## Prevent

19	<p>FFCL Checklist (20) (partially complete)</p> <p>FFCL Checklist (31) (partially complete)</p>	<p>Statistics are kept and reported by the fraud team which cover all areas of activity and outcomes.</p> <p>Prevention measures and projects are undertaken using data analytics where possible.</p>	<p><u>In Place</u></p> <p>Cases and work are recorded for monitoring regarding volumes, financial outcomes and where available on demographics.</p> <p><u>Action</u></p> <p>To report the findings of the recorded information:</p> <ul style="list-style-type: none"> <li>• the Fraud Forum quarterly,</li> <li>• ELT 6 monthly</li> <li>• A&amp;G annually</li> </ul>	<p>November 2024</p> <p>November 2024</p> <p>June 2025</p>	<p>Revenues Fraud and Compliance manager /Assistant Director Revenues, Benefits,</p>	<p>Completed - Fraud forums being held quarterly, ELT being updated, and A&amp;G report complete</p>
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					Customer Service, Fraud & Compliance	
20	FFCL Checklist (11) (partially complete)  SWAP Audit Baseline Report Sept 2022 – Theme 1: Resource & Communications	The local authority has put in place arrangements to prevent and detect fraud and corruption and a mechanism for ensuring that this is effective and is reported to committee.	<u>In Place</u>  As above (Govern, item 4), there are several policies, strategies and codes in place for preventing and detecting fraud.  <u>Action</u>  To demonstrate that we are delivering against the delivery plan and following up on any audit recommendations that expose risk to fraud and error.	Annually	Assistant Director Revenues, Benefits, Customer Service, Fraud & Compliance	Ongoing - A&G report produced, additions to it to be taken to A&G in January 2026 (FRA)  Actions made by SWAP as part of internal audits and investigations are monitored and tracked through the A&G committee
21	FFCL Checklist (9) (Partially complete)  SWAP Audit Baseline Report Sept 2022 – Theme 3: Policy Related (outstanding item)	Counter fraud staff are consulted to fraud proof new policies, strategies, and initiatives across departments, and this is reported upon to committee.	<u>In Place</u>  SWAP has been involved in the review of key documents during the previous few years.  <u>Action</u>  Present briefing to SLT on the delivery plan and the Fraud risks that might be applicable to their	March 2025	Assistant Director Revenues, Benefits,	ELT were provided with a briefing prior to the report being submitted to A&G and also shared at the January Assistant Director meeting.

			area when they are developing new policies, strategies, and initiatives.		Customer Service, Fraud & Compliance /Director of Finance	
22	Fraud Strategy – Housing Right to Buy (RTB)  Offers of Accommodation	Continue to provide a verification service of all RTB applications to identify fraud	<p><b>In Place</b></p> <p>Reviewing all new cases received from RTB &amp; referrals in relation to offers of accommodation.</p> <p><b>Action</b></p> <p>To carry out regular reviews to ensure our verification process aligns with best practice.</p>	January 2025	Assistant Director Revenues, Benefits, Customer Service, Fraud & Compliance	<p>Complete - RTB applications are reviewed by Fraud team as per procedure and new EDDC specific form.</p> <p>SWAP are working with the team to review processes to ensure best practice is in place.</p>
23	FFCL Checklist (19) (To complete)  SWAP Audit Baseline Report Sept 2022 – Theme 1:	There is an annual fraud plan which is agreed by committee and reflects resources mapped to risks and arrangements for reporting outcomes. This plan covers all areas of the local authority's business and includes activities undertaken by	<p><b>In Place</b></p> <p>Fraud is considered in finance service plan.</p> <p>An annual audit plan is in place that includes provision around fraud.</p>			

	<p>Resource and Communication (Outstanding Item)</p> <p>FFCL Checklist (28) (Partially Complete)</p>	<p>contractors and third parties or voluntary sector activities.</p> <p>There is a programme of proactive counter fraud work which covers risks identified in assessment.</p>	<p>Compliance initiatives within Revenues and Benefits</p> <p>Delivery plan has been developed for approval by A&amp;G.</p> <p><u>Action</u> The delivery plan will be updated each year to cover any specific tasks and projects aligned to the Fraud risk assessment and this will be done in conjunction with SWAP.</p>	<p>Annually</p>	<p>Fraud Team/ Assistant Director Revenues, Benefits, Customer Service, Fraud &amp; Compliance</p>	<p>Ongoing - Update on Delivery Plan complete, additions to it to be taken to A&amp;G in January 2026</p>
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### Pursue

24	<p>FFCL Checklist (17) (Partially complete)</p> <p>SWAP Audit Baseline Report Sept 2022 – Theme 3: Policy Related (Outstanding recommendation)</p>	<p>Contractors and third parties sign up to the whistleblowing policy and there is evidence of this. There should be no discrimination against whistleblowers.</p>	<p><u>In Place</u> It is Included within the whistleblowing policy that new contracts should include the condition for contractors to sign up to the whistleblowing policy.</p> <p><u>Action</u> Written into all new standard contracts from January 2025 that all external contractors working on East Devon District Council (EDDC) behalf agree to our Whistleblowing policy. This will also be available on the web pages.</p>	<p>January 2025</p>	<p>Director of Finance/ Director of Governance</p>	<p>Procurement guidelines are currently being checked and reviewed.</p>
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			Agency and consultancy staff must complete the whistleblowing training as part of their mandatory induction process from 2025.	January 2025	Director of Governance	Complete - All temporary staff have to read the whistleblowing policy as part of their welcome information.
25	Fraud Strategy - Allegation investigation	Manage allegations and referrals into the Fraud team in line with policies and procedures.	<u>In Place</u> Pre-investigation plan in place that includes the Initial Allegation Assessment form for sending allegations to the Fraud Forum including recommendation for next action.  <u>Action</u> Continue to review cases in line with the updated procedure and referred to Fraud Forum.	Continuous	Assistant Director Revenues, Benefits, Customer Service, Fraud & Compliance /Director of Governance /Director of Finance	Ongoing - Fraud Forum meetings currently on a quarterly basis, the last being November 2025  Fraud forum getting statistics on cases and workload

## Protect

27	Fraud Strategy – Protecting against the public sector fraud (para 4.3 &4.4)	Continue with schedule of work to ensure compliance with Business Rates, Council Tax and Benefits along with any government	<u>In Place</u> Periodic reviews are regularly carried out and the outcomes of these are being captured and reported on.			
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		<p>initiatives to protect the public purse and council income.</p> <p>Protect against the loss of income through other areas the council is exposed to fraud as highlighted in the strategy (tenancy, procurement, grants, etc)</p>	<p><u>Action</u></p> <p>Continue with programme of reviews into reliefs, discounts, and reductions taking advantage of best practice and new technologies.</p> <p>Develop a programme for undertaking reviews in other areas of risk to take account of the updated Fraud Risk assessments.</p>	<p>Continuous</p> <p>August 2025 (subject to completion of updated FRA)</p>	<p>Assistant Director Revenues, Benefits, Customer Service, Fraud &amp; Compliance</p> <p>Assistant Director Revenues, Benefits, Customer Service, Fraud &amp; Compliance /Director of Governance /Director of Finance</p>	<p>Ongoing - SPD finalised, SBRR ongoing, 2<sup>nd</sup> homes ongoing, Site reviews ongoing</p> <p>Ongoing – Stage 1 of the FRA complete and actions being agreed – these actions will include reviews in risk areas identified.</p>
28	Fraud Strategy - NFI Bi-annual Exercise	To supply Datasets for the NFI national Exercise 2024/25 under mandatory powers pursuant to the NFI's powers under part 6 of the Local Audit and Accountability Act 2014 schedule 9 paragraph 2	<p><u>In Place</u></p> <p>NFI national exercise for 22/23 completed.</p> <p>24/25 datasets uploaded to the NFI portal.</p> <p><u>Action</u></p>			

			Process matches from the 24/25 statutory data matches from the Cabinet Office, which will be actively investigated where appropriate and report on outcomes	June 2025	Assistant Director Revenues, Benefits, Customer Service, Fraud & Compliance	Ongoing – Matches being completed – an update is provided in Appendix 2 to this report (2025-26 action to date)
29	Audit Plan	Procurement Process Audit	<p><u>In place</u> Payment card audit being conducted.</p> <p><u>Action</u> Conduct an audit and detailed review and assessment of the Council's exposure to procurement fraud risks around payment cards, and implementation of mitigation controls in line with the Council's risk appetite.</p>	December 2024	SWAP	<p>Complete - This action was completed in December 2024, EDDC scored a medium risk</p> <p>There were 10 actions required, 7 are complete and 3 are in progress – Completions due (confirmation by Mark Worth)</p>

#### Appendix 4

		Impact			
		1	2	3	4
4		<b>Major</b> Major financial loss Breach of legislation/ regulations International/national media attention Long-term loss of service (>3 days)	6bb	3fa 3fb 2fa 3hb 6ba 6ca 6cb 6cc	
		<b>Serious</b> Serious financial loss Breach of policy Local or regional media attention Medium-term loss of service (2-3 days)	1ba 6db	1ca 3dd 4cg 1cc 3de 4ch 2ab 3df 4cj 2bb 3dg 6aa 2cb 3ea 6ab 3ba 3ga 6ad 3ca 3gb 6ae 3da 3gd 6af 3db 4ce 6ag 3dc 4cf	2aa 2ba 2ca 3gc 4ba 4ca 4cb 4cd
3		<b>Significant</b> Significant financial loss Breach of guidance Corporate attention Short-term loss of service (1-2 days)	6cd 6dc	1aa 4ad 1ab 4ae 1ac 4bb 1ad 4cc 1cb 6ac 1cd 6ah 1da 6da 2da 2db 3aa	4aa 4ab 4ac
		<b>Minor</b> Minor financial loss No breach of guidance, policy, regulation Service attention Loss of service (< 1 day)			4ci
<b>Likelihood &gt;</b>		Low Remote	Medium Unlikely	High Likely	Very High Very Likely

<u>Key</u>	
The numbers and letters at the start of the references relate to the service areas as below:	
<b>1: HR &amp; Payroll</b>	1a – Recruitment and selection
	1b – Pension fund
	1c – Payroll
	1d - Expenses
<b>2: Tax, Rates &amp; Benefits</b>	2a – Council Tax
	2b – Business Rates
	2c - Housing Benefit
	2d – Anti Poverty Discretionary grant
<b>3: Finance, Procurement &amp; Contracts</b>	3a – Income use of case
	3b – Income non-cash
	3c - Creditors – Payments, use of cheques, bacs, procurement cards
	3d – Contracts / Procurement
	3e – Insurance
	3f – Mandate
	3g – Assets / Stock
	3h – Treasury – loans / investments
<b>4: Allowances, Funding &amp; Housing</b>	4a - Grant (against or by Council) - Voluntary, community and social
	4b – Homelessness
	4c - Housing and tenancy - including right to buy, homelessness, sheltered schemes
<b>5: Cyber</b>	Area out of scope so not included
<b>6: Other</b>	6a – Planning and Building Control
	6b – Licensing
	6c – Elections
	6d – Homes for Ukraine