








































Fraud & Corruption Risk Register 2019/20


Report Type: Risks Report
















Report Author: Angela Struthers

















Generated on: 24 May 2019

Risk Title	Risk Description	Gross Risk – Assessment	Current Risk – Assessment	Last Review Date	Ownership Assigned To
Staffing (internal)					Angela Struthers
Credit Income	Misappropriation of income	 4 significant–unlikely	 2 significant–very unlikely	24–May–2019	Angela Struthers
Assets	Theft of fixed assets	 9 serious–likely	 4 significant–unlikely	24–May–2019	Angela Struthers
Assets	Theft of Council information/intellectual property	 12 major – likely	 8 major – unlikely	24–May–2019	Angela Struthers
Assets	Inappropriate use of Council assets for private use	 8 significant – very likely	 6 significant–likely	24–May–2019	Angela Struthers
Petty cash/imprest accounts	Theft of takings disguised by manipulation of accounts	 2 minor–unlikely	 2 minor–unlikely	24–May–2019	Angela Struthers
Expenses claims	Inflated claims	 6 significant–likely	 4 significant–unlikely	24–May–2019	Angela Struthers
Corruption	Disposal of assets – land and property	 6 serious–unlikely	 3 serious–very unlikely	24–May–2019	Angela Struthers
Corruption	Award of planning consents and licences	 9 serious–likely	 3 serious–very unlikely	24–May–2019	Angela Struthers

















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Corruption	Acceptance of gifts, hospitality, secondary employment	 6 significant-likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Car parking	Theft of takings	 9 serious-likely	 6 serious-unlikely	24-May-2019	Angela Struthers
Treasury management	Falsifying records to gain access to loan or investment monies	 12 major – likely	 6 serious-unlikely	24-May-2019	Angela Struthers
Money laundering	Using the council to hide improper transactions	 8 major – unlikely	 4 significant-unlikely	24-May-2019	Angela Struthers
IT fraud	Improper use of council ICT equipment	 12 major – likely	 9 serious-likely	24-May-2019	Angela Struthers
Employee – general	Abuse of flexi system Falsification of car loans	 6 significant-likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Payment of grants to the public	Grants fraudulently claimed	 12 major – likely	 6 serious-unlikely	24-May-2019	Angela Struthers
Loans & Investments	Misappropriation of funds Fraudulent payment or investment of funds	 12 major – likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Regeneration development corruption	Regeneration development corruption	 12 major – likely	 6 serious-unlikely	24-May-2019	Angela Struthers
Financial statements	The financial statements may be materially mis-stated due to fraud	 6 serious-unlikely	 4 significant-unlikely	24-May-2019	Angela Struthers
New starter	Fraudulent job application	 9 serious-likely	 4 significant-unlikely	24-May-2019	Angela Struthers





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ICT abuse	Improper use of IT equipment	 9 serious-likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Benefits fraud – internal	Fraudulent claim by member of staff	 9 serious-likely	 6 serious-unlikely	24-May-2019	Angela Struthers
Cash theft	Theft of takings disguised by manipulation of accounts	 4 significant-unlikely	 2 significant-very unlikely	24-May-2019	Angela Struthers
Cash theft	Theft of cash without disguise	 4 significant-unlikely	 1 minor – very unlikely	24-May-2019	Angela Struthers
Payroll	Payment to non existent employees	 2 significant-very unlikely	 3 serious-very unlikely	24-May-2019	Angela Struthers
Payroll	Over claiming hours worked	 6 significant-likely	 2 minor-unlikely	24-May-2019	Angela Struthers
Payroll	Manipulation of standing data	 6 serious-unlikely	 2 significant-very unlikely	24-May-2019	Angela Struthers
Assets	Theft of current assets	 6 significant-likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Procurement & Contract Management					Angela Struthers
Selection process	Senior staff influencing junior staff involved in a selection process	 6 serious-unlikely	 4 significant-unlikely	24-May-2019	Angela Struthers
Lack of awareness of the procurement process	Lack of awareness of risks and issues in the procurement process	 6 significant-likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Lack of anti fraud culture	No antifraud culture – no due diligence/risk registers	 6 significant-likely	 2 significant-very unlikely	24-May-2019	Angela Struthers

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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	24-May-2019	Angela Struthers
Manipulation of preferred bidders list	Manipulation of preferred bidders list	 4 significant-unlikely	 2 significant-very unlikely	24-May-2019	Angela Struthers
No formal contract in place	No formal contract in place	 8 significant – very likely	 6 significant-likely	24-May-2019	Angela Struthers
Prices reworked	Prices reworked to enable the successful bidder to move up the proposal list following initial bidding	 6 significant-likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Value of contract disaggregated	Value of contract disaggregated to circumvent organisation/EU regulations	 12 serious – very likely	 6 significant-likely	24-May-2019	Angela Struthers
Inappropriate high value purchase	Inappropriate high value purchase for an unauthorised purpose	 6 significant-likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Inappropriate use of single tender acceptance	Inappropriate use of single tender acceptance	 6 significant-likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Using agency staff or consultants		 4 significant-unlikely	 1 minor – very unlikely	24-May-2019	Angela Struthers

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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	24–May–2019	Angela Struthers
Contract signing	Contracts signed by member of staff not authorised to do so		12 major – likely		6 serious–unlikely	24–May–2019	Angela Struthers
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	24–May–2019	Angela Struthers
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	24–May–2019	Angela Struthers
Sale of confidential information	A member of staff could disclose information on bids to other contract bidders		12 major – likely		6 serious–unlikely	24–May–2019	Angela Struthers
Creditor payments	Fraudulent requests for creditor payments		9 serious–likely		4 significant–unlikely	24–May–2019	Angela Struthers
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	24–May–2019	Angela Struthers
Declaration of interests	Lack of declarations of interests		9 serious–likely		4 significant–unlikely	24–May–2019	Angela Struthers

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Housing tenancy/homelessness							Angela Struthers
Housing allocations	Housing allocated for financial reward fraudulent allocation of property		9 serious-likely		4 significant-unlikely	24-May-2019	Angela Struthers
Illegal sub letting	Illegal sub letting of council property		4 significant-unlikely		2 minor-unlikely	24-May-2019	Angela Struthers
Homelessness	False claim of homelessness		6 significant-likely		2 minor-unlikely	24-May-2019	Angela Struthers
Right to Buy	Fraudulent claim of right to buy discount		6 significant-likely		4 significant-unlikely	24-May-2019	Angela Struthers
Council Tax							Angela Struthers
Single Persons Discount	Single persons discount fraudulently claimed		6 significant-likely		6 significant-likely	24-May-2019	Angela Struthers
Discounts/exemptions	Discounts and exemptions falsely claimed		3 minor-likely		2 minor-unlikely	24-May-2019	Angela Struthers
Refund fraud			3 minor-likely		2 minor-unlikely	24-May-2019	Angela Struthers
Suppressed recovery action	Suppressed recovery action		3 minor-likely		2 minor-unlikely	24-May-2019	Angela Struthers
NNDR							Angela Struthers
Void exemption	Void exemption falsely claimed		6 significant-likely		4 significant-unlikely	24-May-2019	Angela Struthers
Occupation dates	Occupation dates incorrectly notified		6 significant-likely		4 significant-unlikely	24-May-2019	Angela Struthers

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Changes to property	Changes to property increase the rateable value	 6 significant-likely	 4 significant-unlikely	24-May-2019	Angela Struthers
Insurance					Angela Struthers
Insurance claims	Claiming for non existent injuries Claiming at another establishment for the same injury overclaiming	 9 serious-likely		24-May-2019	Angela Struthers
Other					Angela Struthers
Elections	Fraudulent voting Fraudulent acts by canvassers	 12 major – likely		24-May-2019	Angela Struthers
External funding	Fraudulently claiming/using external funding	 1 minor – very unlikely		24-May-2019	Angela Struthers
Not using Benefits/Council Tax Reduction Scheme					Angela Struthers
Benefits fraud – claimant	Claimant fraudulently claims benefits	 12 serious – very likely		24-May-2019	Angela Struthers
Benefits fraud – third party eg landlord	fraudulent claim by third party	 4 significant-unlikely		24-May-2019	Angela Struthers
Cyber	Risk of loss, disruption or damage to the reputation of the Authority from some sort of failure of Information Technology systems				Angela Struthers

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Cyber risk		 6 serious–unlikely	 6 serious–unlikely	24–May–2019	Angela Struthers
Sheltered schemes	Theft of customer monies	 4 significant–unlikely	 2 significant–very unlikely	24–May–2019	Angela Struthers