

"Where the document has blanks for the further actions and risk owner - these are risks that are applicable to all service areas and as such have been incorporated into the operational risk assessments for all Heads of Service in order that they can be managed and controlled accordingly"

Fraud

Risk Identified	Description	Potential Consequences	Impact Likelihood	Risk Rating	Control Measure	Final Impact Likelihood	Final Risk Rating	Further Action Required	Owner	Target Date
Fraud Awareness Abuse of email	Staff using email for personal use or sending inappropriate email	Misappropriation of Council time. Reputation damage.	Low	Low	Acceptable use policy signed by staff Code of Conduct for Officers and Members Information Security Policies Mail meter reports sent to Heads of Service	Low	Low			
Postal voting fraud	Voting fraud for elections	Elections become null and void. Financial implications. Reputation damage. Resource issues.	Low	Low	Registrations and applications vetted Review of process Training of staff for postal opening Electoral Commission checks undertaken	Low	Low			
Theft of income	Theft of income generally, from all income streams	Misappropriation of funds. Criminal investigation. Reputation damage.	Low	Low	Issue of receipts for income Two people open post CRB checks undertaken References taken for new employees Regular independent reconciliation of income taken to income expected Regular banking and banking checks Compliance with cash handling instructions and financial regulations Income collection systems - separation of duties	Low	Low			
Fraudulent benefit claims	Fraudulent benefit claims for housing and council tax benefit. Fraudulent benefit claims by NBC staff	Misappropriation of funds. Criminal investigation. Reputation damage.	Low	Low	Verification by benefit assessors Checks of details by verification framework officers Benefit investigators Fraud awareness training to all staff National Fraud Initiative (NFI)	Low	Low	Review resource allocation in respect of fraud investigation	Baker, Dave (Head of Revenues & Benefits)	30/09/12

Risk Count: 33

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Fraud Awareness										
Failure to recover money	Failure to recover money due to suppressing debtor or equivalent accounts	Misappropriation of funds. Criminal investigation. Reputation damage.	ad	E	Laid down procedures Exception reporting Debtors system - separation of responsibilities Recovery procedures exception reporting	2	5	Process to be looked at for BACS	Baker, Dave (Head of Revenues & Benefits)	31/03/12
Fraudulent letting or extension of contracts	Fraudulent letting or extension of Council contracts due to collusion or corruption	Criminal investigation. Reputational damage. Possible breach of OJEC rules. Third Party involvement.	ad	E	Central register of contracts is maintained by the Procurement Officer Code of Conduct for Officers and Members Procurement Officer in post Procurement toolkit IDEa training Standing Orders Financial Regulations Final Account Audit undertaken Procurement Briefings Anti-Fraud and Anti-Corruption Policy	3	3			
Unauthorised access to computer systems for fraudulent use	Staff can gain inappropriate access to computer systems and alter data for personal gain	Loss of data. Corruption of data. Financial gain. Reputational damage. Failure to work. Loss of Government Connects authorisation. Criminal investigation.	ad	E	Network security policy Training - on computer security Access controls Information Security Policies	3	3			
Corruption in sale of land	Receiving personal gain for sale of land	Abuse of position. Abuse of public office. Criminal investigation. Financial implications. Officers open to bribery & corruption.	ad	E	Valuations of land for sale Financial Regulations Standing Orders Capital Asset Accountant Capital Asset Working Group Cabinet approval of sale of land Robust screening process	3	3			
Falsification of performance indicators	Incorrect or manipulated data is used to produce performance indicators	Public perception reduced. Reputation damage. Inaccurate benchmarking measurements used.	ad	E	Independent check of performance indicator statistics / data Password protected performance system	3	3			

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Fraud Awareness	Fraudulent invoices or claims paid by the Authority	Misappropriation of funds. Criminal offences. Reputational damage.	High	High	Aggresso purchase order processing Training for budget holders Financial Regulations Creditors system - separation of duties / responsibilities Budget monitoring Contract monitoring Annual core system audit National Fraud Initiative (NFI) Large cheques have to be signed individually Regular software checks done re valid list of suppliers.	Low	Low			
Fraudulent use of Corporate Credit Cards	Credit cards used for personal use	Misappropriation of funds. Criminal investigation. Reputational damage.	High	High	Training - on Corporate Credit Card system Compliance with Credit Card procedures Review of policies Monthly review of transactions and suppliers Responsibilities formally allocated and agreed by cardholder Credit Card - regular review of procedures by Internal Audit Credit Card - separation of duties £500 limit on a transaction	Low	Low			
Fraudulent use of investment money	Fraudulent use of investment money by Treasury Management staff	Insurance implications. Increase cost in insurance premium. Abuse in position. Abuse of public office. Financial implications. Reputational damage.	High	High	Annual audit of treasury management Treasury Management meetings Fidelity guarantee insurance for designated officers Treasury Management - statutory / professional guidance	Low	Low			

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Risk Identified	Description	Potential Consequences	Impact Likelihood	Risk Rating	Control Measure	Final Impact Likelihood	Final Risk Rating	Further Action Required	Owner
Agency staff claiming hours not worked	Agency staff submitting inaccurate timesheets or claiming hours they have not worked	Misappropriation of funds. Criminal investigation. Reputation damage.	c	H	Audit review procedures and recommendations made Cashiers audit Line manager checks hours worked Use of timekeeper system HR involvement	1	1		
Theft from vulnerable people	Theft by staff from vulnerable people e.g. almshouses, welfare funeral homes	Misappropriation of funds. Criminal investigation. Reputation damage. Abuse of position. Abuse of public office.	b	H	CRB checks undertaken Code of Conduct for Officers and Members Receipts given for valuables Proper and safe handover procedures	1	1		
Theft of cash in transit	Theft of cash whilst being transferred from one establishment to another	Misappropriation of funds. Criminal investigation. Reputation damage.	c	H	Reducing cash transactions Audit review procedures and recommendations made Cash in transit - staff training Varying routes and drop off points, times etc Cybertrack phone issued to relevant staff Handled by securitor / G4S	1	1		
Subletting of NBC properties	Letting of NBC properties for personal gain	Abuse of position. Abuse of public office. Criminal investigation.	c	H	Accurate details of premises to let Clear instructions to staff Reconciliation of income Management checks of properties	1	1		
Abuse of telephones	Abuse of landline phones and mobile phones by staff	Misappropriation of funds. Criminal investigation. Reputation damage. Misappropriation of Council time.	e	M	Mobile phone provider System in place for identifying personal calls and text messages Telephone usage policy (corporate) in place Register of interests Regular telephone reports to management	1	1		

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Abuse of postage system	Abuse of postage and franking system by staff	Misappropriation of funds. Criminal investigation. Reputation damage.	e	M	Management check of postage costs Budget monitoring Protocols set for handling of post	1	1		
Abuse of internet	Staff using internet for personal use and viewing inappropriate sites	Misappropriation of Council time. Reputation damage.	d	H	Acceptable use policy signed by staff Code of Conduct for Officers and Members WebSense categories for certain web pages	1	1		
Payments to ghost employees	Payments to fictitious employees via payroll	Misappropriation of funds. Criminal investigation. Reputation damage.	b	H	Budget monitoring Payroll - Separation of duties Review of payroll processes Review of payroll system Recruitment policy and process Audit undertaken NFI checks completed annually	1	1		
Fraudulently trading for personal gain	Officers working for personal gain, including unauthorised work and private work. Abuse of position	Misappropriation of funds. Criminal investigation. Reputation damage. Abuse of public office.	a	E	Code of Conduct for Officers and Members National Fraud Initiative (NFI) Register of Interests Checks by management	1	1		
HR policies do not deter fraudulent behaviour	Not enough preventative controls or proactive action taken to deter fraud	Insurance implications. Financial implications. Criminal investigation. Reputation damage.	b	E	Review of policies Disciplinary process Relevant stakeholders involved in review of processes Anti-Fraud and Anti-Corruption Policy Whistleblowing policy Managers Guide on Fraud Related policies in place	1	1		
Fraudulent job application forms	Information contained in job application forms is fraudulent e.g. qualifications, job history, CRB checks	Inappropriate appointment. Security implications. Insurance implications. Financial implications. Criminal investigation. Reputation damage.	b	E	Obtain evidence of qualifications Obtain references HR involvement	1	1		

Risk Identified: Fraud Awareness
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Description	Potential Consequences	Impact Likelihood	Risk Rating	Control Measure	Final Impact Likelihood	Final Risk Rating	Further Action Required	Owner	Target Date
Fraudulent non attendance at work	Employees fraudulently not attending work e.g. fraudulent sick leave, extra holidays, flexitime, evening and weekend work, remote working	Abuse of contract. Abuse of public office. Abuse of position.	High	Recruitment policy and process Identity checks carried out Checks of time by management Reconciliation of leave management Compliance with attendance policy for sickness Review of management of attendance policy Audit of management of attendance Occupational Health to assist return to work Whistleblowing policy	1	1	1		