



# ANTI-FRAUD AND CORRUPTION POLICY AND STRATEGY 2026-2028



## FOREWORD

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East Suffolk Council recognises its duty to protect the public purse and ensure that public money and assets are used effectively. In the current economic climate, it is essential that we continue to deliver improved services with fewer resources.

A key part of achieving this is the prevention, detection, and investigation of fraud, bribery, and corruption—activities to which we remain fully committed. Fraud against local government extends beyond financial loss; it damages public trust and diverts vital resources from essential services.

This Anti-Fraud and Corruption Policy and Strategy 2026-2028 incorporates the requirements of the Economic Crime and Corporate Transparency Act 2023 (ECCTA), which introduces new measures to hold organisations accountable where they benefit from fraud committed by their employees.

The Council has zero tolerance for fraud, bribery or corruption by any party, including service users, employees, elected members, suppliers, contractors, or partners. This Policy and Strategy outlines our approach to preventing, detecting, and responding to these risks, supported by strong governance and effective internal controls.

A robust anti-fraud culture is essential and relies on the vigilance, integrity, and shared responsibility of everyone. By adopting this Policy and Strategy into daily practice, we can better mitigate the risks of fraud, bribery, and corruption, ensuring that vital services for our East Suffolk communities are protected.



Chris Bally  
Chief Executive

# INTRODUCTION

## Policy Statement

East Suffolk Council is committed to protecting public funds, safeguarding services, and maintaining the highest standards of honesty, integrity, and accountability. Fraud and corruption divert essential resources away from frontline services and undermine public trust. The council adopts a **zero-tolerance** approach to all forms of fraud, corruption, bribery, and other financial irregularity

The purpose of this policy is to:

- Set out the council’s approach to preventing, detecting, and responding to fraud and corruption.
- Promote a strong anti-fraud culture across the organisation.
- Ensure compliance with statutory obligations and government standards.
- Protect public funds and ensure value for money.

This policy aligns with the Fighting Fraud and Corruption Locally Strategy for the 2020s (‘FFCL’), the national counter fraud strategy for local government, which provides a coordinated blueprint for preventing, detecting, and responding to fraud within councils:



It also reflects the wider public sector fraud landscape, where fraud is the most common crime in the UK and the Public Sector Fraud Authority estimates annual losses from fraud and error (including tax and welfare) of between **£39.8bn and £58.5bn**. The National Audit Office further estimates that fraud and error cost the taxpayer between £55-81 billion in 2023/24 alone.

## Scope

This policy applies to:

- All council employees, elected members, contractors, agency workers, volunteers, and consultants.
- All council services, systems, processes, and assets.
- All instances of suspected fraud, corruption, bribery, money laundering, or financial irregularity involving or affecting the council.

## Definitions

### Fraud

Fraud is the use of deception to obtain an advantage, avoid an obligation, or cause loss (or risk of a loss) to another. It describes various activities including deception, forgery, theft, misappropriation, collusion, and misrepresentation.

Fraud offences include but are not limited to

Offence	Legislation
Fraud by false representation	section 2 Fraud Act 2006
Fraud by failing to disclose information	section 3 Fraud Act 2006
Fraud by abuse of position	section 4 Fraud Act 2006
Participation in a fraudulent business	section 9, Fraud Act 2006
Obtaining services dishonestly	section 11 Fraud Act 2006
Cheating the public revenue	common law
False accounting	section 17 Theft Act 1968
False statements by company directors	section 19 Theft Act 1968
Fraudulent trading	section 993 Companies Act 2006
Or aiding, abetting, counselling or procuring the commission of one of the above	

#### **Corruption**

Corruption involves the abuse of position for personal gain, including bribery, conflicts of interest, or improper influence.

It is primarily an offence under the Bribery Act 2010, although there are other related offences under the Prevention of Corruption Act 1906 and the common law offence of Misconduct in Public Office.

#### **Bribery**

Offering, giving, receiving, or soliciting something of value to influence a decision, contrary to the Bribery Act 2010. Further details are provided in the council's [Anti Bribery Policy](#).

## ANTI-FRAUD AND CORRUPTION APPROACH

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### Defending against a Failure to Prevent Fraud

The Economic Crime and Corporate Transparency Act 2023 ('ECCTA') introduced a corporate offence of Failure to Prevent Fraud in September 2025. This offence holds large organisations to account for fraud committed by employees, agents, subsidiaries or other associated persons that benefits the organisation or its clients.

It is important to note:

- East Suffolk Council qualifies as a large organisation within the scope of ECCTA
- The council is liable if a fraud is committed by any employee, agent, subsidiary or associated person at any level. It does not matter whether senior managers or directors knew or were involved.
- The council is liable if the fraud benefits itself or any of its clients. It does not matter if the fraudster's primary motivation was to benefit themselves, or if the benefit is financial or non-financial.
- The council or its clients do not need to actually receive any benefit for the offence to apply, it is sufficient that an intent to benefit is present.

East Suffolk Council has always promoted strong anti-fraud arrangements and endorses the six anti-fraud principles that defend against a failure to prevent fraud:

#### Top Level Commitment

The Corporate Leadership Team and all senior officials associated with the council's business are committed to preventing fraud. They foster a culture within the organisation in which fraud or corruption is never acceptable

#### Risk Assessment

The nature and extent of the council's exposure to fraud risk is periodically assessed. This includes financial and non-financial risks

#### Proportionate Prevention

East Suffolk Council has procedures in place to prevent internal and external fraud. These are proportionate to the fraud risks faced by the council, and the nature scale and complexity of the council's activities

## Due Diligence

East Suffolk Council applies due diligence procedures, taking a proportionate and risk-based approach, in respect of persons who perform or will perform services for or on behalf of the organisation, in order to mitigate identified fraud risks

## Communication and Training

East Suffolk Council communicates and embeds its anti-fraud and corruption policies and procedures throughout the organisation, and provides and maintains training so that anti-fraud principles are understood and followed

## Monitoring and Review

Activities designed to prevent fraud are internally monitored and reviewed. Suspected fraud is investigated. An ethos of continuous improvement is in place

These principles intersect with the pillars of the Fighting Fraud and Corruption Locally strategy (Govern, Acknowledge, Prevent and Pursue), and will be used to structure and define corporate anti-fraud activities from 2026/27 onwards.

### Delivering the Six Anti-Fraud Principles

The Corporate Leadership Team has set the ‘tone from the top’ that East Suffolk Council has a **zero tolerance** approach to all forms of fraud, corruption, bribery, and other financial irregularity.

To deliver this commitment and an anti-fraud culture across the council, East Suffolk Council’s main policy objectives align with the six anti-fraud principles.

#### 1. Top Level Commitment

East Suffolk Council’s policy is to:

- 1.1. Acknowledge the scale and impact of fraud on public services and local government.
- 1.2. Reject all forms of fraud or corruption, even where doing so might result in delays or other operational difficulties.
- 1.3. Promote fraud prevention throughout the council, from Members and Corporate Leadership through to managers, staff, partners and suppliers and anyone connected with the council’s activities.
- 1.4. Maintain a Code of Corporate Governance in line with best practice.
- 1.5. Lead by example and foster an open and ethical culture, in line with the Codes of Conduct and Our Values.
- 1.6. Apply penalties to those who breach fraud policies.
- 1.7. Report anti-fraud plans and activities to the Audit and Governance Committee in line with the Committee’s terms of reference.
- 1.8. Maintain a direct reporting line between the Head of Internal Audit who leads on anti-fraud activities, and the Chief Executive and Audit and Governance Committee.
- 1.9. Provide reasonable and proportionate resources (financial, staff and technological) to fraud prevention, detection and response work.

#### 2. Fraud Risk Assessment

The purpose of fraud risk assessment is to understand and respond the risk of fraud in its activities, taking into account the impact and likelihood of each risk.

**It is essential that fraud risk assessments are in place and reviewed regularly.**

East Suffolk Council’s policy is to:

- 2.1. Maintain a corporate fraud risk assessment.

- 2.2. Promote internal collaboration between service areas and the specialist support available from the Corporate Fraud Team in order to identify, analyse and prioritise service-specific fraud risks and the fraud risk response.
- 2.3. Complete service-level fraud risk assessments within service areas that integrate with the corporate fraud risk assessment and service planning performance suites.
- 2.4. Keep all fraud risk assessments documented and dynamic.
- 2.5. Horizon scan and maintain knowledge of frauds and the wider fraud landscape to inform the fraud risk assessments
- 2.6. Regularly review and update fraud risk assessments. Where no changes in the fraud landscape or fraud risk profile are present reviews should be at least annually. Where changes are known, fraud risk assessments should be updated promptly.

### 3. Proportionate Prevention Procedures

East Suffolk Council's policy is to:

- 3.1. Use fraud risk assessments to identify mechanisms for proportionate prevention and detection of fraud.
- 3.2. Implementing the control systems and processes identified from fraud risk assessment, including but not limited to those listed in 3.3 to 3.5:
- 3.3. Reduce opportunities for fraud by
  - Maintaining robust systems of financial control
  - Maintaining robust systems of non-financial control
  - Completing due diligence checks before working with others
  - Designing new processes or schemes with fraud minimisation techniques built in from the start
- 3.4. Reducing motivations for fraud
  - Discouraging direct or indirect rewards or encouragement for behaviours that weaken control systems and processes
  - Requiring conflicts of interest that may be real, potential or perceived, to be reported in line with the Codes of Conduct
  - Requiring offers of gifts and hospitality, whether accepted or not, to be reported in line with the Codes of Conduct
- 3.5. Reducing rationalisation / normalisation for fraud by
  - Maintaining a strong ethical culture
  - Challenging instances of poor ethical behaviour

### 4. Due Diligence

East Suffolk Council's policy is to:

- 4.1. Use fraud risk assessments to identify the due diligence checks to be undertaken according to the nature, scope and level of risk.
- 4.2. Undertake due diligence checks on (non-exhaustively):
  - New employees
  - New suppliers
  - New partners
  - Any other new service delivery or business arrangement

### 5. Communication

East Suffolk Council's policy is to:

- 5.1. Publish its anti-fraud policies internally and externally
- 5.2. Require all new starters to undertake general fraud awareness training
- 5.3. Provide specialist fraud-related training where required, according to the role or activity at hand
- 5.4. Support International Fraud Awareness week and any other appropriate anti-fraud campaigns
- 5.5. Promote its anti-fraud policies periodically

### 6. Monitoring and Review

East Suffolk Council's policy is to:

- 6.1. Encourage individuals to report concerns of fraud
- 6.2. Use data analytics, data matching, and intelligence sharing (e.g. NFI participation and internal data matching etc).
- 6.3. Investigate all allegations of fraud professionally and promptly.
- 6.4. Use civil, criminal, and disciplinary sanctions where appropriate.
- 6.5. Recover losses through all available means, including Proceeds of Crime Act (POCA) powers and Money Laundering Regulations, confiscation and compensation.
- 6.6. Report the results of anti-fraud plans and activities to the Audit and Governance Committee in line with the Committee's terms of reference.

- 6.7. Report and publicise the results of anti-fraud plans and activities externally to act as a deterrent.

## Oversight

Delivery of the policy aims is monitored by the Audit and Governance Committee, who:

- Receive an Annual Plan of what counter-fraud activities are expected in each financial year
- Receive reports at least annually on Counter Fraud activity delivered
- Endorse East Suffolk Council's Anti-Fraud and Corruption Policy and Strategy when it has been refreshed or following significant changes in legislation, risk, or best practice.

## Linked Policies

Whistleblowing Policy

Anti Bribery Policy

Anti Money Laundering Policy

Suffolk Code of Conduct (for Members)

Officer Code of Conduct

Our Values and Behaviours

Code of Corporate Governance

Contract Procedure Rules and Associated Guidance

Financial Procedure Rules and Associated Guidance

Covert Investigation Policy

## **ROLES AND RESPONSIBILITIES**

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### **Elected Members**

- Provide strategic oversight and support a strong anti-fraud culture.
- Comply with the Suffolk Code of Conduct
- Maintain awareness of fraud and corruption risk and report any genuine concerns accordingly.
- Complete all Fraud Awareness training recommended by East Suffolk Council.
- Report any concerns of fraud or corruption raised to them to the Corporate Fraud Team.

### **Audit and Governance Committee**

- Oversee the council's exposure to risk having regard to its control environment including potential exposure to fraud and corruption.
- Monitor the council's anti-fraud and corruption arrangements.

### **Corporate Leadership Team**

- Ensure assistance in identifying fraud risk assessment across all services.
- Promote and maintain standards of conduct and an anti-fraud culture in their service area(s).
- Ensure staff in their service area(s) are aware of all relevant policies and procedures relating to Anti-Fraud and Corruption, Bribery, and Whistleblowing.
- Ensure effective internal controls and compliance across services.
- Support investigations and implement recommendations.
- Act on internal "lessons learnt" following the conclusion of an investigation.

### **Statutory Officers Group (Chief Executive, Chief Financial Officer, and Monitoring Officer)**

- Meet the positive duty to report illegality, wrongdoing, fraud, or corruption.

### **Corporate Fraud Team**

- As qualified professionals to lead on prevention, detection, and investigation of fraud as per the Corporate Fraud Annual Plan.
- Maintain intelligence links with national bodies, including but not limited to the Chartered Institute of Public Finance & Accountancy (CIPFA), Public Sector Fraud Authority (PSFA), National Anti-Fraud Network (NAFN), CIFAS (formerly Credit Industry Fraud Avoidance System), Department for Work and Pensions (DWP) and the Police.

- Deliver fraud training and awareness programmes to all. Deliver specialist training on Proceeds of Crime Act 2002 and Anti-Money Laundering where appropriate to ensure compliance.
- Support service areas in identifying and mitigating fraud risk through fraud risk assessments.
- Ensure utilisation of the specialist fraud services of the Financial Intelligence Officer who is authorised by the National Crime Agency (NCA) to undertake high level financial enquires with financial institutions etc.

#### Employees (including temporary and agency staff)

- Act with integrity, comply with the Officer Code of Conduct, and report any concerns immediately.
- Comply with fraud policies, procedures, and internal controls and understand fraud risks.
- Report any concerns of fraud or corruption raised to them to the Corporate Fraud Team.
- Complete any mandatory anti-fraud and corruption, anti-bribery or whistleblowing training.

#### Contractors, Consultants, Suppliers and Partners

- Adhere to East Suffolk Council's anti-fraud principles.
- Report any suspected fraud affecting council services or staff to the Fraud Team.
- Be aware of the fraud risk recognition and response that the council adheres to.
- Fraud Awareness risks written into contracts.

#### Shareholder Reference Group and Company Directors of Subsidiaries

- Ensure companies owned by East Suffolk Council meet and demonstrate adherence to the six anti-fraud principles.

Everyone is responsible for creating and maintaining a robust anti-fraud culture where individuals act honestly, with integrity and propriety at all times.

Everyone above should report concerns or suspicions of fraud to the Corporate Fraud team immediately ([fraud@eastsuffolk.gov.uk](mailto:fraud@eastsuffolk.gov.uk), 01394 444 444). Failure to do so is a breach of this policy and may result in sanctions or disciplinary action in line with the relevant code of conduct, disciplinary policy or contract.

## ANTI FRAUD STRATEGY

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The council's Anti-Fraud and Corruption Framework is intended to provide a layered, flexible and responsive approach to managing fraud risk:

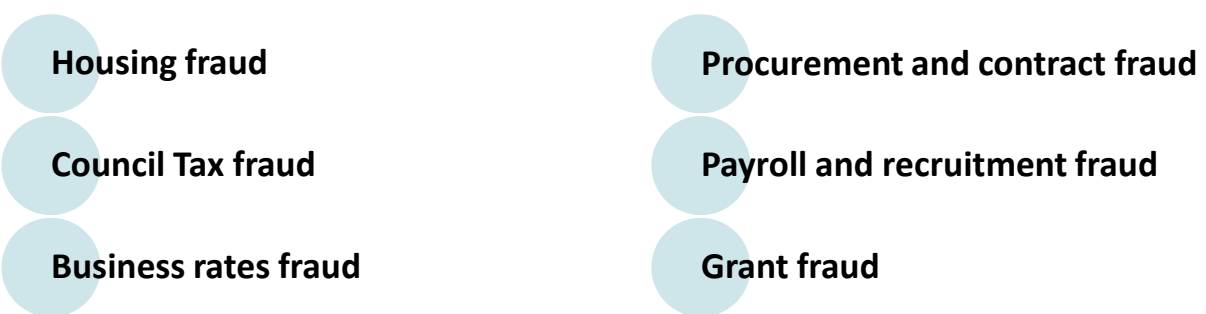
- **Anti-Fraud and Corruption Policy** detail the principles and expectations for managing fraud and fraud risk (pages 2-13 of this document)
- **Anti-Fraud Strategy** sets out the fraud landscape and East Suffolk Council's mid-term anti-fraud goals (pages 14-16 of this document).
- **Corporate Fraud Annual Plan** sets out East Suffolk Council's short-term (1 year) goals.
- **Fraud Response Plan** details how the council will respond to an allegation of fraud or officer corruption.

Due to the planned Local Government Reorganisation due in April 2028, this Anti-Fraud Strategy will cover the period 2026-2028 only.

### Current Fraud Risks and Trends

In line with Fighting Fraud and Corruption Locally and national assessments, the council recognises that there are areas of pervasive fraud risk, as well as emergent threats. Although not exhaustive, assessment in 2026 identified as highlight risks and threats:

#### High Fraud-Risk Functions and Services



#### Emerging and Evolving Fraud Threats

The council will regularly review fraud risks through its Fraud Risk Assessment process, informed by fraud intelligence and current trends. At present (2026) developments in fraud risk include:

- **Serious and organised crime infiltration**, including exploitation of procurement and grant systems and AI-enabled recruitment fraud.

- **Cyber enabled fraud**, including phishing, mandate fraud, and AI-enabled document modification or voice/video cloning.
- **Fraud linked to cost-of-living pressures**, such financial distress or pressure on employees to commit fraud or increased false applications for financial support.
- **Identity fraud**, supported by increasingly sophisticated digital AI manipulation
- **Polygamous employment fraud**, supported by the rise of remote working
- **Fraud in grant schemes**, highlighted during COVID-19 and continuing with local discretionary support funds
- **Misuse of digital platforms and automation**, including bots and synthetic identities.

## Strategic Monitoring

Delivery against the strategic priorities of the Anti-Fraud Strategy 2026-2028 will commence in 2026/27 and be reported to the Audit and Governance Committee as part of the end-of-year Annual Fraud Report for that and future financial years.

## Anti-Fraud Strategic Priorities

Over the next two years East Suffolk Council intends to prioritise activities relating to

### Fraud Risk Assessment

- Developing and promoting an enterprise-wide approach to identifying and managing fraud risk.
- Documenting controls linked to fraud risk at a service and corporate level.

### Fraud Awareness, Training and Reporting

- Improving understanding of fraud threats across the organisation, to encourage a culture of talking about and reporting suspicions of fraud
- Ensure staff know where the Whistleblowing Policy is cited to report wrongdoings.
- Communicate the criminal offence The Economic Crime and Corporate Transparency Act 2023 (ECCTA) of 'failure to prevent fraud'.
- Keep up to date of all current fraud risks and opportunities for fraudster.
- Regular communication campaigns to reinforce the anti-fraud culture in person or by electronic means.
- Mandatory fraud awareness training for all staff.
- Targeted training for high-risk service areas.
- Developing a 'lessons learnt' approach for the wider organisation to make improvements after an investigation
- Publish the Fraud Team's results on a yearly basis and any specific fraud cases of interest to the public.

### Intelligence-Led Investigations

- Ongoing participation in the National Fraud Initiative (NFI) and other intelligence sharing opportunities that may arise, e.g. with partners including CIPFA, NAFN, DWP, HMRC, and law enforcement.
- Improving the use of data analytics to identify anomalies and emerging risks.

## REPORTING SUSPICIONS

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East Suffolk Council encourages early reporting of concerns and suspicions. Early reporting can ensure investigations are carried out promptly and minimise losses. It doesn't matter if you're unsure about anything or don't know all the facts. It is still worth reporting your concerns as it may help us to identify misconduct.

You should not undertake your own investigations prior to making a report. Investigations require compliance with legal standards and should only be undertaken by a professionally trained Investigator.

If your report does not relate to East Suffolk Council or its associated activities and we are unable to investigate ourselves, we may pass details of your concern to the appropriate authority (e.g. Police, another public sector body, or council partner). For more information of how we share personal data please see the [Corporate Fraud Privacy Notice](#).

For further information on how to protect yourself, spot fraud, and report fraud that's personally affected you visit HM Government's [Stop! Think Fraud advice pages](#).

### What Should Be Reported

We can investigate where the act of fraud, corruption or bribery was committed

- a. Internally, e.g. by an employee or person affiliated to the council
- b. Externally by someone outside the council and East Suffolk Council is the victim

**Any concerns of suspicions should be reported to the Corporate Fraud Team to assess.**

This includes the following examples:

- Theft, fraud, corruption, bribery (internally and externally) of public funds
- False applications (e.g., housing, Gateway to Home Choice, social care, community and environmental grants, business rates, single person discount, council tax reductions etc)
- Misuse of Council assets or information, either internally or externally
- Falsifying internal travel/time/flexi/sickness claims
- Third Party issues concerning public funds
- Procurement or contract fraud (e.g. unusual bidding patterns, duplicate invoices etc)
- Mandate fraud attempts
- Cyber enabled fraud
- Conflicts of interest or abuse of position by staff, third parties or Contractors etc

- Any irregularity that may indicate fraud or corruption

It is better to make a report even when in doubt or uncertain, rather than risk missing an opportunity to address an issue.

## How to Report Concerns

Everyone is responsible for creating and maintaining a robust anti-fraud culture where individuals act honestly, with integrity and propriety at all times.

**Anyone who has concerns or suspicions of fraud should report them to the Corporate Fraud team immediately through:**

**[fraud@eastsuffolk.gov.uk](mailto:fraud@eastsuffolk.gov.uk)**

**01394 444 444**

**eForms**

(available on the [Fraud webpage](#) or internally on the DASH system and Fraud SharePoint page)

**All reports will be treated confidentially** and assessed for investigation in line with the corporate Fraud Response Plan by professionally qualified Investigators.

Anonymous reports will always be considered, but the individual making the report should be aware that if they do not identify themselves, they may not engage the security of a whistleblower if eligible under the Public Interest Disclosure Act 1998.

Wherever possible, concerns should not be raised to others in order to maintain confidentiality and minimise the risk of 'tipping off' an individual or compromising an investigation. If a concern of fraud or impropriety is made to any member of staff or a Councillor, they should report the concern to the Corporate Fraud Team in line with the Roles and Responsibilities section of this policy.

East Suffolk Council encourages reports to be made to the internal Corporate Fraud Team due to their professional expertise, legally qualified fraud training in line with The Police and Criminal Evidence Act 1984 and The Criminal Procedure and Investigations Act 1996 and understanding of corporate systems. However, if for any reason it is not appropriate to raise a concern internally, you are advised to consider external bodies (such as the Police, National Anti-Fraud Network, Action Fraud), or any of the external organisations listed in the Whistleblowing Policy.