UK GOVERNMENT'S FRAUD STRATEGY FRAMEWORK: 2026 TO 2029

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UK Policy and Regulatory Alert

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On 9 March 2026, the UK government published the Fraud Strategy 2026–2029: Disrupting crime, supporting economic resilience and delivering justice (the Strategy), replacing the 2023–2025 framework. The Strategy commits over £250 million over three years to tackle fraud and its impact on the UK economy. It is structured around three pillars: disrupt, safeguard and respond, and it relies on collaboration across government, regulators, law enforcement, industry, and the third sector.

DISRUPT

The Strategy prioritises early intervention to disrupt the tools, systems and vulnerabilities used to commit fraud. A £31 million Online Crime Centre is expected to launch in April 2026, initially focusing on fraud and high-volume cybercrime. It will support public and private-sector data sharing to analyse trends, generate intelligence, and coordinate large-scale law enforcement action. The UK government is also pursuing international cooperation, including joint action plans with Nigeria and Vietnam to share intelligence and disrupt cross-border fraud networks, with further agreements planned with other priority jurisdictions.

Telecommunications vulnerabilities are also addressed, particularly the ease of obtaining UK phone numbers and distributing fraudulent texts. In 2026, the Home Office plans to issue a “Call for Evidence on the National Telecommunications Traceback Scheme,” alongside exploring a centralised digital tool for managing UK telephone numbers to improve traceability, block fraudulent calls more quickly, and support enforcement action.

SAFEGUARD

The Strategy aims to strengthen the ability of individuals and businesses to detect and prevent fraud before harm occurs. Public awareness initiatives will be expanded, including the “Stop! Think Fraud” campaign and further education programmes targeting consumers, schools, students and small organisations. A victim-centred approach remains a priority. The UK government will continue operating the “Report Fraud” service, consider additional civil penalties for fraud and plans to introduce a “Fraud Victims Charter” by mid-2027.

To address financial exploitation, the Home Office will work with the National Crime Agency, the Financial Conduct Authority (FCA), the Children's Society and the City of London Police to overcome barriers to tackling exploitative money laundering, improve victim referral pathways, and strengthen coordination across agencies.

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RESPOND

The Strategy seeks to improve fraud prosecution outcomes, acknowledging long-standing concerns around low prosecution rates and evidential complexity. To speed up proceedings in the most complex cases, the UK government plans to introduce judge-only trials for serious fraud by the end of the current Parliament. The Home Office is also considering additional civil penalties for fraud and for facilitating money laundering, providing alternatives to criminal prosecution for businesses affected by fraud.

KEY POINTS FOR BUSINESSES

- The Strategy recognises that businesses themselves can commit fraud. Under the “failure to prevent fraud” offence in the Economic Crime and Corporate Transparency Act 2023, large organisations must implement procedures to prevent fraud by associated persons.
- From 2026, the Insolvency Service will intensify enforcement against “phoenixism,” where individuals repeatedly use companies to evade debts. Businesses should expect greater scrutiny of directors and entities with repeated insolvency histories.
- Online fraud will be a key enforcement focus following the Online Safety Act 2023. From 2027, services designated by the Office of Communications (Ofcom) as Category 1 or 2A will be required to take proportionate steps to prevent users encountering paid-for fraudulent advertisements. Ofcom is expected to consult in summer 2026 on further measures, including fines and business disruption powers for serious noncompliance.
- The Home Office and the Department for Culture, Media and Sport have also launched an industry partnership with the Internet Advertising Bureau UK under the Online Advertising Taskforce, with recommendations expected in early 2027. Businesses reliant on online reviews should note that the Online Safety Act 2023 and the Digital Markets, Competition and Consumers Act 2024 will ban fake reviews and strengthen the Competition and Markets Authority's enforcement powers.
- From October 2027, cryptoasset firms will be brought within a full financial services regulatory regime and required to be authorised by, and comply with, FCA rules.
- From April 2029, electronic invoicing will be mandatory for all value-added tax invoices, requiring suppliers to issue invoices through secure digital systems to reduce interception and fraud risk.

CONCLUSION

The Strategy underscores the UK government's renewed focus on fraud as a strategic economic and societal risk, with clear implications for businesses across multiple sectors. As enforcement activity, regulatory oversight and cross-border cooperation increase, organisations should expect greater scrutiny of their fraud risk management frameworks and operational controls. Taking early steps to review governance arrangements, update fraud prevention procedures and monitor forthcoming consultations and guidance will help businesses not only manage compliance risk, but also protect customers, assets, and reputation as the Strategy is rolled out. If you have any

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questions or would like to further discuss how you can improve your compliance programme, please do not hesitate to contact the authors listed above.

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