






















Fraud & Corruption Risk Register






















Report Type: Risks Report



















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Generated on: 13 July 2018



Risk Title	Risk Description	Gross Risk	– Assessment	Current Risk	– Assessment	Last Review Date
Staffing (internal)						
Credit Income	Misappropriation of income		4 significant-unlikely		2 significant-very unlikely	13-Jul-2018
Assets	Theft of fixed assets		9 serious-likely		4 significant-unlikely	13-Jul-2018
Assets	Theft of Council information/intellectual property		12 major – likely		8 major – unlikely	13-Jul-2018
Assets	Inappropriate use of Council assets for private use		8 significant – very likely		6 significant-likely	13-Jul-2018
Petty cash/imprest accounts	Theft of takings disguised by manipulation of accounts		2 minor-unlikely		2 minor-unlikely	13-Jul-2018
Expenses claims	Inflated claims		6 significant-likely		4 significant-unlikely	13-Jul-2018
Corruption	Disposal of assets – land and property		6 serious-unlikely		3 serious-very unlikely	13-Jul-2018
Corruption	Award of planning consents and licences		9 serious-likely		3 serious-very unlikely	13-Jul-2018
Corruption	Acceptance of gifts, hospitality, secondary employment		6 significant-likely		4 significant-unlikely	13-Jul-2018
Car parking	Theft of takings		9 serious-likely		6 serious-unlikely	13-Jul-2018

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Treasury management	Falsifying records to gain access to loan or investment monies		12 major - likely		6 serious-unlikely	13-Jul-2018
Money laundering	Using the council to hide improper transactions		8 major - unlikely		4 significant-unlikely	13-Jul-2018
ICT fraud	Improper use of council ICT equipment		12 major - likely		9 serious-likely	13-Jul-2018
Employee - general	Abuse of flexi system Falsification of car loans		6 significant-likely		4 significant-unlikely	13-Jul-2018
Payment of grants to the public	Grants fraudulently claimed		12 major - likely		6 serious-unlikely	13-Jul-2018
Loans & Investments	Misappropriation of funds Fraudulent payment or investment of funds		12 major - likely		4 significant-unlikely	13-Jul-2018
Regeneration Development corruption	Regeneration development corruption		12 major - likely		6 serious-unlikely	13-Jul-2018
Financial statements	The financial statements may be materially mis-stated due to fraud		6 serious-unlikely		4 significant-unlikely	13-Jul-2018
New starter	Fraudulent job application		9 serious-likely		4 significant-unlikely	13-Jul-2018
ICT abuse	Improper use of IT equipment		9 serious-likely		4 significant-unlikely	13-Jul-2018
Benefits fraud - internal	Fraudulent claim by member of staff		9 serious-likely		6 serious-unlikely	13-Jul-2018
Cash theft	Theft of takings disguised by manipulation of accounts		4 significant-unlikely		2 significant-very unlikely	13-Jul-2018
Cash theft	Theft of cash without disguise		4 significant-unlikely		1 minor - very unlikely	13-Jul-2018
Payroll	Payment to non existent employees		2 significant-very unlikely		3 serious-very unlikely	13-Jul-2018
Payroll	Over claiming hours worked		6 significant-likely		2 minor-unlikely	13-Jul-2018

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Payroll	Manipulation of standing data		6 serious–unlikely		2 significant–very unlikely	13-Jul-2018
Assets	Theft of current assets		6 significant–likely		4 significant–unlikely	13-Jul-2018
Procurement & Contract Management						
Selection process	Senior staff influencing junior staff involved in a selection process		6 serious–unlikely		4 significant–unlikely	13-Jul-2018
Lack of awareness of the procurement process	Lack of awareness of risks and issues in the procurement process		6 significant–likely		4 significant–unlikely	13-Jul-2018
Lack of anti fraud culture	No antifraud culture – no due diligence/risk registers		6 significant–likely		2 significant–very unlikely	13-Jul-2018
Contract awarded prior to specification being agreed	Contract awarded prior to specifications being fully agreed and developed; meaning the organisation becomes responsible for additional development and training expenses		6 significant–likely		4 significant–unlikely	13-Jul-2018
Manipulation of preferred bidders list	Manipulation of preferred bidders list		4 significant–unlikely		2 significant–very unlikely	13-Jul-2018
No formal contract in place	No formal contract in place		8 significant – very likely		6 significant–likely	13-Jul-2018
Prices reworked	Prices reworked to enable the successful bidder to move up the proposal list following initial bidding		6 significant–likely		4 significant–unlikely	13-Jul-2018
Value of contract	Value of contract disaggregated to		12 serious – very likely		6 significant–likely	13-Jul-2018

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disaggregated	circumvent organisation/EU regulations					
Inappropriate high value purchase	Inappropriate high value purchase for an unauthorised purpose		6 significant–likely		4 significant–unlikely	13-Jul-2018
Inappropriate use of single tender acceptance	Inappropriate use of single tender acceptance		6 significant–likely		4 significant–unlikely	13-Jul-2018
Using agency staff or consultants			4 significant–unlikely		1 minor – very unlikely	13-Jul-2018
Initial commercial consultations	Procurement staff being sidelined during initial commercial consultations and subsequently being presented with a "done deal".		12 major – likely		6 serious–unlikely	13-Jul-2018
Contract signing	Contracts signed by member of staff not authorised to do so		12 major – likely		6 serious–unlikely	13-Jul-2018
Diversion of funds	Diversion of funds: the risk that a member of staff diverts funds through the set up of non-existent supplier/freelancer		12 major – likely		6 serious–unlikely	13-Jul-2018
Bogus vendor	An individual could authorise the set up of a bogus vendor and raise and authorise a purchase order		16 major – very likely		8 major – unlikely	13-Jul-2018
Sale of confidential information	A member of staff could disclose information on bids to other contract bidders		12 major – likely		6 serious–unlikely	13-Jul-2018
Creditor payments	Fraudulent requests for creditor payments		9 serious–likely		4 significant–unlikely	13-Jul-2018

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Fraudulent use for one off payment	Staff use the cheque payment process to send to a bogus vendor		6 serious–unlikely		2 significant–very unlikely	13-Jul-2018
Declaration of interests	Lack of declarations of interests		9 serious–likely		4 significant–unlikely	13-Jul-2018
Housing tenancy/homelessness						
Housing allocations	Housing allocated for financial reward fraudulent allocation of property		9 serious–likely		4 significant–unlikely	13-Jul-2018
Illegal sub letting	Illegal sub letting of council property		4 significant–unlikely		2 minor–unlikely	13-Jul-2018
Homelessness	False claim of homelessness		6 significant–likely		2 minor–unlikely	13-Jul-2018
Right to Buy	Fraudulent claim of right to buy discount		6 significant–likely		4 significant–unlikely	13-Jul-2018
Council Tax						
Single Persons Discount	Single persons discount fraudulently claimed		6 significant–likely		6 significant–likely	13-Jul-2018
Discounts/exemptions	Discounts and exemptions falsely claimed		3 minor–likely		2 minor–unlikely	13-Jul-2018
Refund fraud			3 minor–likely		2 minor–unlikely	13-Jul-2018
Suppressed recovery action	Suppressed recovery action		3 minor–likely		2 minor–unlikely	13-Jul-2018
NNDR						
Void exemption	Void exemption falsely claimed		6 significant–likely		4 significant–unlikely	13-Jul-2018
Occupation dates	Occupation dates incorrectly notified		6 significant–likely		4 significant–unlikely	13-Jul-2018

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Changes to property	Changes to property increase the rateable value		6 significant-likely		4 significant-unlikely	13-Jul-2018
Insurance						
Insurance claims	Claiming for non existent injuries Claiming at another establishment for the same injury overclaiming		9 serious-likely		4 significant-unlikely	13-Jul-2018
Other						
Elections	Fraudulent voting Fraudulent acts by canvassers		12 major - likely		6 serious-unlikely	13-Jul-2018
External funding	Fraudulently claiming/using external funding		1 minor - very unlikely		1 minor - very unlikely	13-Jul-2018
Housing Benefits/Council Tax Reduction Scheme						
Benefits fraud - claimant	Claimant fraudulently claims benefits		12 serious - very likely		8 significant - very likely	13-Jul-2018
Benefits fraud - third party eg landlord	fraudulent claim by third party		4 significant-unlikely		4 significant-unlikely	13-Jul-2018
Cyber	Risk of loss, disruption or damage to the reputation of the Authority from some sort of failure of Information Technology systems					
Cyber risk			6 serious-unlikely		6 serious-unlikely	13-Jul-2018
Sheltered schemes	Theft of customer monies		4 significant-unlikely		2 significant-very unlikely	13-Jul-2018

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