

Brighton & Hove City Council

Audit, Standards and General Purposes Committee

Agenda Item 10

Subject: Counter Fraud Annual Report 2025/26

Date of meeting: 23rd June 2026

Report of: Director Property and Finance (S151)

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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

- 1.1 The report provides members with an update on all counter fraud activity completed during 2025/26.

2. Recommendations

- 2.1 The Committee note the fraud activity completed during 1st April 2025 to 31st March 2026.

3. Context and background information

- 3.1 The Council's Internal Audit and Counter Fraud team investigates allegations of fraud and irregularity against the Council and is committed to upholding the Council's Anti-Fraud and Corruption Strategy 2022-24. The Council's strategy is aligned to the Fighting Fraud and Corruption Locally Strategy which is the Government's 'blueprint' for tackling fraud in Local Government. The Council's strategy has recently been updated and is presented as a separate agenda item for the committee's approval.
- 3.2 The team provides a dedicated proactive counter fraud and responsive investigation function. It also works on behalf of the Council to ensure that its counter-fraud arrangements are robust by raising awareness of fraud risk, reviewing and improving fraud risk management arrangements, using data to actively identify fraudulent activity, and monitoring the extent to which the Council is impacted by fraud. Where fraud is suspected or identified, the team provides a professional investigation service and advises on control measures that will prevent recurrence.
- 3.3 The Counter Fraud Annual Report outlines:

- Details of the work undertaken during the period 1st April 2025 to 31st March 2026;
- Outcomes from investigation activities; and
- Other counter fraud activity.

4. Analysis and consideration of alternative options

- 4.1 The report highlights key issues for the year, including a summary of investigations and proactive work.

5. Community engagement and consultation

- 5.1 The annual report has been informed by counter fraud work carried out during the year which has included engagement with officers.

6. Financial implications

- 6.1 There are no direct financial implications arising from this report. Counter Fraud activities were delivered within existing budgetary resources. The 2025/26 budget contained provision for 150 days to support “Irregularity and special investigations”, and 175 days for this activity were charged to the budget. This does not represent an additional cost, but a reduction in time available for other audit and assurance activities.

Name of finance officer consulted: Haley Woollard Date consulted: 05/06/26

7. Legal implications

- 7.1 The Accounts and Audit Regulations 2015 require the Council to undertake an effective internal audit to evaluate the effectiveness of its risk management, control, and governance processes, taking into account Public Sector Internal Audit Standards. Reviewing the work planned and completed by the Council's internal audit function is a key part of the Audit, Standards & General Purposes Committee's delegated functions.

Name of lawyer consulted: Victoria Simpson Date consulted 28/05/2026

8. Risk implications

- 8.1 Counter fraud investigations are responding to allegations that may mean that a risk has been realised and that controls are not in place or not working as expected to mitigate and manage the risk. Alongside investigation reports, the team produce Internal Control reports where appropriate, to identify where controls have either failed or are not in place and actions are agreed with management to improve the control environment and management of risk.

9. Equalities implications

9.1 There are no direct equalities implications.

10. Sustainability implications

10.1 There are no sustainability implications.

11. Other Implications

11.1 There are no other implications.

12. Conclusion

12.1 The Committee is asked to note the report.

Supporting Documentation

1. Appendices

1. Counter Fraud Annual Report 2025/26

