

Internal Audit & Counter Fraud Shared Service
Medway Council & Gravesham Borough Council

Counter Fraud Plan 2025-26

Medway Council

I. Introduction

The Internal Audit & Counter Fraud Shared Service was established on 1 March 2016 to provide internal audit, counter fraud and investigation services to Medway Council and Gravesham Borough Council.

Section 151 of the Local Government Act 1972 places a duty on the council to 'make arrangements for the proper administration of their financial affairs'. The prevention, detection and investigation of fraud supports these arrangements by taking steps to ensure that public funds are spent correctly, and that redress is sought in cases of identified fraud.

The Counter Fraud Plan supports the councils Counter Fraud & Corruption Strategy which sets out the council's overall approach to tackling fraud and corruption.

II. Resourcing

The Counter Fraud Plan will be delivered using the in-house resources within the Shared Service, a total of 7.21FTE comprising of 0.35FTE Head of Internal Audit & Counter Fraud, 1FTE Counter Fraud Manager, 4FTE Counter Fraud Officers, and 1.86FTE Counter Fraud Intelligence Analysts (0.14FTE currently vacant). All available chargeable days for these staff are allocated on the plan; resources spent on strategic leadership and management provided by the Head of Internal Audit & Counter Fraud and the Counter Fraud Manager are not allocated on the plan.

The total resource available for counter fraud related activity in 2025-26 for Medway is 553 days, which is made up of the following;

- 202 days of intelligence resource
- 351 days of investigative resource

An additional 300 days of resource is dedicated to internal investigations and is therefore not included in this plan. However, this resource will be directed to counter fraud activity if demand for internal investigations is reduced.

III. 2025-26 Counter Fraud Plan

The Plan is intended to provide a clear picture of how the council intends to use the Counter Fraud function, reflecting all areas of work that the team may be involved in for Medway during the financial year.

The plan includes, activity linked to fraud awareness and prevention, proactive counter fraud activity, and responsive investigation, as well as time to provide the Single Point of Contact (SPOC) role for the DWP Fraud and Error Service for their investigation of Housing Benefits administered by the council.

It should be noted that some of the activity is aspirational and dependent on the resource available as the investigation of suspected fraud must take priority where appropriate. For example, if the data matching activity linked to the National Fraud Initiative and Kent Intelligence Network creates a significant volume of cases to be investigated, it may not be appropriate to undertake further pro-active exercises.

Fraud Awareness & Prevention

Ref	Title of Activity	Broad outline of activity
1	Fraud Risk Assessments	Undertake assessments of fraud risks and controls within key areas of the council, including reviews of all previously completed assessments to ensure they remain fit for purpose, and update the fraud risk register as appropriate, to continue to inform efficient deployment of counter fraud resource.
2	Fraud Awareness	Deliver awareness sessions and training to a range of staff and Members to increase knowledge of fraud risks, their role in prevention activity and the processes to refer suspicions to the counter fraud team.
3	Corporate Working Groups	Attend Corporate Working Group meetings and Project Boards to offer advice on fraud risks and prevention as required.

Pro-Active Counter Fraud Activity

Ref	Title of Activity	Broad outline of activity
4	National Fraud Initiative	Coordinate the Council's participation in National Fraud Initiative Exercises, including submission of relevant data sets and assessment of referrals received as appropriate.
5	Kent Intelligence Network	Actively participate in the activities of the Kent Intelligence Network and its data matching proposals to further increase the detection of potential fraud and error.
6	Pro-Active Exercises	Undertake pro-active activity designed to identify potential fraud and error.

Responsive Investigation Activity

Ref	Title of Activity	Broad outline of activity
7	Responsive investigation work	Conduct investigations into referrals of suspected fraud committed against the council by internal or external sources.

Other Counter Fraud Activity

Ref	Title of Activity	Broad outline of activity
8	Liaison with the DWP	Provide the Single Point of Contact (SPOC) role for the DWP FES for their investigation of Housing Benefits administered by the council.
9	Responding to information requests	Respond to information requests from the Police, local authorities and other investigatory bodies under exemptions in the Data Protection Act/General Data Protection Regulations.
10	Partnership Liaison	Actively participate in meetings with partner organisations, such as the Kent Investigation Officers Group (KIOG), Serious & Organised Crime Partnership (SOCP) and Kent & Medway Fraud Panel.

IV. Performance Monitoring

Arrangements to monitor the activities of the counter fraud function and progress against the Plan are built into the working processes of the team.

Performance Measures are broken down into two categories, measures of success, and measures for continuous improvement. Measures of success will be reported on a periodic basis via progress updates, while measures for continuous improvement will be reported on an annual basis in the team's annual report, which will also include final outturns for the measures of success. These measures are outlined in the tables below.

Due to the responsive nature of much of the counter fraud activity, targets are not assigned to these measures, but outputs will be provided to Members to demonstrate the effectiveness of the Service.

Ref	Measure of Success
CF1	Proportion of estimated resources delivered
CF2	Proportion of chargeable time spent on:
	a) Fraud Awareness & Prevention
	b) Pro-Active Counter Fraud Activity
	c) Responsive Investigation Activity
	d) Other Counter Fraud Activity
CF3	Number of investigations concluded
CF4	Number of civil actions resulting from investigative activity
	a) Civil penalties for negligence
	b) Right to Buys cancelled
	c) Council Properties recovered
CF5	Number of criminal sanctions applied
	a) Administrative Penalties
	b) Prosecutions
CF6	Value of fraud losses identified:
	a) cashable (losses that can be recovered)
	b) non-cashable (notional savings based on national estimates)
	c) Prevented Losses (Savings associated with blocked applications)
CF7	Net costs of counter fraud function (including internal investigation resource) based on savings achieved

Ref	Measure for Continuous Improvement
CF8	% of staff with professional qualification relevant to their role:
CF9	% of staff pursuing professional qualifications to support their career development:

Ref	Measure for Continuous Improvement
CF10	Number of days spent on professional qualification training:
CF11	Number of days spent on CPD/non-professional qualification training, learning & development (including corporate training)
CF12	% Staff turnover
CF13	Overall satisfaction with counter fraud services