



SOUTH
KESTEVEN
DISTRICT
COUNCIL

Governance and Audit Committee

Thursday, 25 June 2026

Report of Councillor Philip Knowles,
Cabinet Member for Corporate
Governance and Licensing

Reporting Fraud and Whistleblowing Annual Report 2025/26

Report Author

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Purpose of Report

One of the key areas for Governance and Audit Committee, as part of its terms of reference, is to monitor and review the arrangements for the reporting of fraud, and whistleblowing, and the action taken as a result of disclosures.

Recommendations

Governance and Audit Committee is asked to review the contents of this report and ensures it obtains the necessary assurance in respect of the fraud and whistleblowing investigations.

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Effective council
Which wards are impacted?	All Wards

1. Implications

- 1.1 Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.2 There are no specific financial implications arising from this report.

Completed by: *Richard Wyles, Deputy Chief Executive and s151 Officer*

Legal and Governance

- 1.3 From a governance perspective, the Governance and Audit Committee should be content with the arrangements the Council has in place to effectively manage and address instances of whistleblowing and fraud that are reported.

Completed by: *James Welbourn, Democratic Services Manager*

Human Resources

- 1.4 This report highlights the need for the Council to continue to foster a culture of openness, trust and accountability, where employees feel confident and supported to raise concerns about wrongdoing. Regular training and guidance for employees and managers on whistleblowing is important to include the roles and responsibilities of all parties, and the channels and mechanisms for reporting and escalating concerns.

Completed by: *Fran Beckitt (Head of Human Resources)*

2. Background to the Report

- 2.1 The Council is committed to the highest standards of quality, probity, openness, and accountability. As part of the Committee's terms of reference, fraud prevention and whistleblowing are key areas of focus being an essential element of delivering good governance.
- 2.2 To develop and promote greater awareness, and in line with best practice, a review of the Council's fraud detection and whistleblowing disclosures has been undertaken, culminating in this Annual Report for 2025/26.

3. Whistleblowing

- 3.1 Whistleblowing is the term used when a worker passes on information concerning wrongdoing ie “making a disclosure” or “blowing the whistle”. The wrongdoing will typically, although not necessarily, be something they have witnessed at work.
- 3.2 To be covered by whistleblowing law, a worker who makes a disclosure must reasonably believe two things:
- That they are acting in the public interest ie this means that personal grievances and complaints are not usually covered by whistleblowing law; and
 - That they must reasonably believe that the disclosure tends to show past, present, or likely future wrongdoing falling into one or more of the following categories:
 - Criminal offences
 - Failing to comply with a legal obligation
 - Miscarriages of justice
 - Endangering someone’s health and safety
 - Damaging the environment
 - Covering up wrongdoing in the above categories
- 3.3 Whistleblowing law is set out in the Employment Rights Act 1996 (as amended by the Public Interest Disclosure Act 1998). It provides the right for a worker to take a case to an employment tribunal if they have been victimised at work or lost their job because they have ‘blown the whistle’.
- 3.4 The Council’s Whistleblowing Policy makes it clear that all concerns raised about actual or potential misconduct, or wrongdoing in the Council, are taken seriously. The Council’s Whistleblowing Policy has been reviewed, and is a separate agenda item, at this Committee.
- 3.5 Within the definition of whistleblowing, no issues have been raised during 2025/26.

4. Reporting fraud

- 4.1 Fraud has been committed when someone does not tell the Council the truth about their circumstances, falsifies documentation for personal gain or to cause loss to others. It is a [criminal offence](#).
- 4.2 The Council has a [‘Report fraud’](#) page on its website to enable those that suspect fraud has been committed to report to the relevant body as listed below:

- Benefits – signposts to the Benefits page
- Corporate – contractors or staff committing fraud should be reported via [Report Fraud Online](#) or by mailing reportfraud@southkesteven.gov.uk
- Council Tax or Business Rates – should be reported via [Report Fraud Online](#) or by mailing reportfraud@southkesteven.gov.uk
- Electoral – should be reported to the police as quickly as possible
- Housing or Tenancy - should be reported via [Report Fraud Online](#) or by mailing reportfraud@southkesteven.gov.uk
- Cybercrime – should be reported to [Action Fraud](#)

4.3 This report provides a summary of all other disclosures that were received during 2025/26 and the Council’s response to those disclosures. These are considered monthly by the Council’s Statutory Officers Group.

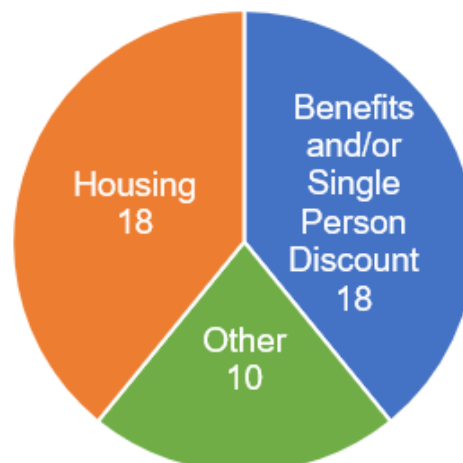
5. Summary of Fraud Disclosures

5.1 During 2025/26, the Council received **46** external notifications that required investigation. This is an increase of **22** on previous years where there were 24 in 2024/25, 14 in 2023/24, and 20 in 2022/23.

5.2 The increase is in respect of allegations that Benefits and/or Single Person Discount are being claimed fraudulently (increase of 7) and Housing tenancy related issues (increase of 11) and Other (increase of 4).

5.3 All disclosures were made by an external third party, or were anonymous, and as such the legal protection afforded to employees who raise concerns does not extend to these individuals. However, the Council considers that any disclosure made by members of the public should be treated in the same way and consequently makes every reasonable effort to protect all individuals under the Whistleblowing Policy.

5.4 A summary of the category of disclosures made in 2025/26 is provided below with further details in Appendix A.



5.5 The ten disclosures relating to the 'Other' category were:

- Three planning allegations (all unfounded)
- Two anti-social behaviour allegations (both unfounded)
- Business rates (ongoing)
- Illegal HMO (unfounded)
- Register to Vote error (founded – error corrected)
- Vehicles with no MOT/tax (founded – vehicles removed)
- Bins being missed regularly and overtime claims (unfounded – full investigation undertaken)

5.6 Summary of outcomes below:

Outcome	Number
Unfounded	16
Founded	4
Ongoing	5
Duplicates or insufficient info provided to be able to investigate	5
SPD followed up and actioned through ongoing SPD review	16
Total	46

6. Response to disclosures

6.1 Whilst all concerns are taken seriously, the response will differ on a case-by-case basis. If the disclosure has been made anonymously, and insufficient details have been provided, the Council may be restricted in the action it can take.

6.2 For all disclosures received, the Whistleblowing Policy will be followed as referenced in 5.3. A preliminary fact-finding investigation will be undertaken which, if required, will result in a full investigation by the Accredited Counter Fraud Specialist and formal action being considered.

6.3 Statutory Officers' Group receive a monthly whistleblowing report, including any investigation reports, in respect of whistleblowing disclosures. Statutory Officers' Group review the reports and agree actions to be taken where appropriate.

7. Learning from disclosures

7.1 Where an investigation establishes that misconduct or wrongdoing has taken place, appropriate action would be taken including, where appropriate, the use of the Council's formal disciplinary procedure and/or referring matters to third party organisations including the Police.

- 7.2 Where appropriate, management will identify learning points from any issues raised and implement actions to prevent similar issues recurring. If required, this includes consideration of whether there are any systematic improvement actions for the wider organisation.

8. Key Considerations

- 8.1 The Committee should monitor and review the whistleblowing arrangements currently in place and the activities that are being undertaken to mitigate those risks.

9. Other Options Considered

- 9.1 None.

10. Reasons for the Recommendations

- 10.1 Governance and Audit Committee, as part of its terms of reference, 9.1 (xx) should approve the Counter Fraud, Bribery and Corruption Framework, and as part of this should monitor and review the counter fraud arrangements currently in place and the activities that are being undertaken to mitigate those risks.

11. Appendices

- 11.1 Appendix A – Reporting Fraud and Whistleblowing Disclosures 2025/26