

## AUDIT & GOVERNANCE COMMITTEE

26<sup>th</sup> May 2011

### Report of the Head of Internal Audit Services

#### COUNTER FRAUD & CORRUPTION 2010/11

##### **Purpose**

To report on the counter fraud & corruption work completed to date.

##### **Executive Summary**

The Audit Commission published a report "Protecting the Public Purse" in September 2009 (updated in October 2010) which considers key fraud risks and pressures facing councils and related bodies and identifies good practice in fighting fraud. The Audit Commission have produced a checklist for those responsible for governance which they recommend usage to assess the effectiveness of the Council's current counter-fraud arrangements. The checklist has been reproduced at Appendix 1 and completed with the current action to date.

Counter fraud work completed since the last report includes a review of the data matches identified through the National Fraud Initiative (NFI). Work is still being completed on the NFI matches identified in the 2010/11 run. To date, fraud/errors totalling £4,427 have been identified. A project with the County Council to look at Single Persons Discount fraud for Council Tax is currently being evaluated. Training material for the Governance training modules is still being developed.

The Anti Fraud and Corruption Strategy and Confidential Reporting Policy are currently being reviewed following recent legislation changes (Bribery Act 2010).

##### Specific issues:

The checklist at Appendix 1 shows current status on the areas highlighted for improvement.

##### **Implications of this report**

There are no direct implications in relation to community/performance planning, sustainable development, community safety, equal opportunities or human rights.

##### **Recommendations**

**That the committee be provided with a quarterly update on Counter Fraud and Corruption and an update on the improvements required as identified in the checklist.**

*“If Members would like further information or clarification prior to the meeting please contact Angela Struthers, Head of Internal Audit Services on Ext 234”*

**Appendix 1**

**AUDIT COMMISSION – “PROTECTING THE PUBLIC PURSE”  
CHECKLIST FOR THOSE CHARGED WITH GOVERNANCE**

	Y/N	Current Status	Required Action	Status Update
<b>General</b>				
<b>1</b> Have we committed ourselves to zero tolerance against fraud?	Y	Anti – Fraud & Corruption Strategy and guidance notes in place. Fraud identified as gross misconduct in Conduct & Capability Policy.	Wording in strategy does not state zero tolerance but will be included in next review  To be completed by Head Of Internal Audit Services	Strategies to be presented to Audit & Governance Committee October 2010. Process delayed – will be presented early 2011 <b>Process delayed – guidance recently issued – to be presented to the next meeting</b>
<b>2</b> Do we have appropriate strategies, policies and plans?	Y	Anti – Fraud & Corruption Policy, Confidential Reporting Policy		
<b>3</b> Do we have dedicated counter-fraud resources?	Y	Benefits fraud –yes. Internal Audit for other frauds		
<b>4</b> Do the resources cover all of the activities of our organisation?	Y	Internal Audit will cover all other activities apart from benefits fraud		
<b>5</b> Do we receive regular reports on fraud risks, plans and outcomes?	N	Fraud risk have been identified and are on the Risk register.	To be completed as a quarterly update  To be completed by Head of Internal Audit Services	Report attached – reviewed and updated quarterly

**Appendix 1**

**AUDIT COMMISSION – “PROTECTING THE PUBLIC PURSE”  
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	Y/N	Current Status	Required Action	Status Update
6 Have we assessed our management of counter-fraud resources against good practice?	P	Work is underway in assessing our counter fraud actions against CIPFA guidance “Managing the risk of Fraud”	Assessment against guidance to be reported to the Audit & Governance Committee  To be completed by Head of Internal Audit Services	To be reported with Strategy to Audit & Governance Committee
7 Do we raise awareness of fraud risks with: <ul style="list-style-type: none"> <li>New staff (including agency staff)?</li> <li>Existing staff?</li> <li>Members?</li> <li>Contractors?</li> </ul>	P	Anti Fraud and Corruption Strategy should be available to all new staff (including agency staff) through the induction checklist process. All staff who have access to a PC have been issued with the strategy in January 2010 through NetConsent		Work currently underway on electronic solution for Governance training for officers and members. Anti Fraud and Corruption Strategy on website. Work underway on review of standard contract documents to include reference to relevant polices etc.
8 Do we join in appropriately with national, regional and local networks and partnerships to ensure we are up to date with current fraud risks and issues?	Y	Take part in the National Fraud Initiative, Member of National Anti - Fraud Network, Midlands Fraud Forum and take part in Staffordshire networks		Data submitted for NFI <b>Results currently being reviewed</b>

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	Y/N	Current Status	Required Action	Status Update
<b>9</b> Do we have working arrangements with relevant organisations to ensure effective sharing of knowledge and data about fraud?	Y	National Fraud Initiative, DWP		
<b>10</b> Do we identify areas where internal controls may not be performed as intended?	Y	Completed through Internal Audit plan		
<b>11</b> Do we maximise the benefit of our participation in the Audit Commission NFI and receive reports on outcomes?	Y	Verbal updates are given to Committee this can be incorporated into a formal report along with other fraud issues		
<b>12</b> Do we have a reporting mechanism that encourages our staff to raise their concerns of money laundering?	P		Review of reporting mechanism to be completed To be completed by Solicitor to the Council	All new employees informed of policy at Induction. Policy made available on intranet

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	<b>Y/N</b>	<b>Current Status</b>	<b>Required Action</b>	<b>Status Update</b>
<b>13</b> Do we have effective Whistleblowing arrangements?	Y	Confidential Reporting Policy issued to staff who have a PC through NetConsent in January 2010. Available on website and intranet		Training as part of the Governance training.
<b>14</b> Do we have effective fidelity insurance arrangements?	Y	Fidelity insurance in place.		

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	Y/N	Current Status	Required Action	Status Update
<b>Fighting Fraud in the Post Recession Environment</b>				
<b>15</b> Have we reassessed our fraud risks in light of the current financial climate?	N/A	Fraud risks assessed quarterly		Reassessed quarterly.
<b>16</b> Have we amended our counter-fraud action plan as a result?	N/A			
<b>17</b> Have we reallocated staffing as a result?	N/A			

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	Y/N	Current Status	Required Action	Status Update
<b>Some Current Risks and Issues</b>				
<b>18</b> Do we take effective action to ensure that social housing is allocated only to those in need?	Y	Allocations Policy Internal Audit of systems		
<b>19</b> Do we take effective action to ensure that social housing is occupied by those to whom it is allocated?	Y	Tenancy checks completed Taking part in illegal sub-letting initiative		Illegal sub-letting publicity completed. Working with RSL's
<b>20</b> Are we satisfied that payment controls are working as intended?	Y	Regular audits completed		
<b>21</b> Have we reviewed our contract letting procedures against the good practice guidance issued by the Office of Fair Trading to reduce the risk of illegal practices such as cartels?	N		A review will be completed as part of the Financial Guidance review  To be completed by Corporate Procurement Officer	First review completed – action plan pending upon requirements



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	Y/N	Current Status	Required Action	Status Update
<p><b>22</b> Are we satisfied that our recruitment procedures are:</p> <ul style="list-style-type: none"> <li>• Preventing employment of people working under false identities?</li> <li>• Validating employment references effectively?</li> </ul> <p>Ensuring applicants are eligible to work in the UK?</p>	Y	Recruitment procedures in place and subject to regular audit		
<p><b>23</b> Where we are moving to direct payments have we introduced suitable and proportionate control arrangements in line with recommended practice?</p>	Y			
<p><b>24</b> Are we effectively controlling the discounts and allowances we give to council taxpayers?</p>	Y	Reviews completed on a regular basis. NFI initiative completed		<b>County wide initiative being reviewed</b>
<p><b>25</b> Are we satisfied that we are doing all that we can to tackle housing and council tax benefit fraud?</p>	Y	Benefits fraud team in place NFI initiative completed Joint working with DWP		

# fraud risks

Generated on: 17 May 2011



<b>Risk Code</b>	RR RDIAFC001	<b>Risk Title</b>	Benefits fraud - claimant	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Claimant fraudulently claims benefits			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	12	trained staff media coverage - forms, TV radio data matching internal audit documentary evidence	<b>Current Risk Score</b>	8	
<b>Gross Severity</b>	3		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	4		<b>Current Likelihood</b>	4	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

<b>Risk Code</b>	RR RDIAFC002	<b>Risk Title</b>	Benefits fraud - third party eg landlord	<b>Current Risk Status</b>	
<b>Description of Risk</b>	fraudulent claim by third party			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	4	trained staff media coverage - forms, TV radio Data matching Internal Audit Supervisory checks Documentary evidence	<b>Current Risk Score</b>	4	
<b>Gross Severity</b>	2		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

<b>Risk Code</b>	RR RDIAFC003	<b>Risk Title</b>	Benefits fraud - internal	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Fraudulent claim by member of staff			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	9	recruitment checks data matching supervisory checks system controls audit trails internal audit	<b>Current Risk Score</b>	6	
<b>Gross Severity</b>	3		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk</b>			<b>Last Risk Review</b>	15 Apr 2011	

<b>Review Date</b>			<b>Date</b>		
<b>Risk Notes</b>					
<b>Risk Code</b>	RR RDIAFC004	<b>Risk Title</b>	Cash theft	<b>Current Risk Status</b>	
<b>Description of Risk</b>	theft of takings disguised by manipulation of accounts		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>	 Likelihood Severity	<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>	 Likelihood Severity	
<b>Gross Risk Score</b>	4	reconciliations supervisory checks policies and procedures financial regulations and guidance segregation of duties budgetary controls internal audit confidential reporting policy fraud & corruption stragey	<b>Current Risk Score</b>	2	
<b>Gross Severity</b>	2		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>	1	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					
<b>Risk Code</b>	RR RDIAFC005	<b>Risk Title</b>	Cash theft	<b>Current Risk Status</b>	
<b>Description of Risk</b>	theft of cash without disguise		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>	 Likelihood Severity	<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>	 Likelihood Severity	
<b>Gross Risk Score</b>	4	reconciliations supervisory checks policies and procedures financial regulations segregation of duties budgetary controls internal audit confidential reporty policy fraud & corruption strategy physical controls	<b>Current Risk Score</b>	1	
<b>Gross Severity</b>	2		<b>Current Severity</b>	1	
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>	1	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					
<b>Risk Code</b>	RR RDIAFC006	<b>Risk Title</b>	Credit Income	<b>Current Risk Status</b>	
<b>Description of Risk</b>	suppression of any notfication of debt to be raised improper write-off failing to institute recovery proceedings switching/transferring arrears or manipulation of credit balances		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>	 Likelihood Severity	<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>	 Likelihood Severity	
<b>Gross Risk Score</b>	4	reconciliations bugetary controls internal audit wrtie off policy authorisation levels audit trail debt recovery procedures supervisory controls	<b>Current Risk Score</b>	2	
<b>Gross Severity</b>	2		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>	1	
<b>Gross Risk</b>			<b>Last Risk Review</b>		


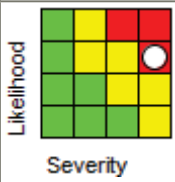
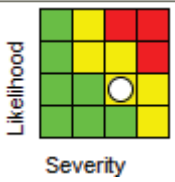
<b>Review Date</b>	review of credit balances and suspense items	<b>Date</b>	15 Apr 2011
<b>Risk Notes</b>			


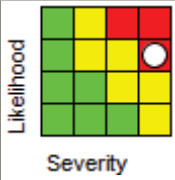
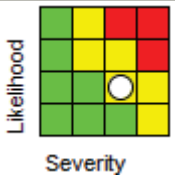
<b>Risk Code</b>	RR RDIAFC007	<b>Risk Title</b>	Creditor payments	<b>Current Risk Status</b>	
<b>Description of Risk</b>	invoicing for goods/services not supplied/false invoices supplying inferior goods/services to those invoiced		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		
<b>Gross Risk Score</b>	6	authorisation procedures reconciliations audit trail segregation of duties financial guidance inventories	<b>Current Risk Score</b>	2	
<b>Gross Severity</b>	3		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>	1	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					


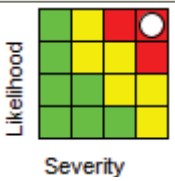
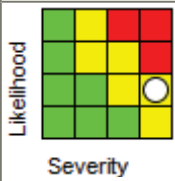
<b>Risk Code</b>	RR RDIAFC008	<b>Risk Title</b>	Treasury management	<b>Current Risk Status</b>	
<b>Description of Risk</b>	falsifying records to gain access to loan or investment monies		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		
<b>Gross Risk Score</b>	12	management controls segregation of duties internal audit authorised signatories budgetary controls preferred/approved borrowers audit trail documented procedures	<b>Current Risk Score</b>	6	
<b>Gross Severity</b>	4		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					


<b>Risk Code</b>	RR RDIAFC009	<b>Risk Title</b>	Contracts/procurement	<b>Current Risk Status</b>	
<b>Description of Risk</b>	improper award of contracts		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		
<b>Gross Risk Score</b>	12	financial regulations standing orders procurement specialist OJEU regulations authorised signatories management controls segregation of duties tendering system	<b>Current Risk Score</b>	6	
<b>Gross Severity</b>	4		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

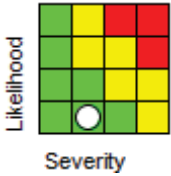
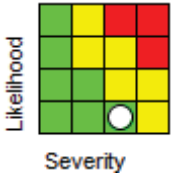
<b>Risk Code</b>	RR RDIAFC010	<b>Risk Title</b>	Contracts/procurement	<b>Current Risk</b>	
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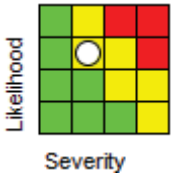
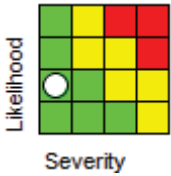
				<b>Status</b>	
<b>Description of Risk</b>	contract not delivered properly contractor overpaid			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	12	contract conditions contract monitoring legal advice internal audit		<b>Current Risk Score</b>	6
<b>Gross Severity</b>	4		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					


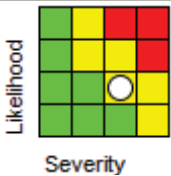
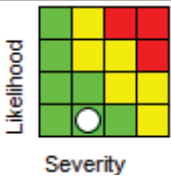
<b>Risk Code</b>	RR RDIAFC011	<b>Risk Title</b>	Contracts/procurement	<b>Current Risk Status</b>	
<b>Description of Risk</b>	collusion with contractors and/or acceptance of bribes			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	12	authorised signatories management controls segregation of duties register of interests confidential reporting policy gifts and hospitality policy		<b>Current Risk Score</b>	6
<b>Gross Severity</b>	4		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					


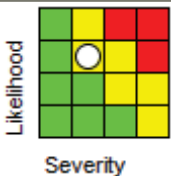
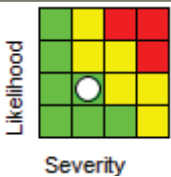
<b>Risk Code</b>	RR RDIAFC012	<b>Risk Title</b>	Contracts/procurements	<b>Current Risk Status</b>	
<b>Description of Risk</b>	collusion by tenderers			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	16	benchmarking tendering procedures		<b>Current Risk Score</b>	8
<b>Gross Severity</b>	4		<b>Current Severity</b>	4	
<b>Gross Likelihood</b>	4		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

<b>Risk Code</b>	RR RDIAFC013	<b>Risk Title</b>	Payroll	<b>Current Risk Status</b>	
<b>Description of Risk</b>	payment to non existent employees			<b>Assigned To</b>	

<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	2	management checks establishment list budget monitoring segregation of duties data matching authorisation process	<b>Current Risk Score</b>	3
<b>Gross Severity</b>	2		<b>Current Severity</b>	3
<b>Gross Likelihood</b>	1		<b>Current Likelihood</b>	1
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011
<b>Risk Notes</b>				

<b>Risk Code</b>	RR RDIAFC014	<b>Risk Title</b>	Payroll	<b>Current Risk Status</b>	
<b>Description of Risk</b>	over claiming hours worked			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	6	management checks budget monitoring authorisation process time records	<b>Current Risk Score</b>	2	
<b>Gross Severity</b>	2		<b>Current Severity</b>	1	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

<b>Risk Code</b>	RR RDIAFC015	<b>Risk Title</b>	Payroll	<b>Current Risk Status</b>	
<b>Description of Risk</b>	manipulation of standing data			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	6	system access controls system administrator segregation of duties management controls internal audit	<b>Current Risk Score</b>	2	
<b>Gross Severity</b>	3		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>	1	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

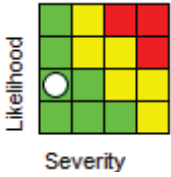
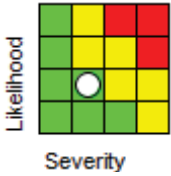
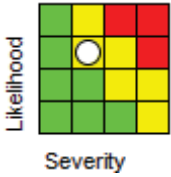
<b>Risk Code</b>	RR RDIAFC016	<b>Risk Title</b>	Assets	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Theft of current assets			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	

<b>Gross Risk Score</b>	6	stock checks restricted access segregation of duties inventories	<b>Current Risk Score</b>	4
<b>Gross Severity</b>	2		<b>Current Severity</b>	2
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011
<b>Risk Notes</b>				

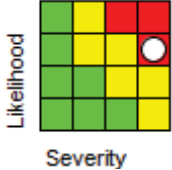
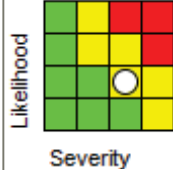
<b>Risk Code</b>	RR RDIAFC017	<b>Risk Title</b>	Assets	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Theft of fixed assets			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	9	restricted access asset tagging inventories staff awareness	<b>Current Risk Score</b>	4	
<b>Gross Severity</b>	3		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					


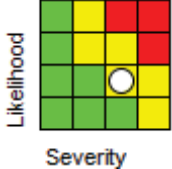
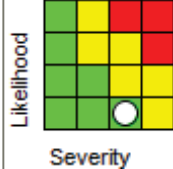
<b>Risk Code</b>	RR RDIAFC018	<b>Risk Title</b>	Assets	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Theft of Council information/intellectual property			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	12	encryption staff awareness passwords access controls restricted access to building security policy ISO27001	<b>Current Risk Score</b>	8	
<b>Gross Severity</b>	4		<b>Current Severity</b>	4	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					


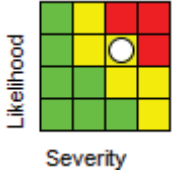
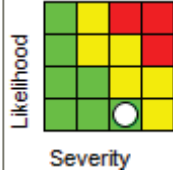
<b>Risk Code</b>	RR RDIAFC019	<b>Risk Title</b>	Assets	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Inappropriate use fo Council assets for private use			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	8	register of interests financial guidance management controls induction process security policy user reports eg internet, telephone	<b>Current Risk Score</b>	6	
<b>Gross Severity</b>	2		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	4		<b>Current Likelihood</b>	3	
<b>Gross Risk</b>			<b>Last Risk Review</b>		


<b>Review Date</b>		<b>Date</b>	15 Apr 2011
<b>Risk Notes</b>			
<b>Risk Code</b>	RR RDIAFC020	<b>Risk Title</b>	Petty cash/imprest accounts
<b>Description of Risk</b>	Theft of takings disguised by manipulation of accounts		<b>Current Risk Status</b>
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>
<b>Gross Risk Score</b>	2	segregation of duties management checks reconciliations authorised signatories imprest values kept to a minimum annual certificate	<b>Current Risk Score</b>
<b>Gross Severity</b>	1		<b>Current Severity</b>
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>
<b>Risk Notes</b>			
<b>Risk Code</b>	RR RDIAFC021	<b>Risk Title</b>	Sheltered schemes
<b>Description of Risk</b>	Theft of customer monies		<b>Current Risk Status</b>
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>
<b>Gross Risk Score</b>	4	segregation of duties reconciliations restricted access CRB checks	<b>Current Risk Score</b>
<b>Gross Severity</b>	2		<b>Current Severity</b>
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>
<b>Risk Notes</b>			
<b>Risk Code</b>	RR RDIAFC022	<b>Risk Title</b>	Expenses claims
<b>Description of Risk</b>	claiming expenses for journeys not undertaken claiming for more miles than actually travelled		<b>Current Risk Status</b>
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>
<b>Gross Risk Score</b>	6	managment checks authorisation procedures internal audit	<b>Current Risk Score</b>
<b>Gross Severity</b>	2		<b>Current Severity</b>
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>
<b>Risk Notes</b>			
<b>Risk Code</b>	RR RDIAFC023	<b>Risk Title</b>	Corruption
			<b>Current Risk Status</b>



<b>Description of Risk</b>	Contracts - tendering, awarding and payment		<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	12	management checks register of interests constitution procurement unit legislation tendering system standing orders/financial regulations	<b>Current Risk Score</b>	6
<b>Gross Severity</b>	4		<b>Current Severity</b>	3
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011
<b>Risk Notes</b>				

<b>Risk Code</b>	RR RDIAFC024	<b>Risk Title</b>	Corruption	<b>Current Risk Status</b>	
<b>Description of Risk</b>	disposal of assets - land and property		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		
<b>Gross Risk Score</b>	6	constitution asset management plan asset disposal policy asset register segregation of duties	<b>Current Risk Score</b>	3	
<b>Gross Severity</b>	3		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>	1	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

<b>Risk Code</b>	RR RDIAFC025	<b>Risk Title</b>	Corruption	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Award of planning consents and licences		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		
<b>Gross Risk Score</b>	9	planning approval process segregation of duties delegated powers constitution legislation	<b>Current Risk Score</b>	3	
<b>Gross Severity</b>	3		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	1	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

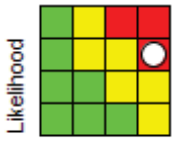
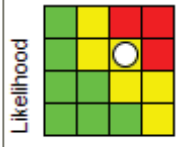
<b>Risk Code</b>	RR RDIAFC026	<b>Risk Title</b>	Corruption	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Acceptance of gifts, hospitality, secondary employment		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		


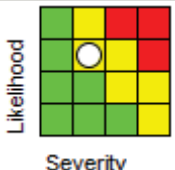
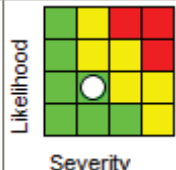
<b>Gross Risk Score</b>	6	gifts and hospitality policy gifts and hospitality register NFI constitution contract of employment	<b>Current Risk Score</b>	4
<b>Gross Severity</b>	2		<b>Current Severity</b>	2
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011
<b>Risk Notes</b>				


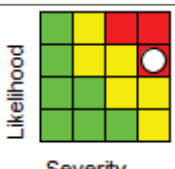
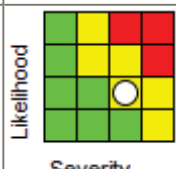
<b>Risk Code</b>	RR RDIAFC027	<b>Risk Title</b>	Car parking	<b>Current Risk Status</b>	
<b>Description of Risk</b>	theft of takings disguised by manipulation of accounts theft of taking without disguise recycling of tickets			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	9	budget monitoring audit trail reconciliations	<b>Current Risk Score</b>	6	
<b>Gross Severity</b>	3		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					


<b>Risk Code</b>	RR RDIAFC028	<b>Risk Title</b>	Money laundering	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Using the council to hide improper transactions			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	8	rasied awareness money laundering policy training of officers upper limit for cash transactions	<b>Current Risk Score</b>	4	
<b>Gross Severity</b>	4		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

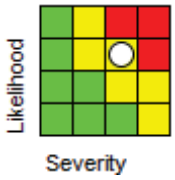
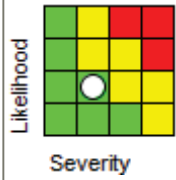
<b>Risk Code</b>	RR RDIAFC029	<b>Risk Title</b>	ICT fraud & abuse	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Improper use of council ICT equipment			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	


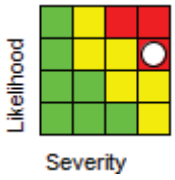
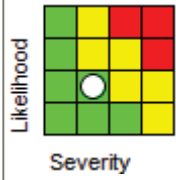
				
<b>Gross Risk Score</b>	12	internet use policy surf control access controls management reports on internet usage software audit facility	<b>Current Risk Score</b>	9
<b>Gross Severity</b>	4		<b>Current Severity</b>	3
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	3
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011
<b>Risk Notes</b>				


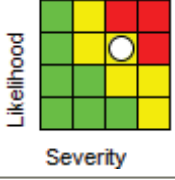
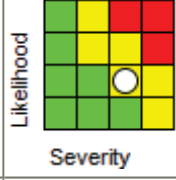
<b>Risk Code</b>	RR RDIAFC030	<b>Risk Title</b>	Employee - general	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Abuse of flexi system falsification of car loans		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		
<b>Gross Risk Score</b>	6	flexible working policy management checks time recording systems flexi records car inspection reports independent valuations	<b>Current Risk Score</b>	4	
<b>Gross Severity</b>	2		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					


<b>Risk Code</b>	RR RDIAFC031	<b>Risk Title</b>	Payment of grants to the public	<b>Current Risk Status</b>	
<b>Description of Risk</b>	claiming for properties which are not owned claimants understating income over claiming the value of the work done		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		
<b>Gross Risk Score</b>	12	grant criteria grant assessments land registry checks quotes for work segregation of duties inspections management checks	<b>Current Risk Score</b>	6	
<b>Gross Severity</b>	4		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

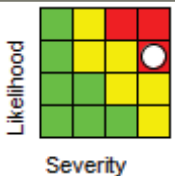
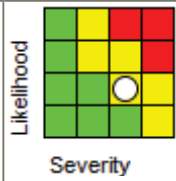
<b>Risk Code</b>	RR RDIAFC032	<b>Risk Title</b>	Insurance claims	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Claiming for non existent injuries Claiming at another establishment for the same injury overclaiming		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		


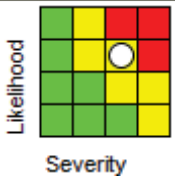
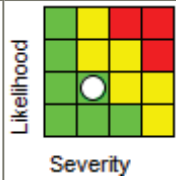
				
<b>Gross Risk Score</b>	9	Insurance brokers claim forms NFI	<b>Current Risk Score</b>	4
<b>Gross Severity</b>	3		<b>Current Severity</b>	2
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011
<b>Risk Notes</b>				


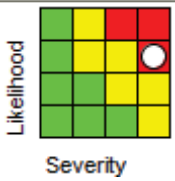
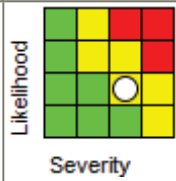
<b>Risk Code</b>	RR RDIAFC033	<b>Risk Title</b>	Loans & Investments	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Miaappropriation of funds Fraudulent payment or investment of funds			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	12	Written procedures segregation of duties authorisation process counterparty listing reconciliations treasury management policy treasury management strategy access controls internal audit	<b>Current Risk Score</b>	4	
<b>Gross Severity</b>	4		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					


<b>Risk Code</b>	RR RDIAFC034	<b>Risk Title</b>	Council Tax & NNDR	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Fictitious refunds duplicate bank accounts intercepting income suppressing arrears exemptions/discounts awarded incorrectly exemptions/discounts claimed fraudulently 3rd party collections stolen/misappropriated			<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>		<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	9	separation of duties management/supervisory checks access controls authorisation processes reconciliations review of suppressed recovery action interrogation reports void inspections discount/exemption reviews NFI	<b>Current Risk Score</b>	6	
<b>Gross Severity</b>	3		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

<b>Risk Code</b>	RR RDIAFC035	<b>Risk Title</b>	Regeneration development corruption	<b>Current Risk Status</b>	
	Developer awarded contracts for financial incentive				

<b>Description of Risk</b>	Inducements for the granting of planning consents Contract granted to developer at a reduced price in exchange for cash payments to officers and members Backhanders to reduce restraints on developer		<b>Assigned To</b>	
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	12	Business cases project teams declaration interests Officers present minutes of meetings	<b>Current Risk Score</b>	6
<b>Gross Severity</b>	4		<b>Current Severity</b>	3
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011
<b>Risk Notes</b>				

<b>Risk Code</b>	RR RDIAFC036	<b>Risk Title</b>	Housing allocations	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Housing allocated for financial reward fraudulent allocation of property		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		
<b>Gross Risk Score</b>	9	separation of duties housing register management checks declaration of interests	<b>Current Risk Score</b>	4	
<b>Gross Severity</b>	3		<b>Current Severity</b>	2	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

<b>Risk Code</b>	RR RDIAFC037	<b>Risk Title</b>	Elections	<b>Current Risk Status</b>	
<b>Description of Risk</b>	Fraudulent voting Fraudulent acts by canvassers		<b>Assigned To</b>		
<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>		
<b>Gross Risk Score</b>	12	supervisory roles at counts postal votes counts supervised access controls ballot box controls ballot paper account insurance pre employment checks supervisory checks	<b>Current Risk Score</b>	6	
<b>Gross Severity</b>	4		<b>Current Severity</b>	3	
<b>Gross Likelihood</b>	3		<b>Current Likelihood</b>	2	
<b>Gross Risk Review Date</b>			<b>Last Risk Review Date</b>	15 Apr 2011	
<b>Risk Notes</b>					

<b>Risk Code</b>	RR RDIAFC038	<b>Risk Title</b>	financial statements	<b>Current Risk Status</b>	
<b>Description of Risk</b>	the financial statements may be materially mis-stated due to fraud		<b>Assigned To</b>		

<b>Gross Risk Matrix</b>		<b>Risk Treatment Measures Implemented</b>	<b>Current Risk Matrix</b>	
<b>Gross Risk Score</b>	6	Internal Audit financial guidance segregation of duties	<b>Current Risk Score</b>	4
<b>Gross Severity</b>	3		<b>Current Severity</b>	2
<b>Gross Likelihood</b>	2		<b>Current Likelihood</b>	2
<b>Gross Risk Review Date</b>	18 Jun 2010		<b>Last Risk Review Date</b>	15 Apr 2011
<b>Risk Notes</b>				