



# **COUNTER FRAUD ANNUAL REPORT 2023-2024 AND COUNTER FRAUD ACTION PLAN 2024-25**

## Introduction

The roles of Counter Fraud function are to:

- Receive, track and, where required, investigate financial irregularities (fraud and error) that occur within Kent County Council;
- Provide advice and support to management in mitigating the risk of financial irregularities occurring within their area; and
- Provide awareness and assess the risk of financial irregularities with management and front-line staff.

The Counter Fraud team work alongside Internal Audit as one function to support work in providing an independent assurance that the control, risk and governance framework in place within the Council is effective and supports the Council in the achievement of its objectives.

The Governance and Audit Committee are asked to:

- Note the Counter Fraud Update report for 2023/24 and reported irregularities.
- Note the progress of the Counter Fraud Action Plan for 2023/24.
- To review, comment on and approve the Counter Fraud Action Plan for 2024/25.

## Key Messages

- Fraud referrals: 463 irregularity referrals received from 01 April 2023 to 31 March 2024, compared to 356 for the same period in 2022/23 (details in **Appendix A**).
- Actual loss: Actual loss of £311,178 within quarter four, total losses due to fraud and error this year: **£2,832,520** (breakdown shown on slide 10).
- Blue Badge referrals: 313 blue badge referrals received, 3 Prosecutions and 8 cautions issued.
- Kent Intelligence Network (KIN) outcomes up to December 2023 has identified almost **£1.5m** of financial benefit to KCC.
- Counter Fraud Plan: Updates to the outturn of the 2023/24 Counter Fraud Action Plan can be found at **Appendix B**, with the proposed Counter Fraud Action Plan found in **Appendix C**.
- The National Fraud Initiative outturn has identified actual losses of £5,312 details of the activity can be found in **Appendix D**.

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

## Irregularity Referrals - April 2023 to March 2024 Overview

463 irregularity referrals were received from April 2023 to March 2024. This is a **30% increase** on previous years referrals (356). An increase in referrals is a good indication of awareness of the need to report irregularities to Internal Audit and Counter Fraud to assess where an investigation is required, ensure risks are assessed and mitigated, identifying lessons to be learnt and financial recovery occurs.

As shown in the subsequent slides and Appendix A, there has been increases in irregularities relating to:

- Procurement – Invoice of services not delivered/ overpayments due to data inputting errors;
- No Recourse to Public Funds (NRPF) – Increase in the number of people claiming support due to destitution and not being able to access public funds;
- Blue Badge misuse – Use of stolen and deceased badges in particular;

Distribution and characteristics of irregularities reported are shown in [Appendix A](#)

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

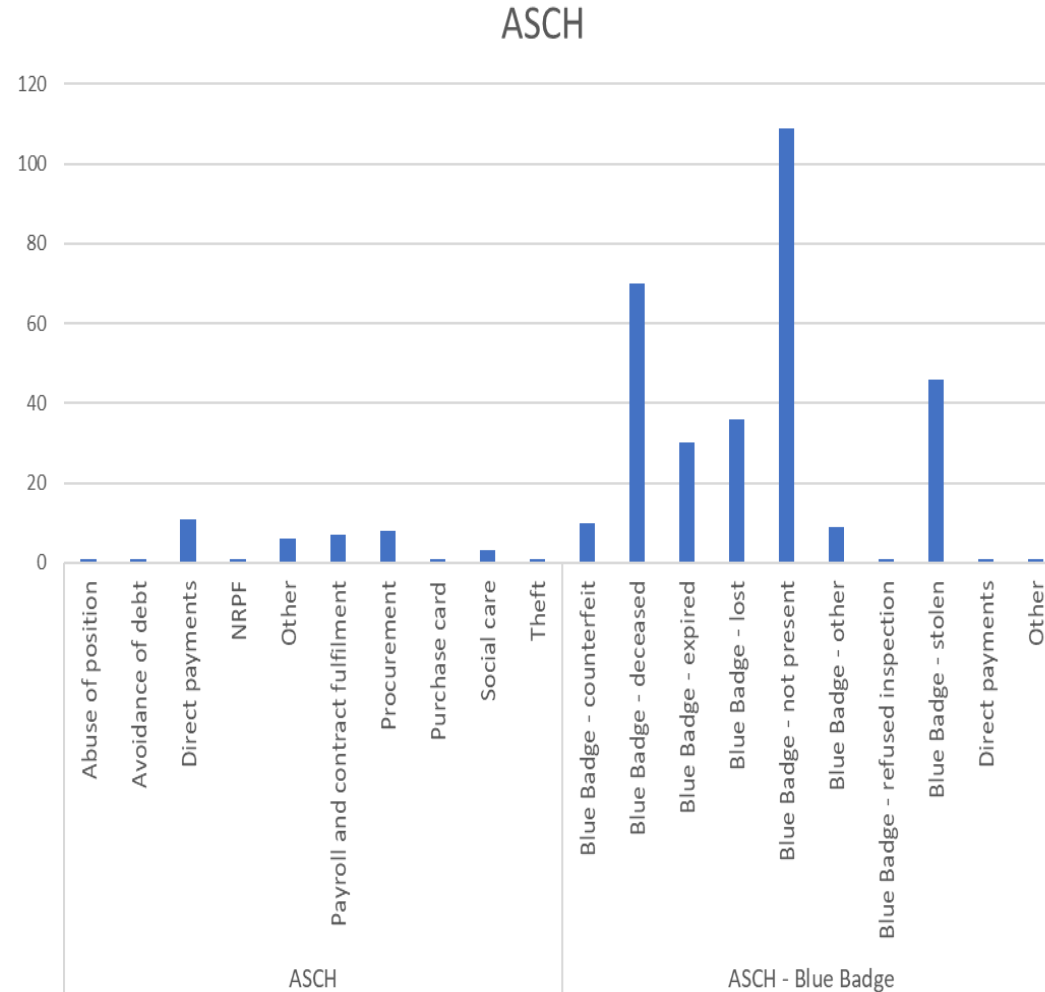
Appendix D: National Fraud Initiative

## Irregularity Referrals by Directorate and Fraud Type – Adult Social Care and Health

There has been an increase in reported irregularities relating to **procurement** during 2023/24, this has resulted in an actual loss to KCC, all amounts are subject to full recovery, this has seen irregularities relating to:

- A person has passed away, but payments continued to a provider resulting in an actual loss of £62,915.
- A person went into hospital but the placement was not ended with the provider continuing to receive the scheduled payments, actual loss £24,106.
- A person not receiving care from a provider however the provider was paid through scheduled payments, actual loss £22,981.
- The provider had not been invoicing for full costs when the person had planned absence where a 50% charge rate should have applied, actual loss £46,979.
- Payment to a provider following a novation of contracts to another provider, potential loss £140,000.
- Incorrect hours entered onto a purchase order that resulting in the provider invoicing against the full value but delivering against the care plan which had half the amount of hours, resulting in an overpayment of £ 82,000.

It is worth noting that Adult Social Care process in the region of 40,000 transactions with a value of £52m every 4/ 5 weeks .



## Irregularity Referrals by Directorate and Fraud Type – Adult Social Care and Health - Continued

### Blue badges:

Referral rates relating to Blue Badge misuse continue to increase compared to the previous financial year (36%) due to greater awareness and enforcement action by District/ Borough Council parking teams. From the 313 referrals received this year, the outcome has been:

- 245 Penalty Charge Notices being issued across Kent (compared to 86 in 22/23) resulting in an estimated £7,350 of additional parking revenue
- 90 Warning Letters to reminder users of the appropriate use
- 8 Simple Cautions
- 3 prosecutions
- 131 badges removed from being misused

### Direct Payments:

There has been 12 irregularities relating to direct payment misuse referred this year, resulting in actual loss of £28,214.75. One case, where a relative abused their position to use funds (£6,929) intended for care for personal gain, has resulted in the police issuing a conditional caution. There have been potential losses amount to £284,353 mainly due to excess funds sitting in accounts that had not been reclaimed.

There has been one case received in 22/23 but progressed in 23/24 that has identified an actual loss of £18,430 where a 3<sup>rd</sup> party continued to claim a direct payment for a deceased relative.

### Salary Overpayments:

There has been 5 irregularities reported due to salary payments continuing after the person had left KCC, this resulted in actual losses of £16,434.

### 2<sup>ND</sup> Employment

There have been 2 irregularities relating to staff working (via agency) with KCC whilst having a substantive role elsewhere. The value of losses are currently being calculated.

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

# Irregularity Referrals by Directorate and Fraud Type – Children Young People and Education

## No Recourse to Public Funds:

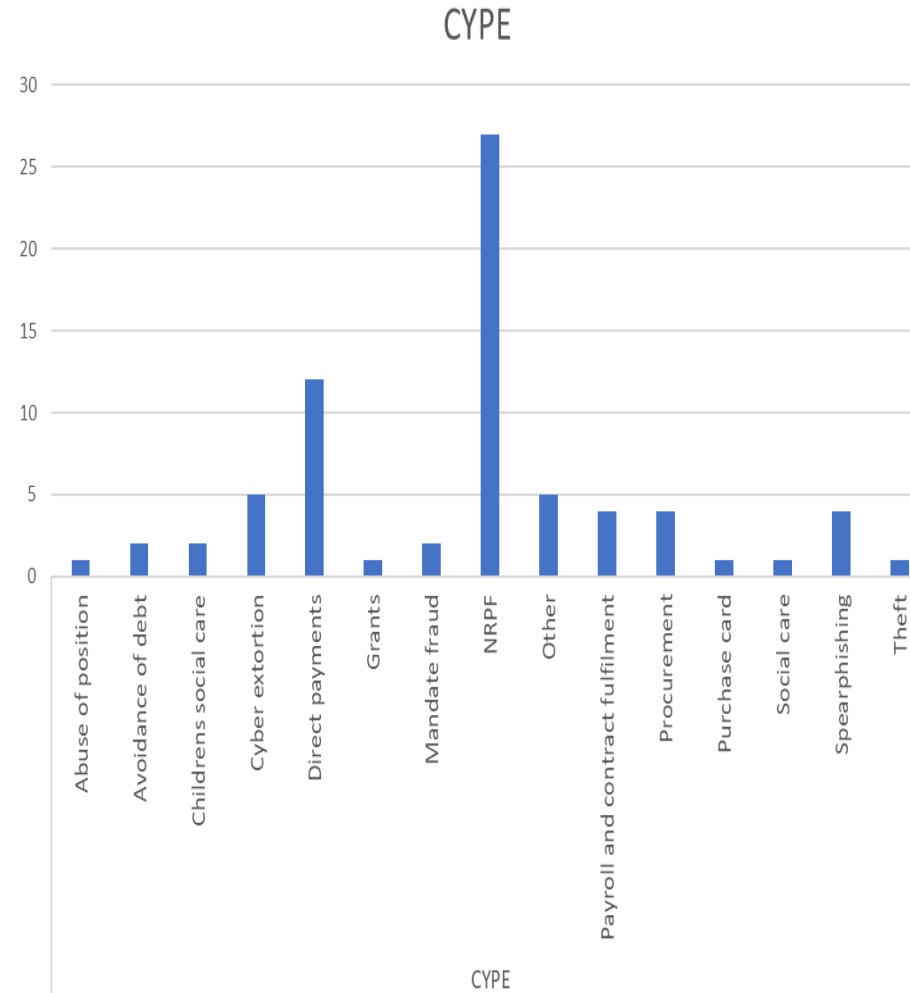
The Counter Fraud Team provide a due diligence check to validate someone's circumstances when applying for funding under the Childrens Act.

In 2023/ 24, there have 27 cases referred (compared to 12 in 2022/23).

The Counter Fraud Team have been working with CYPE in improving the process to ensure relevant information is captured to enable effective due diligence and anti-fraud statements are embedded in the application process.

Through these checks, positive assurance can be provided to CYPE that the person is destitute and public funds are being used to support KCC statutory duties.

There has been 1 irregularity where the person, following analysis of their financial circumstances was not destitute, this resulted in an actual loss of £6,198.



## Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

## Irregularity Referrals by Directorate and Fraud Type – Children Young People and Education - Continued

### Direct Payments

There have been 12 irregularities relating to Children's Direct Payments, resulting in an actual loss of £32,388. The main reason is where spend occurs not in accordance with the care and support plan.

### Education:

There has been one actual and one attempted mandate fraud impacting Kent Schools. The actual loss incurred was £23,136 with recovery of £19,067 occurring resulting in an actual loss of £4,069. There has also been 5 attempts reported of fake invoicing to schools for fictitious services/ goods. In addition, 5 cases of spear phishing have occurred to amend payroll details, 1 case resulted in an actual loss of £3,393, with the other 4 attempts identified as spear phishing and not actioned.

A review of the way an educational establishment was applying financial controls has been completed and reported to management to address. The review identified numerous payments to staff that were not in-line with the correct financial policies and procedures, disposal of asset decisions made that were not best value and use of assets for personal use. Additionally, there was a lack of governance oversight to help inform the appropriate use of school funds.

### Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

## Irregularity Referrals by Directorate and Fraud Type – Growth, Environment and Transport

### Concessionary fares:

Misuse of people's concessionary bus pass has been reported. The actual loss is difficult to calculate, however the Department for Transport places a potential loss of £113 where fares are misused through the avoidance of paying bus fares.

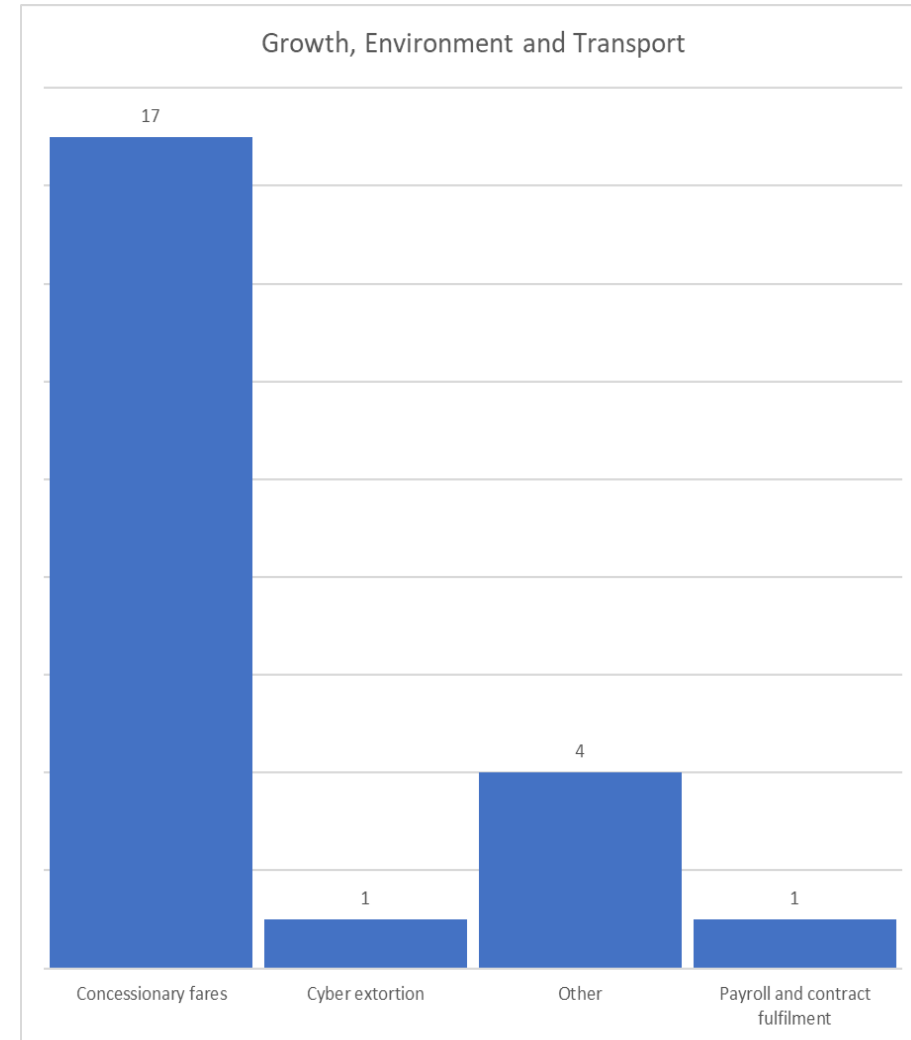
### Other:

There has been an alleged case reported from a member of public following an enforcement notice being issued on overhanging vegetation which was subsequently followed up by a company offering hedge/ tree cutting services. This identified a practice where traders follow KCC staff to then go onto cold call members of the public. Management have informed that advice on rogue traders is now communicated following any enforcement notice.

The other three cases relating to a minor irregularity within an imprest account where poor record keeping resulted in an amount of £178 being unaccounted for, and charge backs occurring within payments to the registration service where credit cards issued in Brazil were being used to make test payments of below £1, no loss was incurred by KCC.

### Blue Badges:

Although the Blue Badge scheme is administered by ASCH, the majority of misuse occurs within on-street parking bays, thus having an impact on the amount District/ Borough Councils receive from this income and in turn the amount they could potentially return to KCC.





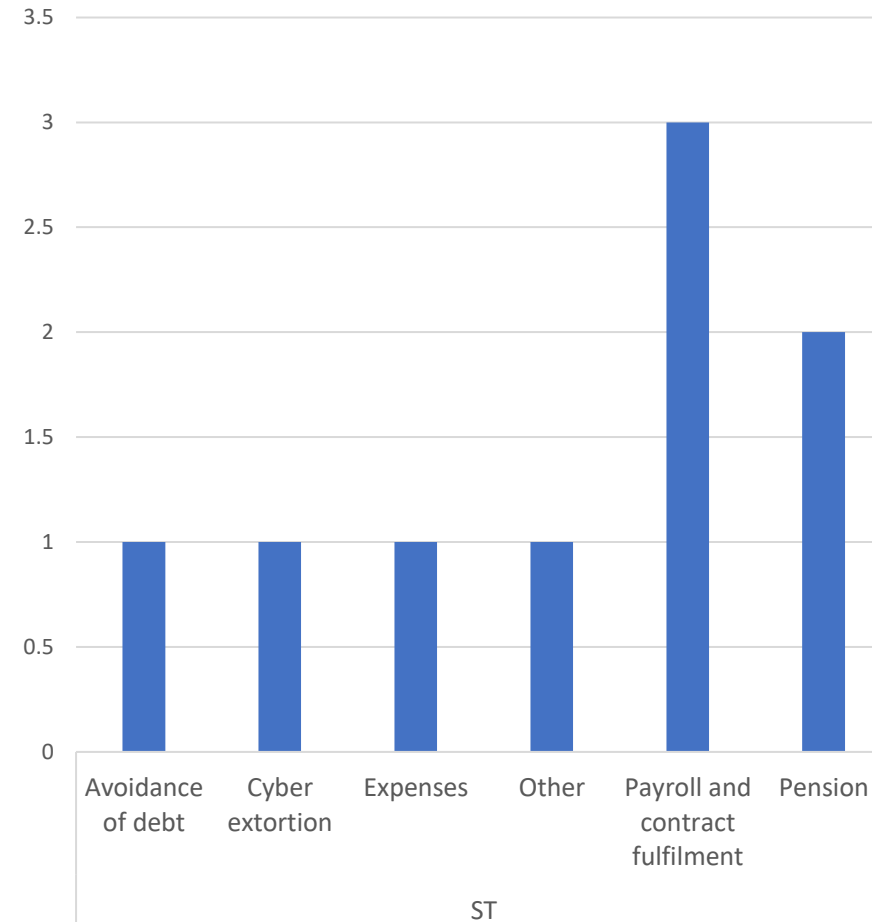
# Irregularity Referrals by Directorate and Fraud Type – Chief Executive/ Deputy Chief Executive Departments

## IR35 (Off payroll working):

A review by Finance on the way people’s assessment of tax liability against HMRC rules was completed in 2022/23. This identified a number of staff who were employed off payroll when following a Check Employment Status for Tax (CEST) assessment, this identified they should have been paid via payroll. This resulted in a self-declaration being made to HMRC including just over £1.3m in additional tax liability being paid to HMRC, Internal Audit and Counter Fraud have been informed that there may be a rebate in the amount paid within 2023/24 however this has not been received, The Finance Division are seeking resolution with the Tax advisor.

The review established better guidance for recruiting managers and an independent (not the recruiting manager) CEST assessment being completed by Finance to ensure the correct assessment is applied.

CED / DCED



## Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

## Irregularity Referrals: Actual Loss by Directorate

Directorate	Number of fraud type reported	Total loss
<b>ASCH</b>	<b>18</b>	<b>£641,645</b>
Direct payments	4	£46,644
Other	1	£62,916
Payroll and contract fulfilment	5	£15,878
Procurement	4	£238,981
Purchase card	1	£55
Social care	2	£276,615
Theft	1	£556
<b>CYPE</b>	<b>25</b>	<b>£807,056</b>
Avoidance of debt	2	£18,933
Childrens social care	1	£1,042
Direct payments	8	£32,388
Mandate fraud	1	£9,592
NRPF	1	£715,373
Other	1	£13
Payroll and contract fulfilment	4	£12,283
Procurement	3	£5,265
Purchase card	1	£13
Social care	1	£4
Spearphishing	1	£3,393
Theft	1	£8,757
<b>External</b>	<b>1</b>	<b>£1,864</b>
Spearphishing	1	£1,864
<b>GET</b>	<b>1</b>	<b>£179</b>
Other	1	£179
<b>ST</b>	<b>6</b>	<b>£1,381,776</b>
Avoidance of debt	1	£4,000
Other	1	£1,480
Payroll and contract fulfilment	2	£1,363,591
Pension	2	£12,705
<b>Grand Total</b>	<b>51</b>	<b>£2,832,520</b>

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

Counter Fraud Action Plan 2023/24

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

## Counter Fraud Action Plan 2023/2024

Updates to the 2023/24 Counter Fraud Action Plan with updates can be found at Appendix B

The balance between pro-active and re-active work continues to be a challenge within resource levels. Resource levels below include staff working within the shared service with Tonbridge and Malling Council ( 0.2 FTE Counter Fraud Manager, 1 FTE Counter Fraud Technician & 0.8 FTE Intelligence Officer).

The Action Plan for 2023/ 24 has been delivered with an increase of awareness being seen through more irregularities being reported, this helps inform areas of risk and where needed inform audits in these areas.

## Counter Fraud Resources

Position	Current number of employees
Counter Fraud Manager	1
Counter Fraud Specialists	3
Counter Fraud Technician	1
Intelligence Officer	0.8
Intelligence Assistant	1

### Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

# Kent Intelligence Network (KIN) Overview – Quarter 3

The KIN continues to provide valuable support to the District/Borough Councils and the outcomes for the period 1 April 2023 to 31 December 2023, set out below, show the results and financial returns achieved.

## Business Rates

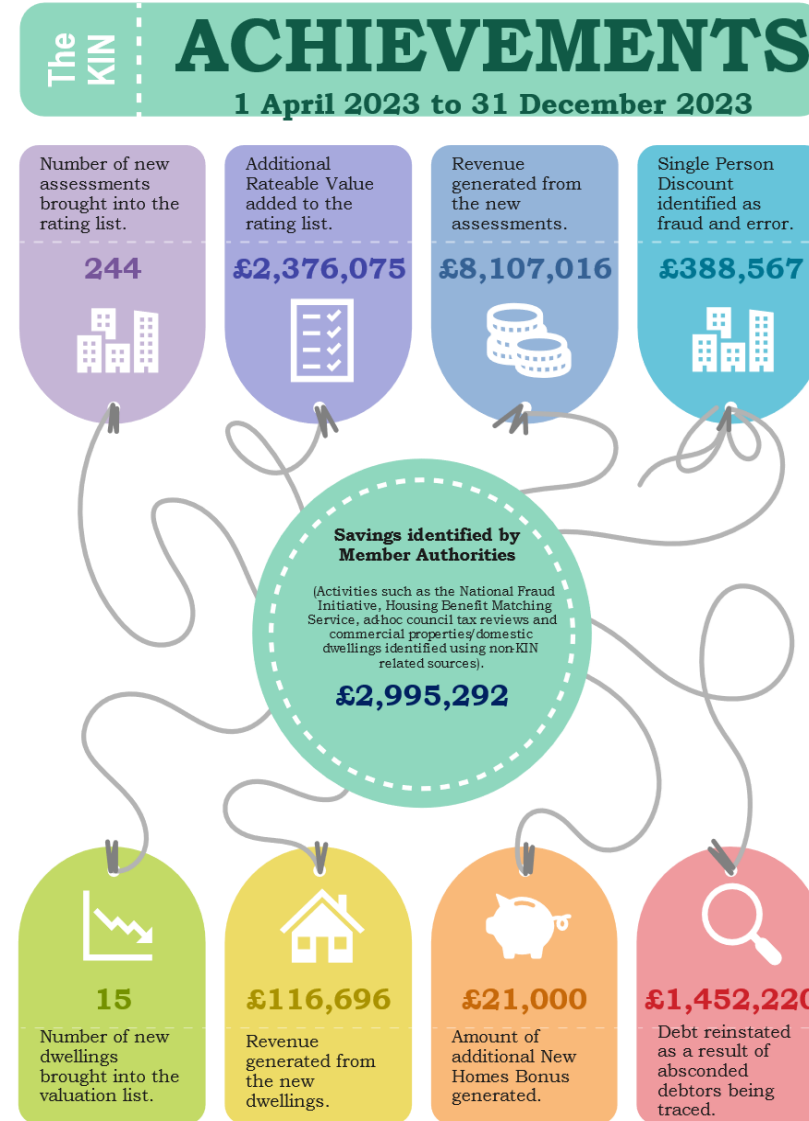
244 commercial properties have been identified that were previously missing from the rating list. These properties have now been brought into the list by the Valuation Office Agency and consequently, the businesses occupying these properties are now liable for business rates.

The additional business rates revenue generated from the identification of these missing properties is £7,842,666 (£8,107,016 including Medway), of which broadly 9% (£705,839) comes to KCC, once collected, is a combination of the following:

The total amount of business rates billed for both the current financial year and previous financial years of £3,006,426 (£3,086,800 including Medway); and

A ‘future loss prevention’ provision of 3 years of £4,836,240 (£5,020,216 including Medway). This represents the amount of additional income that would have been lost if the respective properties had not been identified by the KIN.

It is also pertinent to highlight that on 31 December 2023, there were 116 cases with the Valuation Agency awaiting assessment/valuation, none of which are included in the figures stated above, and a further 166 cases which are currently under investigation by billing authorities.



Section Navigation

- Introduction and Key Messages
- Irregularity Referrals
- Irregularities by Directorate
- Counter Fraud Action Plan 2023/24
- Kent Intelligence Network
- Appendix A: Current Year Referrals in Detail
- Appendix B: Counter Fraud Action Plan 2023/24 in detail
- Appendix C: Counter Fraud Action Plan 2024/25
- Appendix D: National Fraud Initiative

## Kent Intelligence Network (KIN) Overview Continued

### Council Tax

The KIN also helps to identify dwellings missing from the valuation list and so far, 15 dwellings have been identified. The additional council tax revenue generated from the identification of these missing properties is £116,696, of which broadly 73% (**£85,188**) comes to KCC, once collected, is a combination of the following:

- The total amount of council tax billed for both the current financial year and previous financial years of £37,945; and
- A 'future loss prevention' provision of 3 years of £78,751. This represents the amount of additional income that would have been lost if the respective dwellings had not been identified by the KIN.

It is also pertinent to highlight that on 31 December, there were 15 cases with the Valuation Agency awaiting assessment/valuation, none of which are included in the figures stated above, and a further 39 cases which are currently under investigation by billing authorities.

Dwellings added to the valuation list also help to generate additional New Homes Bonus (NHB) for both Districts/Boroughs and KCC. It is estimated that the 15 dwellings identified will generate £21,000, of which 20% (**£4,200**) comes to KCC, once collected.

In respect of the £1,452,220 that has been traced from absconded council tax debtors, this will generate additional income for KCC, depending on the amount that is collected. Even if a bad debt provision of 30% is applied to the amount of debt brought back into recovery, KCC would broadly receive 73% of £1,016,554, once collected, and this would amount to **£742,084**.

### Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

## Kent Intelligence Network (KIN) Overview Continued

Finally, the proactive work being undertaken in respect of identifying erroneous claims for Council Tax Single Person Discounts has resulted in the additional billing of Council Tax amounting to £388,567, of which broadly 73% (£283,653) comes to KCC, once collected.

In total, the financial benefit to KCC from the initiatives and successes detailed above amounts to **£1,820,964**.

It is also important to highlight the investment made by KCC to help billing authorities achieve these outcomes. This investment is by way of an annual grant given to the respective billing authorities, the components for which are broken down as follows:

- A grant of £352,646 for the provision of additional resources to help carry out KIN related work, and also to assist with non-KIN related initiatives that help to increase the tax base and rates base.
- A grant of £19,710 towards a product that helps to trace absconded council tax debtors.

Solely in respect of the KIN related work, the return-on-investment to date (April to December) is £1,448,608 (this figure is derived from the total financial benefit to KCC, less the grants given to billing authorities to help achieve the outcomes detailed above).

Finally, the proactive work being done in respect of identifying erroneous claims for Council Tax Single Person Discounts has resulted in the additional billing of Council Tax amounting to £388,567, of which broadly 73% (**£283,653**) comes to KCC, once collected.

### Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

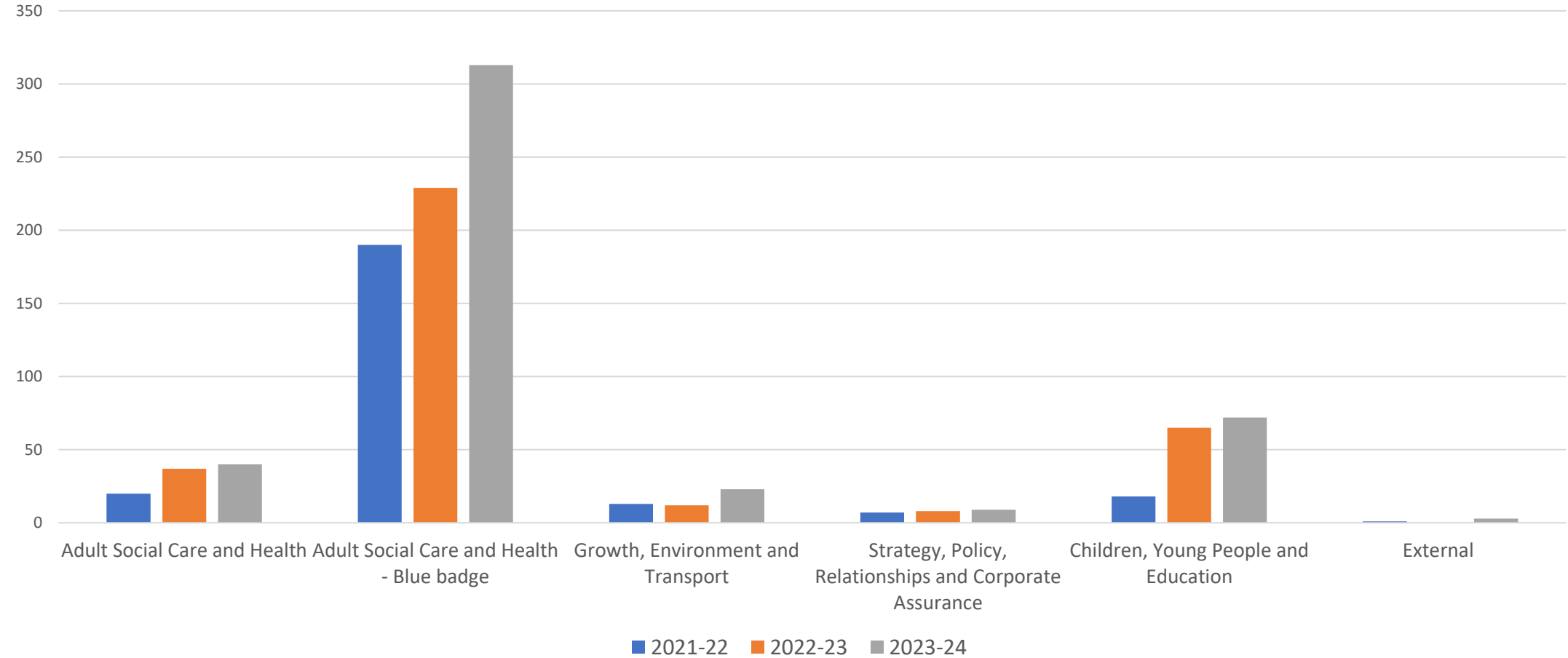
[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

# Appendix A - Year on Year Comparison – by Directorate

While Blue Badge cases still represent the largest number of referrals the Counter Fraud service receives, there has been increases of referrals from every Directorate this year. ASCH and CYPE represent the highest proportion of our caseload.



## Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

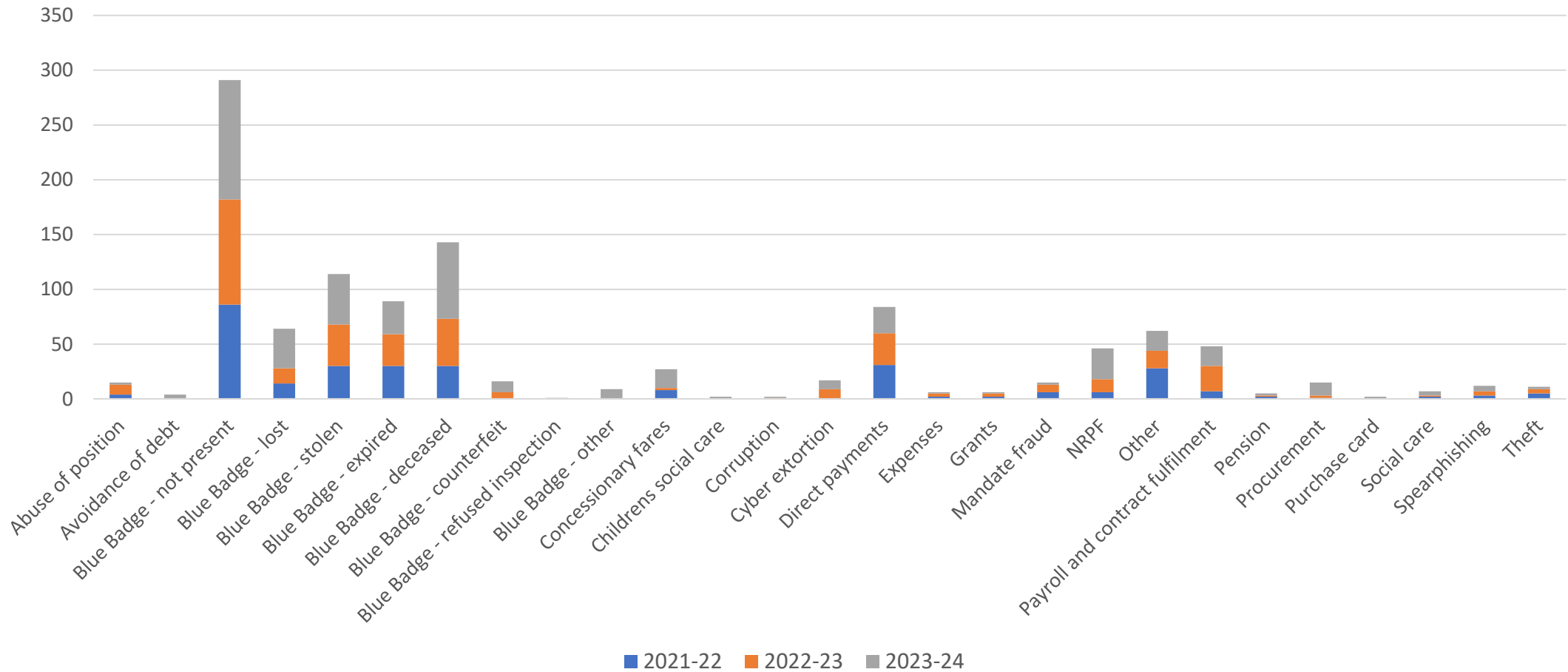
[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

# Appendix A - Year on Year Comparison – by Fraud Type

This slide demonstrates that Direct Payments have historically been the biggest risk of fraud after blue badges. This year however, the number of procurement related and NRPF referrals received has a greater financial risk to KCC.



## Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

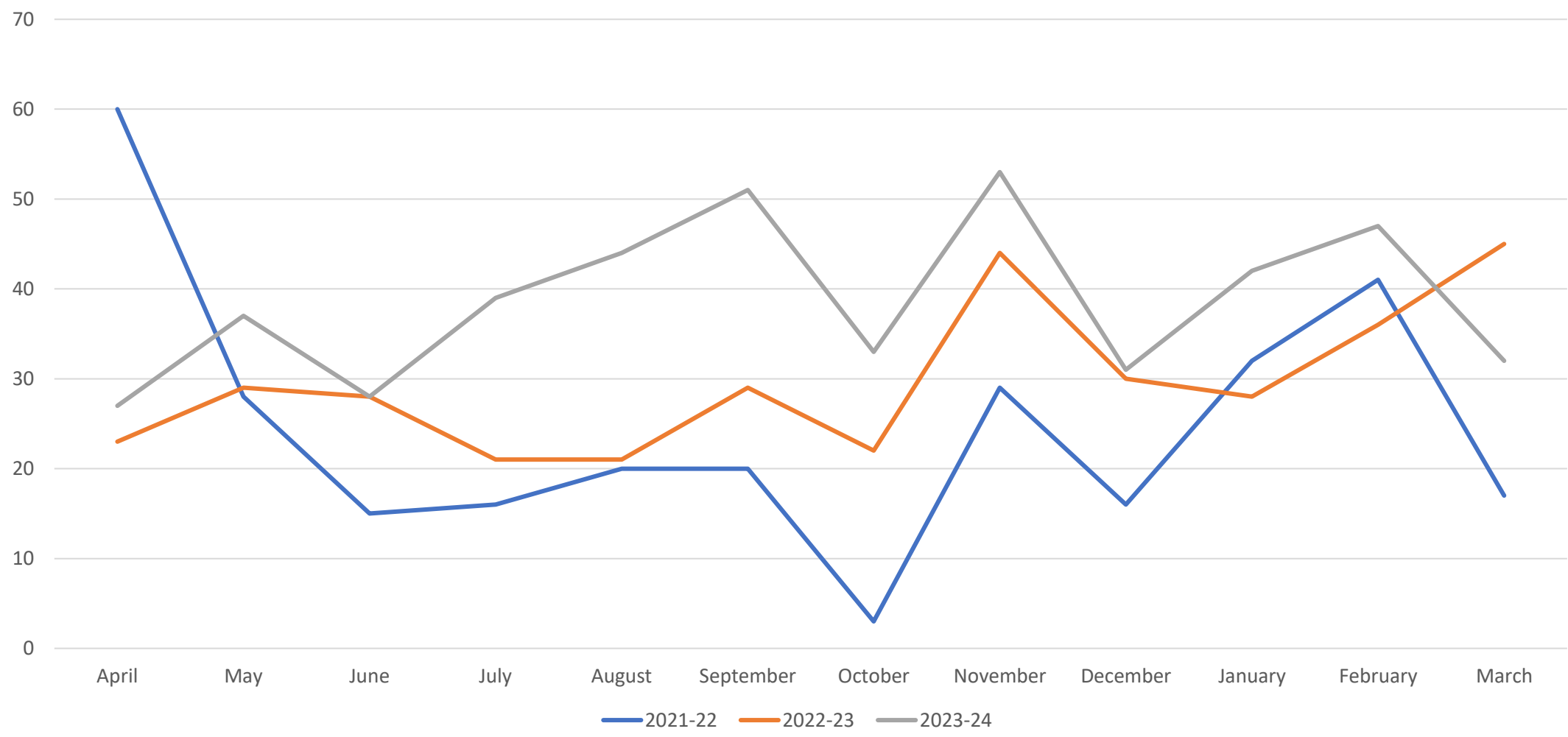
[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)



# Appendix A - Year on year comparison – by Month Received

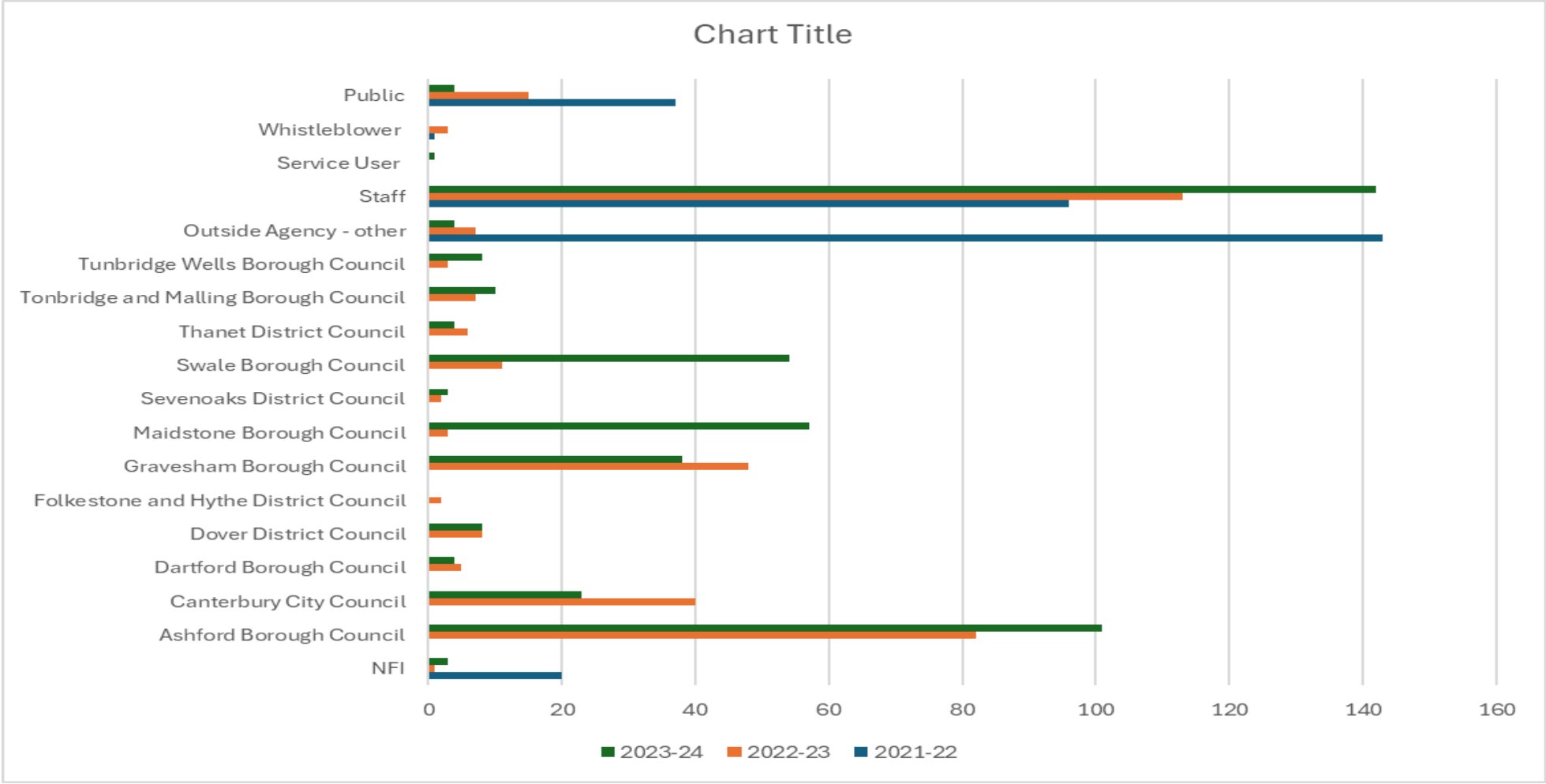
As demonstrated, February, September and November are consistently the busiest reporting months.



- Section Navigation
- Introduction and Key Messages
- Irregularity Referrals
- Irregularities by Directorate
- [Counter Fraud Action Plan 2023/24](#)
- Kent Intelligence Network
- Appendix A: Current Year Referrals in Detail
- Appendix B: Counter Fraud Action Plan 2023/24 in detail
- Appendix C: Counter Fraud Action Plan 2024/25
- Appendix D: National Fraud Initiative

# Appendix A - Year on Year Comparison – by Source of Referral

Relationship management/ awareness is working as in most cases, the number of referrals received from KCC staff, Districts and Boroughs has increased.



## Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

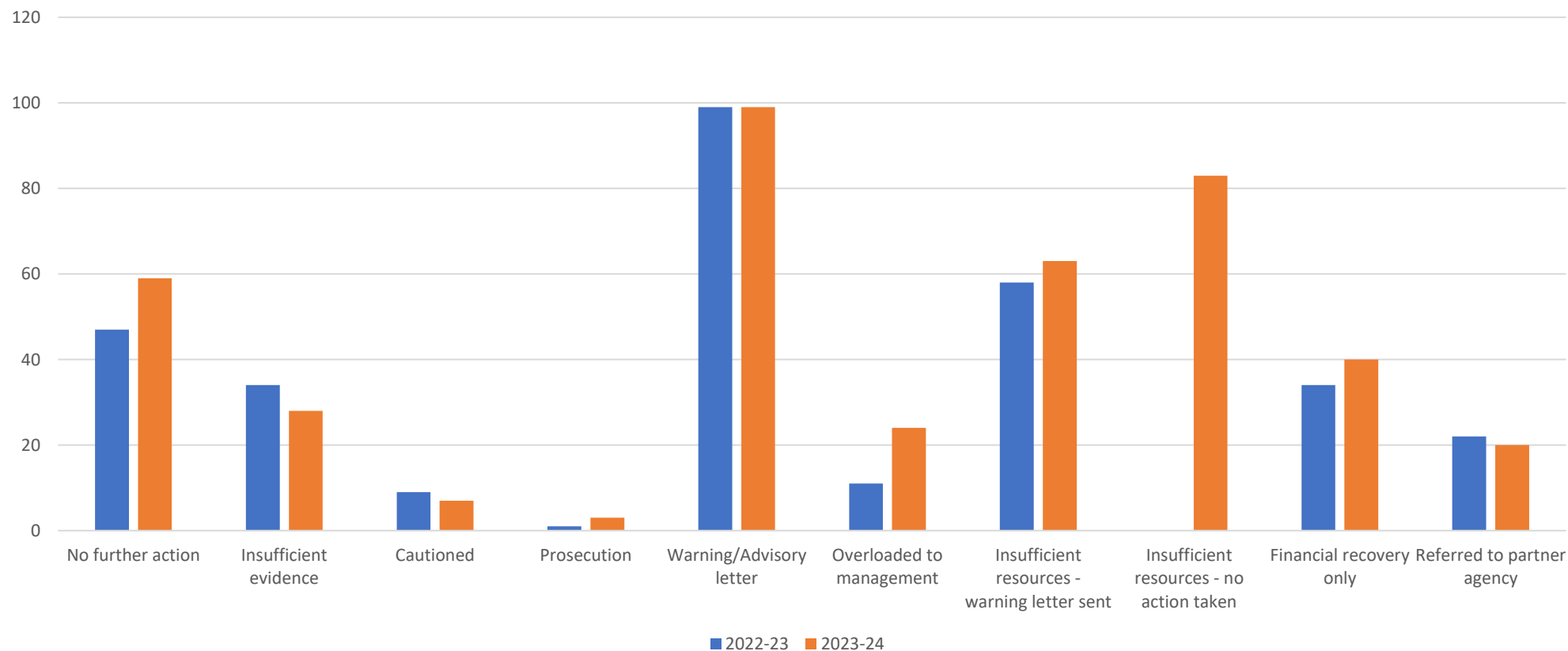
[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

# Appendix A - Year on year comparison – by outcome

The increase in the number of referrals, in particular blue badge referrals, has resulted in some referrals not being progressed due to work on more complex cases taking priority. However, the Team have secured three prosecutions this year and, ensured financial recovery has occurred where financial loss has occurred.



## Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

## Blue Badge Referrals – By type and Referring Parking Team

		Parking enforcement area	Number of referrals
Blue Badge – counterfeit	10	Ashford Borough Council	99
Blue Badge - deceased	70	Canterbury City Council	23
Blue Badge – expired	30	Dartford Borough Council	3
Blue Badge - lost	36	Dover District Council	8
Blue Badge - not present	109	Gravesham Borough Council	38
Blue Badge - other	9	Maidstone Borough Council	57
Blue Badge - refused inspection	1	Sevenoaks District Council	3
Blue Badge - stolen	46	Swale Borough Council	53
		Thanet District Council	4
		Tonbridge and Malling Borough Council	9
		Tunbridge Wells Borough Council	8
		<b>Grand Total</b>	<b>305</b>

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

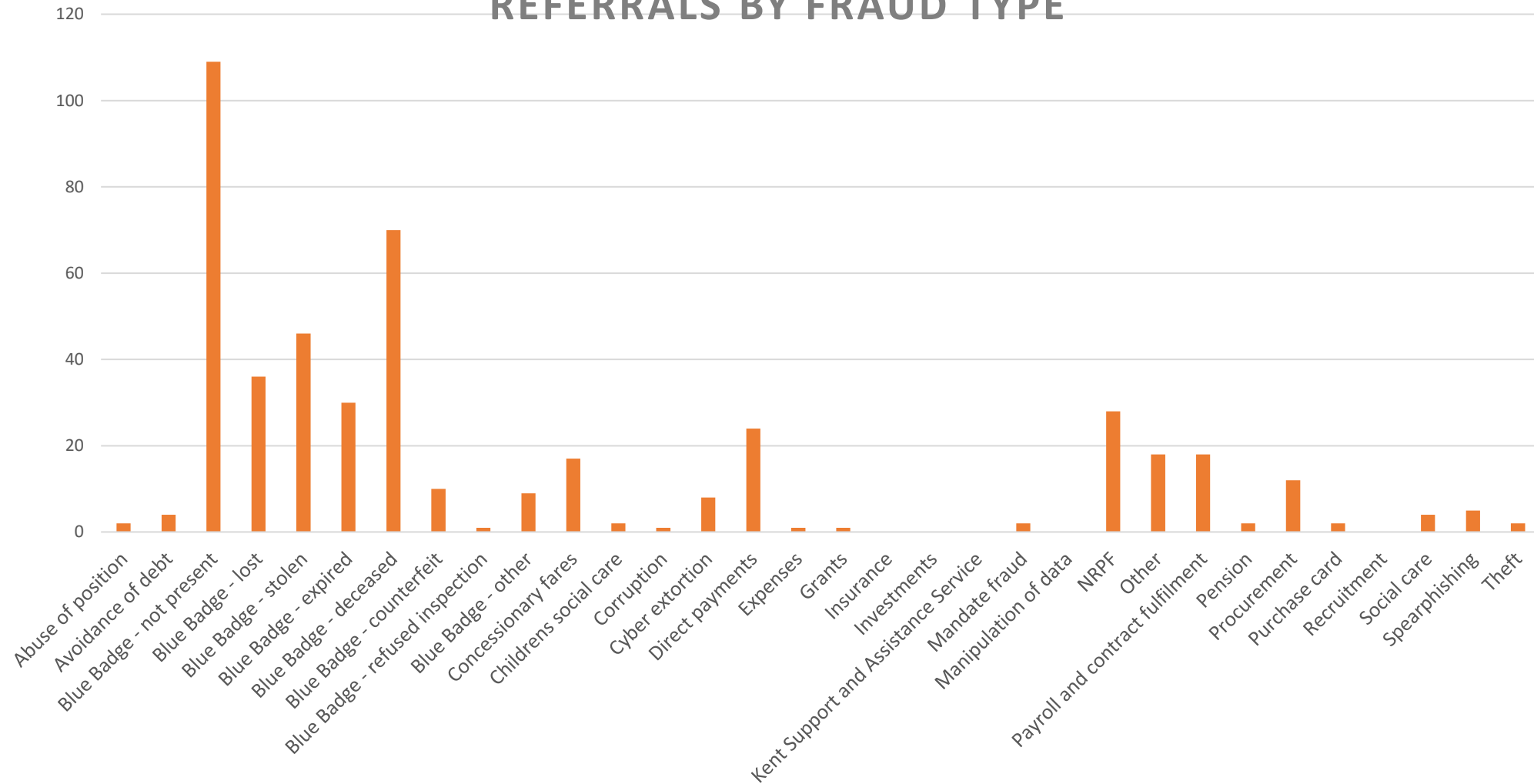
Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

# Appendix A: Fraud and Irregularity Referrals April 2023 to March 2024

## REFERRALS BY FRAUD TYPE

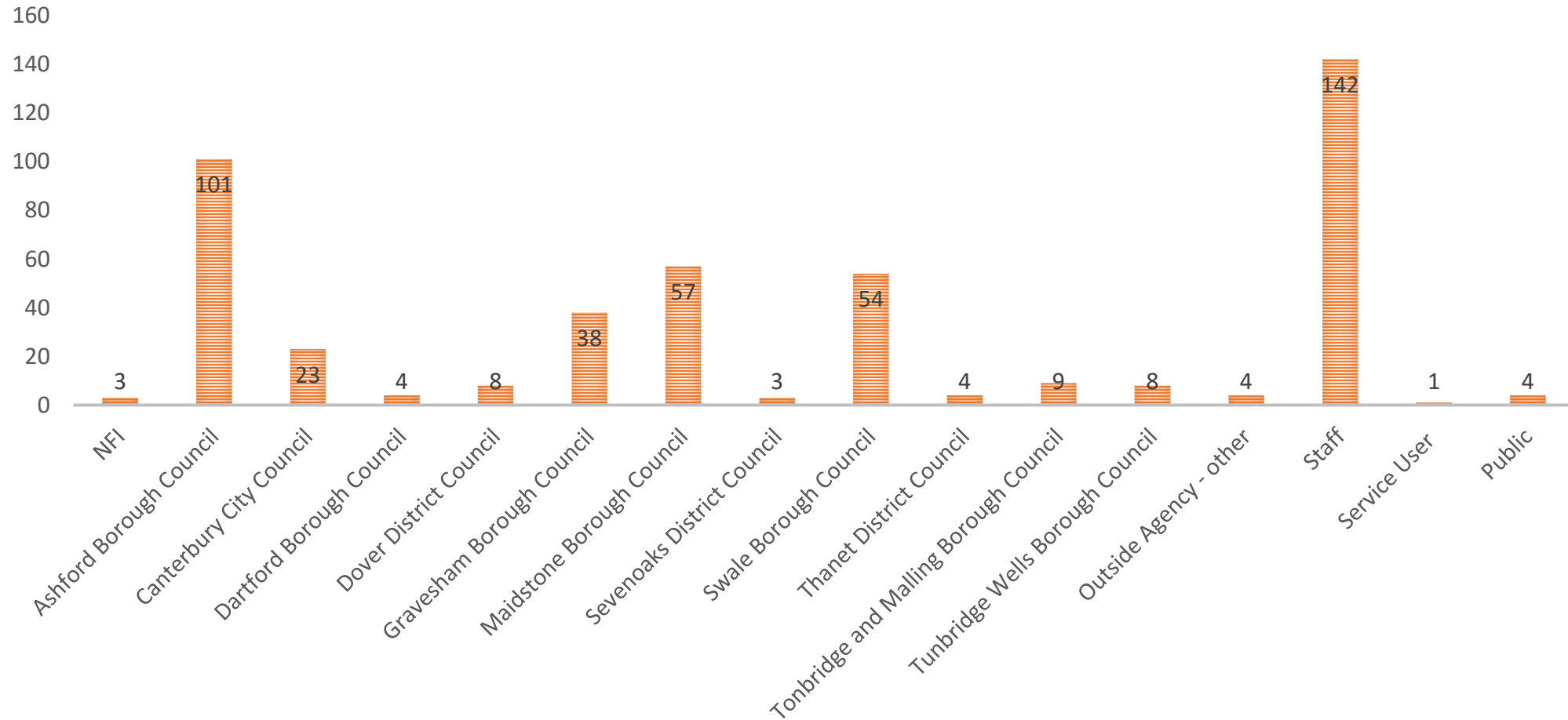


**Section Navigation**

- Introduction and Key Messages
- Irregularity Referrals
- Irregularities by Directorate
- [Counter Fraud Action Plan 2023/24](#)
- Kent Intelligence Network
- Appendix A: Current Year Referrals in Detail
- Appendix B: Counter Fraud Action Plan 2023/24 in detail
- Appendix C: Counter Fraud Action Plan 2024/25
- Appendix D: National Fraud Initiative

# Appendix A: Fraud and Irregularity Referrals April 2023 to March 2024

## REFERRALS BY SOURCE



### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

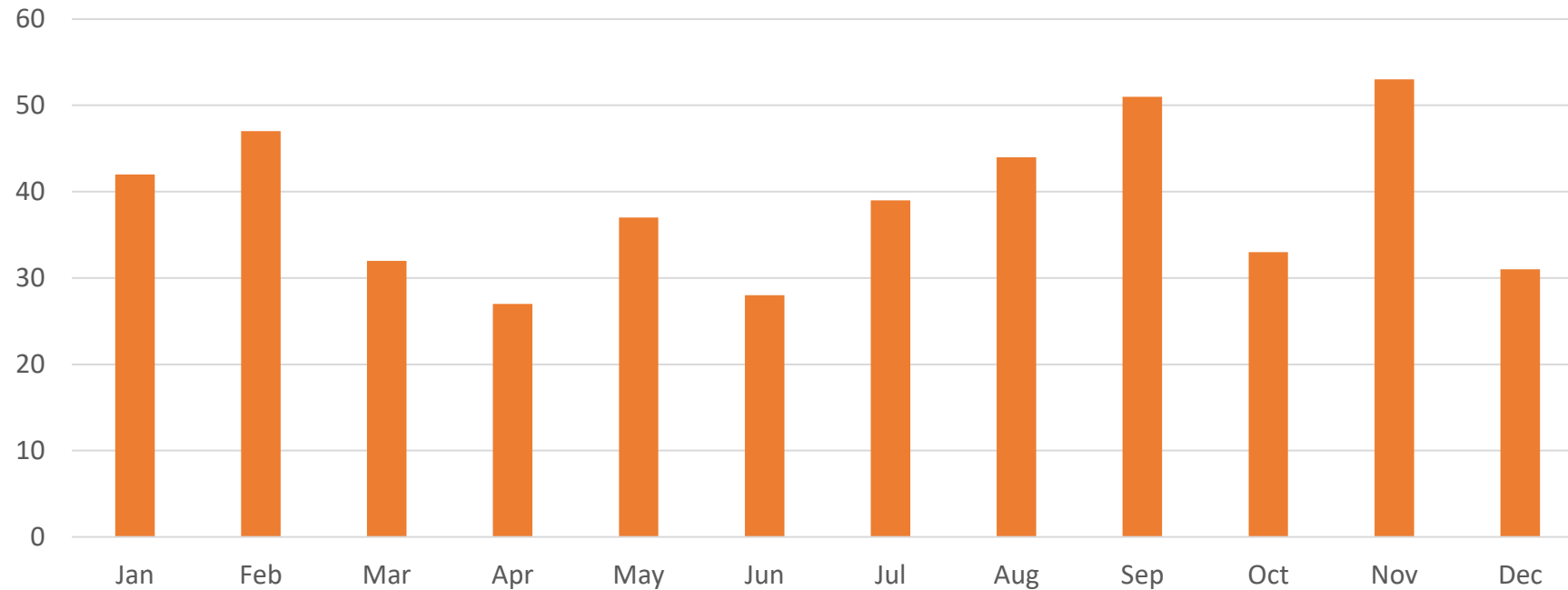
Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

# Appendix A: Fraud and Irregularity Referrals April 2023 to March 2024

## REFERRALS BY MONTH



### Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

## Appendix B: Fraud Action Plan 2023/24 - Govern

Govern	
Description	Update
Review each policy bi-annually, presented to CMT & G&A and once agreed to be communicated across KCC management via Kmail for managers.	Completed - Reviews reported to G&A details passed to Internal Communications to disseminate information and update policies on Knet.
Expected policies to be reviewed:	
Anti-Fraud and Corruption Strategy	
Anti Bribery Policy	
Anti Money Laundering Policy	
Financial Regulations	
Whistleblowing Policy	Completed - Review of Financial Regulations from a Counter Fraud perspective.
Spending the Councils Money	
To review any other policy that may have an inherent fraud, bribery & corruption risk	Completed - Review of Artificial Intelligence policy completed and policy updated with updates.
Ensure that the culture which is supported by Corporate Management Team and Governance and Audit Committee is embedded throughout the organisation through Counter Fraud attendance at relevant meetings and focus groups.	ASCH Supporting Living risk assessment plus management letter to raise issues.
	ICT Compliance and Risk Team & Counter Fraud emerging risk meetings – Cyber risks.
	Kent Fraud Panel & Kent Fraud Panel Communications Sub Group to share intelligence on latest trends and activity, including the communication sub group to help Kent residents be more aware of scams operating.
	Relationship management meetings held with Corporate Directors and Directors to inform Internal Audit and Counter Fraud Plans.
	Laptop refresh governance board – Advice and Support provided to track assets moving forward and tracking of old assets being returned.

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative



## Appendix B: Fraud Action Plan - Prevent

Prevent	
Description	Update
Create and deliver a communication strategy to provide Fraud awareness sessions to school finance staff, senior leaders and governors. Including existing and emerging risks, as well as providing ad-hoc advice.	Alerts issued, in particular relating to mandate fraud. Awareness sessions delivered in Autumn 2023.
Provide regular communication to parking managers to inform them of latest guidance, what's working well what needs improving, including the issuing of a quarterly newsletter. Provide enforcement awareness sessions to district CEOs.	Parking Manager meetings attended to provide engagement and feedback. One enforcement day in Maidstone delivered. Enforcement videos created and issued to Parking Teams to training CEO's.
To progress a review of the approach taken by ASCH safeguarding on addressing financial abuse against vulnerable adults.	Support in place, challenge and support provided on a case by case basis, including engagement with Kent Police.
ASCH - To create and deliver a communication and engagement strategy that meets the need of the Services in addressing fraud/ financial crime risks.	Supporting Living main area of engagement – Task and Finish group on invoicing Counter Fraud Leading on this.
CYPE - To create and deliver a communication and engagement strategy that meets the need of the Services in addressing fraud/ financial crime risks.	Awareness session delivered to East Kent Social Worker teams & County Managers Team.
	Attendance at the CYPE NRPF steering group meetings.
	Implementation of new application process. Risk Assessment and reporting requirements for overpayments within LAS payment system embedded into their processes to inform Internal Audit of irregularities.

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

## Appendix B: Fraud Action Plan - Prevent Continued

Prevent	
Description	Update
GET - To create and deliver a communication and engagement strategy that meets the need of the Services in addressing fraud/ financial crime risks.	<p>Engagement on assessing fraud risks within the mobile traffic offences initiative.</p> <p>Fraud culture workshop with the Gypsy and Traveller team.</p>
CED/ DCED - To create and deliver a communication and engagement strategy that meets the need of the Services in addressing fraud/ financial crime risks.	<p>Awareness to Client Financial Affairs on fraud awareness and forgery/counterfeiting of documents.</p> <p>Awareness Session to Infrastructure Division of fraud risks within their area.</p> <p>Liaison meetings with ICT Risk and Compliance Team to inform cyber fraud risks.</p>
To review the guidance, forms, and controls in place to enable effective assessments of someone's destitution.	Completed, new financial assessment form completed and embedding into process and awareness session on new process to services.
Review NRPF applications where these financial checks are required.	NRPF checks being completed.
Agile awareness sessions to be delivered in conjunction with emerging risks.	<p>Bespoke engagement to:</p> <p>CYPE quality assurance</p> <p>Shared Lives management</p> <p>GET Economic Development Management.</p>

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

## Appendix B: Fraud Action Plan - Pursue

PURSUE	
Description	Update
Coordinate the Council's and its LATCO's participation in the National Fraud Initiative, including the monitoring of matches being completed by the relevant team.	Completed
Actively participate in the Kent Intelligence Network and develop data matching proposals to increase detection of fraud at KCC and across Kent authorities.	Completed – update included in report.

Protect	
Description	Update
Engagement with the Cabinet Office on the Counter Fraud Profession	Counter Fraud Professional standards under review.
Provide advice and support on key fraud controls in specific audits.	Ongoing – Counter Fraud Specialists review draft Engagement Plan to inform fraud and error risks reported and inherent.

Acknowledge	
Description	Update
To manage and complete investigations into the financial irregularities reported to Internal Audit & Counter Fraud. Including criminal, civil and, where needed, disciplinary investigations. Providing management with any areas of improvements needed to reduce the risk of fraud or error occurring again.	Ongoing – Summary or reported irregularities included in progress report.
Providing advice/ guidance and data analytical support in order to identify fraud and error occurring.	Variance data on provider invoicing with ASCH completed as part of task and finish group to give contract managers performance information.

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

## Appendix C: Fraud Action Plan 2024/25

Activity	Detail
<b>Govern</b>	Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation.
Counter Fraud Update, Audit Committee	A quarterly Counter Fraud update will be provided to Corporate Management Team and the Audit Committee to demonstrate the activities undertaken by the Counter Fraud Team against the plan to prevent and detect Fraud, Bribery and Corruption.
<b>Acknowledge</b>	An organisation must acknowledge and understand fraud risks and demonstrate this by having the right support and appropriate resource to tackle fraud.
Fighting Fraud and Corruption Locally Checklist	The Counter Fraud Team to undertake an assessment of the authority against the Fight Fraud and Corruption Locally Checklist.
Fraud Risk Assessments	The Counter Fraud Team to undertake an assessment of current risk registers across the Council to identify if fraud risks have been identified and controls are in place to mitigate the risk. Including risks associated to the Economic Crime and Corporate Transparency Act (failure to prevent fraud). To work with Governance and Law to embed fraud risk assessments within the Key Decision process.
Relationship Management	Strengthening the anti-fraud culture within the organisation requires Counter Fraud to continue with relationship management meetings to report on emerging and current fraud risks identified through investigations.
Whistleblowing Hotline and log	The Counter Fraud Team manage the Councils Central Whistleblowing Log and the Whistleblowing helpline.

### Section Navigation

[Introduction and Key Messages](#)

[Irregularity Referrals](#)

[Irregularities by Directorate](#)

[Counter Fraud Action Plan 2023/24](#)

[Kent Intelligence Network](#)

[Appendix A: Current Year Referrals in Detail](#)

[Appendix B: Counter Fraud Action Plan 2023/24 in detail](#)

[Appendix C: Counter Fraud Action Plan 2024/25](#)

[Appendix D: National Fraud Initiative](#)

## Appendix C: Fraud Action Plan 2024/25

<b>Prevent</b>	Fraud can be prevented and detected by making better use of information and technology, enhancing fraud controls and processes and developing a more effective anti-fraud culture
Fraud Awareness	Deliver fraud awareness training to teams to ensure that sessions delivered to officers on a risk- based approach. The training will seek to raise awareness about new emerging fraud risks and current risks, continue to strengthen the anti-fraud culture (including failure to prevent fraud) and deliver messages about the standards expected of staff and the reporting of fraud and financial irregularities.
Internal Audit	The Counter Fraud Team will review draft engagement plans to ensure any issues identified through investigations or relationship management meetings help inform the scope of any audits.
International Fraud Awareness Week Campaign	To deliver an internal campaign to officers during International Fraud Awareness week.
National Fraud Initiative	The Counter Fraud Team will lead on the NFI exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud. Resources will be allocated and based on specific expertise and knowledge – this means matches can be dealt with promptly. A nominated person from each of the data sets will be identified and liaised with through the
Kent Intelligence Network	The Counter Fraud Team will support the Kent Intelligence Network on activities that benefit KCC and the wider Kent Residents/.
<b>Pursue</b>	
Investigations	<p>The Counter Fraud Team will apply a risk-based approach to investigating all instances of actual, attempted and suspected fraud and financial irregularities. The Counter Fraud Team will ensure;</p> <ul style="list-style-type: none"> <li>• that any investigation is carried out in accordance with Council policy and procedures, key investigation legislation and best practice</li> <li>• the Council’s disciplinary procedures will be used where the outcome of an investigation indicates improper behaviour by a Council employee</li> <li>• Appropriate sanctions are applied.</li> </ul>
Partnership Working	To maintain and develop working with key partner agencies in the prevention and detection of fraud such as the Kent Intelligence Network, Local Authorities, Kent Police as well as internal teams within KCC.

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

## Appendix D: National Fraud Initiative

REPORT TITLE	TOTAL ALL	Purpose of the Match	Amount of High Risk Matches	Amount of Medium Risk Matches	Amount of Low Risk Matches	Total amount recorded	Total Cabinet Office Saving
Pensions/Pension Gratuity to DWP Deceased	321	To identify instances where an occupational pensioner has died but the pension is still being paid.	2	319	0	£3,187.28	£167,347.06
Deferred Pensions to DWP Deceased	67	To identify instances where the former employee has passed away but payment of any widow/dependant entitlement may not have commenced.	2	65	0	0	0
Payroll to Payroll	4	To identify individuals who may be committing employment fraud by failing to work their contracted hours because they are employed elsewhere or are taking long-term sickness absence from one employer and working for another employer at the same time.	0	0	4	0	0
Payroll to Payroll	69	To identify individuals who may be committing employment fraud by failing to work their contracted hours because they are employed elsewhere or are taking long-term sickness absence from one employer and working for another employer at the same time.	9	0	60	£825.33	£5,685.00
Payroll to Payroll - Email Address	1	Identify fraudsters that may changed their names or are using false identities to avoid detection. There is evidence to indicate they often keep the same phone number or email address for convenience or to facilitate the fraudulent activity	0	0	1	0	0

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

# Appendix D: National Fraud Initiative

REPORT TITLE	TOTAL ALL	Purpose of the Match	Amount of High Risk Matches	Amount of Medium Risk Matches	Amount of Low Risk Matches	Total amount recorded	Total Cabinet Office Saving
Payroll to Payroll - Phone Number	13	Identify fraudsters that may changed their names or are using false identities to avoid detection. There is evidence to indicate they often keep the same phone number or email address for convenience or to facilitate the fraudulent activity	7	0	6	0	0
Payroll to Creditors	86	The match identifies instances where an employee and creditor are linked by the <b>same bank account</b> (report 80) or the same address (report 81) to identify employees with interests in companies with which your organisation is trading.	43	0	43	0	0
Payroll to Creditors	109	The match identifies instances where an employee and creditor are linked by the same bank account (report 80) or the same <b>address</b> (report 81) to identify employees with interests in companies with which your organisation is trading.	60	0	0	0	0
Blue Badge Parking Permit to Blue Badge Parking Permit	80	to identify people who may have committed fraud by obtaining more than one blue badge.	80	0	0	0	0
Blue Badge Parking Permit to Blue Badge Parking Permit	10	to identify people who may have committed fraud by obtaining more than one blue badge.	9	0	1	1300	1300
Blue Badge Parking Permit to DWP Deceased	2887	Individuals who have a blue badge have been matched to deceased records. This will identify cases where a permit holder has died, but the local authority may not have been notified.	5	2882	0	0	619,450.00
Concessionary Travel Passes to DWP Deceased	5286	Individuals who have a concessionary travel pass have been matched to deceased records. This will identify cases where a permit holder has died, but the local authority may not have been notified.	6	5280	0	0	£124,062.00

## Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

# Appendix D: National Fraud Initiative

REPORT TITLE	TOTAL ALL	Purpose of the Match	Amount of High Risk Matches	Amount of Medium Risk Matches	Amount of Low Risk Matches	Total amount recorded	Total Cabinet Office Saving
Blue Badge Parking Permit to Blue Badge Parking Permit - Phone Number	309	The purpose of this match is to identify people who may have committed fraud by obtaining more than one blue badge.	309	0	0	0	0
Blue Badge Parking Permit to Blue Badge Parking Permit - Phone Number	609	The purpose of this match is to identify people who may have committed fraud by obtaining more than one blue badge.	609	0	0	0	0
Blue Badge Parking Permit to Blue Badge Parking Permit - Email Address	295	The purpose of this match is to identify people who may have committed fraud by obtaining more than one blue badge.	295	0	0	0	0
Blue Badges to Amberhill Data	1	Identity fraud happens when fraudsters use a false identity or somebody else's identity details to support their criminal and deceptive activities. The NFI uses the Metropolitan Police Fraudulent Identity (Amberhill) Data to help identify potential fraud being perpetrated against NFI participating bodies through the use of these false identities including fraud by false representation (Section 2 - Fraud Act 2006).	1	0	0	0	0
Blue Badges to Amberhill Data	1	Identity fraud happens when fraudsters use a false identity or somebody else's identity details to support their criminal and deceptive activities. The NFI uses the Metropolitan Police Fraudulent Identity (Amberhill) Data to help identify potential fraud being perpetrated against NFI participating bodies through the use of these false identities including fraud by false representation (Section 2 - Fraud Act 2006).	1	0	0	0	0
Concessionary Travel Passes to Amberhill Data	1	Identity fraud happens when fraudsters use a false identity or somebody else's identity details to support their criminal and deceptive activities. The NFI uses the Metropolitan Police Fraudulent Identity (Amberhill) Data to help identify potential fraud being perpetrated against NFI participating bodies through the use of these false identities including fraud by false representation (Section 2 - Fraud Act 2006).	1	0	0	0	0

## Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative



## Appendix D: National Fraud Initiative

REPORT TITLE	TOTAL ALL	Purpose of the Match	Amount of High Risk Matches	Amount of Medium Risk Matches	Amount of Low Risk Matches	Total amount recorded	Total Cabinet Office Saving
Duplicate creditors by creditor reference	27	Duplicates identified in this match suggest poor creditor management as the system has permitted a creditor reference to be used more than once.	0	0	27	0	0
Duplicate creditors by creditor name	142	To identify instances where the same supplier has been set up with more than one reference number on the system thus increasing the potential for creditors to obscure fraudulent activity.	0	0	142	0	0
Duplicate creditors by address detail	455	To identify multiple creditors operating at the same address. These may represent simple errors, where the same creditor may have been set up twice using a slightly different spelling, for example LIMITED and LTD, or an attempt to obscure fraudulent activity.	0	0	455	0	0
Duplicate creditors by bank account number	573	This output shows where the same bank account details appear on more than one record. Of particular interest is where the same bank details are shown against suppliers with different names. These may indicate where a supplier has changed trading name but the standing data has not been updated to reflect this or there are links between companies with different trading names.	0	0	573	0	0
Duplicate records by reference, amount and creditor reference	3	This match highlights possible duplicate payments in excess of £500 that may have arisen as a result of poor controls or fraudulent activity by suppliers and/or staff	0	0	3	0	0
Duplicate records by amount and creditor reference	17374	This match highlights possible duplicate payments in excess of £1,000 that may have arisen as a result of poor controls or fraudulent activity by suppliers and/or staff. There are likely to be more matches than in report 707 as this report does not require the invoice reference field to match.	2227	0	15147	0	0

### Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative

# Appendix D: National Fraud Initiative

REPORT TITLE	TOTAL ALL	Purpose of the Match	Amount of High Risk Matches	Amount of Medium Risk Matches	Amount of Low Risk Matches	Total amount recorded	Total Cabinet Office Saving
VAT overpaid	190	This report identifies instances where VAT may have been overpaid. This is based on the information provided within the NFI invoice history data submission and the output includes the level and scale of overpaid VAT. The VAT amount is compared to a calculated maximum VAT of 20%, the maximum VAT rate in the payment period covered by the NFI exercise.	39	0	151	0	0
Duplicate records by invoice number and amount but different creditor reference and name	246	This match highlights possible duplicate payments for the same goods/services but to creditors with different reference numbers, which may have arisen as a result of poor controls or fraudulent activity by suppliers and/or staff.		246		0	0
Duplicate records by postcode, invoice date and amount but different creditor reference and invoice number	33	This match highlights possible duplicate payments for the same goods/services but to creditors with different reference numbers, which may have arisen as a result of poor controls or fraudulent activity by suppliers and/or staff.		33		0	0
Duplicate records by postcode, invoice amount but different creditor reference and invoice number and date	204	This match highlights possible duplicate payments for the same goods/services but to creditors with different reference numbers, which may have arisen as a result of poor controls or fraudulent activity by suppliers and/or staff		204		0	0
Procurement - Payroll to Companies House (Director)	87	This match highlights possible conflicts of interest that may occur if the person is involved with the commissioning of a company they are also a director for		87		0	0
Procurement - Payroll to Companies House (Director)	55	This match highlights possible conflicts of interest that may occur if the person is involved with the commissioning of a company they are also a director for		220		0	0

## Section Navigation

Introduction and Key Messages

Irregularity Referrals

Irregularities by Directorate

[Counter Fraud Action Plan 2023/24](#)

Kent Intelligence Network

Appendix A: Current Year Referrals in Detail

Appendix B: Counter Fraud Action Plan 2023/24 in detail

Appendix C: Counter Fraud Action Plan 2024/25

Appendix D: National Fraud Initiative