Appendix 2

Fraud Risk Register

Generated on: 21 October 2013



Risk Code	RR RDIAFC001	Risk Title	Benefits fraud - claimant	Current Risk Status	
Description of Risk	Claimant fraudulently clair	ns benefits		Assigned To	
Gross Risk Matrix	Pooding	Risk Treatment Measures Implemented (Current Risk Matrix	Pooding
©ross Risk Score	12	trained staff		Current Risk Score	8
(O (G)ross Severity	3	media coverage - forms, TV	radio	Current Severity	2
Goss Likelihood	4	data matching		Current Likelihood	4
Gross Risk Review Date		internal audit documentary evidence		Last Risk Review Date	18-Oct-2013
Risk Notes					

Description of Risk fraudul	lent claim by third party				
				Assigned To	
Gross Risk Matrix	Risk To	Risk Treatment Measures Implemented		Current Risk Matrix	Pooling
Gross Risk Score 4	trained	trained staff media coverage - forms, TV radio		Current Risk Score	4
Gross Severity 2				Current Severity	2
Gross Likelihood 2	Interna	atching I Audit		Current Likelihood	2
Gross Risk Review Date		Supervisory checks Documentary evidence		Last Risk Review Date	18-Oct-2013
Risk Notes					

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Risk Code	RR RDIAFC003	Risk Title	Benefits fraud - internal	Current Risk Status	
Description of Risk	Fraudulent claim by memb	per of staff		Assigned To	
Gross Risk Matrix	Poorling	Risk Treatment Measures Implemented		Current Risk Matrix	Pooluling
Gross Risk Score	9	recruitment checks		Current Risk Score	6
Gross Severity	3	data matching		Current Severity	3
Gross Likelihood	3	system controls	supervisory checks system controls		2
Gross Risk Review Date		audit trails internal audit		Last Risk Review Date	18-Oct-2013
Risk Notes					

Risk Code	RR RDIAFC004	Risk Title	Cash theft	Current Risk Status	②
Description of Risk	theft of takings disguised	by manipulation of accounts	•	Assigned To	
Gross Risk Matrix	Severity	Risk Treatment Measures Implemented		Current Risk Matrix	Poorling
Gross Risk Score	4			Current Risk Score	2
Gross Severity	2	supervisory checks policies and procedures	supervisory checks		2
Gross Likelihood	2	financial regulations and gu	iidance	Current Likelihood	1
Gross Risk Review Dg te ග		segregation of duties budgetary controls internal audit confidential reporting policy fraud & corruption strategy		Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC005	Risk Title	Cash theft	Current Risk Status	O
Description of Risk	theft of cash without dis	sguise	:	Assigned To	
Gross Risk Matrix	Reverity	Risk Treatment Measure	Risk Treatment Measures Implemented		Severity
Gross Risk Score	4	reconciliations	reconciliations supervisory checks policies and procedures financial regulations segregation of duties budgetary controls internal audit confidential reporting policy fraud & corruption strategy physical controls		1
Gross Severity	2				1
Gross Likelihood	2	financial regulations			1
Gross Risk Review Date U W Ssk Notes		budgetary controls internal audit confidential reporting policy fraud & corruption strategy			18-Oct-2013
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Risk Code	RR RDIAFC006	Risk Title	Credit Income	Current Risk Status	Ø
Description of Risk	suppression of any notification of debt to be raised improper write-off failing to institute recovery proceedings switching/transferring arrears or manipulation of credit balances			Assigned To	
Gross Risk Matrix	Likelihood	Risk Treatment Measures Implemented		Current Risk Matrix	Poodle
Gross Risk Score	4	reconciliations		Current Risk Score	2
Gross Severity	2	budgetary controls internal audit		Current Severity	2
Gross Likelihood	2	write off policy		Current Likelihood	1
ປ ນ @ross Risk Review @ ate 4		authorisation levels audit trail debt recovery procedures supervisory controls review of credit balances ar	nd suspense items	Last Risk Review Date	18-Oct-2013
Risk Notes		•			

Risk Code	RR RDIAFC007	Risk Title	Creditor payments	Current Risk Status	
Description of Risk	invoicing for goods/services not supplied/false invoices supplying inferior goods/services to those invoiced			Assigned To	
Gross Risk Matrix	Severity	Risk Treatment Measures	s Implemented	Current Risk Matrix	Poor
Gross Risk Score	6	authorisation procedures		Current Risk Score	2
Gross Severity	3	reconciliations audit trail		Current Severity	2
Gross Likelihood	2	segregation of duties		Current Likelihood	1
Gross Risk Review Date		financial guidance inventories		Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC008	Risk Title	Treasury management	Current Risk Status	
Description of Risk	falsifying records to gain	access to loan or investment	monies	Assigned To	
Gross Risk Matrix	Dood Severity	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
Gross Risk Score	12	management controls		Current Risk Score	6
Gross Severity	4	segregation of duties internal audit	segregation of duties		3
Gross Likelihood	3	authorised signatories		Current Likelihood	2
Gross Risk Review Date U		budgetary controls preferred/approved borrow audit trail documented procedures	ers	Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC009	Risk Title	Contracts/procurement	Current Risk Status	
Description of Risk	improper award of contra	acts		Assigned To	
Gross Risk Matrix	Severity	Risk Treatment Measures	Risk Treatment Measures Implemented		Severity
Gross Risk Score	12	financial regulations		Current Risk Score	6
Gross Severity	4	1 -	standing orders procurement specialist OJEU regulations		3
Gross Likelihood	3	OJEU regulations			2
Gross Risk Review Date		authorised signatories management controls segregation of duties tendering system		Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC010	Risk Title	Contracts/procurement	Current Risk Status	
Description of Risk	contract not delivered properly contractor overpaid			Assigned To	
Gross Risk Matrix	Severity	Risk Treatment Measures Implemented		Current Risk Matrix	poor I Severity
Gross Risk Score	12			Current Risk Score	6
Gross Severity	4	contract conditions		Current Severity	3
Gross Likelihood	3	contract monitoring legal advice		Current Likelihood	2
Gross Risk Review		internal audit			18-Oct-2013
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Risk Code	RR RDIAFC011	Risk Title	Contracts/procurement	Current Risk Status	
Description of Risk	collusion with contractors	and/or acceptance of bribes		Assigned To	
Gross Risk Matrix	Cikelihood Severity	Risk Treatment Measures Implemented		Current Risk Matrix	Poolulinood
Gross Risk Score	12	authorised signatories		Current Risk Score	6
Gross Severity	4	management controls		Current Severity	3
Gross Likelihood	3	register of interests	segregation of duties register of interests		2
Gross Risk Review Date		confidential reporting policy gifts and hospitality policy		Last Risk Review Date	18-Oct-2013
Risk Notes					

Risk Code	RR RDIAFC012	Risk Title	Contracts/procurements	Current Risk Status	
Description of Risk	collusion by tenderers			Assigned To	
Gross Risk Matrix	Poodilipood	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
Gross Risk Score	16			Current Risk Score	8
Gross Severity	4			Current Severity	4
Gross Likelihood	4	benchmarking tendering procedures		Current Likelihood	2
Gross Risk Review Date]		Last Risk Review Date	18-Oct-2013
Risk Notes					
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Risk Code	RR RDIAFC013	Risk Title	Payroll	Current Risk Status	②
Description of Risk	payment to non existent e	mployees		Assigned To	
Gross Risk Matrix	Likelihood Severity	Risk Treatment Measures Implemented		Current Risk Matrix	Pooding
Gross Risk Score	2	management checks		Current Risk Score	3
Gross Severity	2	establishment list		Current Severity	3
Gross Likelihood	1	budget monitoring segregation of duties		Current Likelihood	1
Gross Risk Review Date		data matching authorisation process		Last Risk Review Date	18-Oct-2013
Risk Notes					

Risk Code	RR RDIAFC014	Risk Title	Payroll	Current Risk Status	
Description of Risk	over claiming hours worke	ed		Assigned To	
Gross Risk Matrix	Severity	Risk Treatment Measures	s Implemented	Current Risk Matrix	Pooding
Gross Risk Score	6			Current Risk Score	2
Gross Severity	2	management checks		Current Severity	1
Gross Likelihood	3	authorisation process	budget monitoring authorisation process time records		2
Gross Risk Review Date		time records			18-Oct-2013
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Risk Code	RR RDIAFC015	Risk Title	Payroll	Current Risk Status	Ø
Description of Risk	manipulation of standing of	lata		Assigned To	
Gross Risk Matrix	Severity	Risk Treatment Measures Implemented		Current Risk Matrix	Pooluling
Gross Risk Score	6	system assess centrals			2
Gross Severity	3	system access controls system administrator		Current Severity	2
Gross Likelihood	2	segregation of duties	segregation of duties		1
Gross Risk Review Date		management controls internal audit		Last Risk Review Date	18-Oct-2013
Risk Notes					

RR RDIAFC016	Risk Title	Assets	Current Risk Status	
Theft of current assets			Assigned To	
Cikelihood	Risk Treatment Measures	s Implemented	Current Risk Matrix	Pooding
6			Current Risk Score	4
2	stock checks	restricted access segregation of duties inventories		2
3	segregation of duties			2
	inventories			18-Oct-2013
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	Theft of current assets Severity 6 2	Theft of current assets Risk Treatment Measure Severity 6 2 stock checks restricted access segregation of duties	Theft of current assets Risk Treatment Measures Implemented Severity 6 2 stock checks restricted access segregation of duties	Theft of current assets Risk Treatment Measures Implemented Current Risk Matrix Current Risk Score Current Risk Score Current Severity Current Severity Current Likelihood

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Risk Code	RR RDIAFC017	Risk Title	Assets	Current Risk Status	
Description of Risk	Theft of fixed assets	•		Assigned To	
Gross Risk Matrix	Pood	Risk Treatment Measures Implemented		Current Risk Matrix	Pood Pipe Severity
Gross Risk Score	9			Current Risk Score	4
Gross Severity	3	restricted access		Current Severity	2
Gross Likelihood	3	inventories	asset tagging inventories		2
Gross Risk Review Date		staff awareness		Last Risk Review Date	18-Oct-2013
Risk Notes					

Risk Code	RR RDIAFC018	Risk Title	Assets	Current Risk Status	
Description of Risk	Theft of Council information	on/intellectual property		Assigned To	
Gross Risk Matrix	Likelihood	Risk Treatment Measures	s Implemented	Current Risk Matrix	Pooding
Gross Risk Score	12	encryption		Current Risk Score	8
Gross Severity	4	staff awareness passwords	Is	Current Severity	4
Gross Likelihood	3	access controls		Current Likelihood	2
Gross Risk Review Date		restricted access to building security policy ISO27001	1	Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC019	Risk Title	Assets	Current Risk Status	
Description of Risk	Inappropriate use of Coun	cil assets for private use	•	Assigned To	
Gross Risk Matrix	Pooding	Risk Treatment Measures Implemented		Current Risk Matrix	Pool
Gross Risk Score	8	register of interests		Current Risk Score	6
Gross Severity	2	financial guidance		Current Severity	2
Gross Likelihood	4	induction process	management controls induction process		3
Gross Risk Review Date		security policy		Last Risk Review Date	18-Oct-2013
Risk Notes					

Risk Code	RR RDIAFC020	Risk Title	Petty cash/imprest accounts	Current Risk Status	
Description of Risk	Theft of takings disgu	uised by manipulation of accounts		Assigned To	
Gross Risk Matrix	Pooding	Risk Treatment Measure	Risk Treatment Measures Implemented		Pooling
Gross Risk Score	2	segregation of duties		Current Risk Score	2
Gross Severity	1	management checks	management checks		1
Gross Likelihood	2	reconciliations authorised signatories		Current Likelihood	2
Gross Risk Review Date			imprest values kept to a minimum		18-Oct-2013
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Risk Code	RR RDIAFC021	Risk Title	Sheltered schemes	Current Risk Status	
Description of Risk	Theft of customer monies			Assigned To	
Gross Risk Matrix	Severity	Risk Treatment Measures	s Implemented	Current Risk Matrix	Pool Pickelly Severity Severity
Gross Risk Score	4			Current Risk Score	2
Gross Severity	2	segregation of duties reconciliations		Current Severity	2
Gross Likelihood	2	restricted access		Current Likelihood	1
Gross Risk Review Date		CRB checks		Last Risk Review Date	18-Oct-2013
Risk Notes					
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Risk Code	RR RDIAFC022	Risk Title	Expenses claims	Current Risk Status	②
Description of Risk	claiming expenses for jo			Assigned To	
Gross Risk Matrix	Severity	Risk Treatment Measures Implemented		Current Risk Matrix	Pooling Severity
Gross Risk Score	6				4
Gross Severity	2	management checks			2
Gross Likelihood	3	authorisation procedures			2
Gross Risk Review Date		miternal audit			18-Oct-2013
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RR RDIAFC023	Risk Title	Corruption	Current Risk Status	
Contracts - tendering, aw	ntracts - tendering, awarding and payment			
Likelihood Severity	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
12	management checks register of interests		Current Risk Score	6
4			Current Severity	3
3	procurement unit		Current Likelihood	2
	tendering system		Last Risk Review Date	18-Oct-2013
	Contracts - tendering, aw Severity 12	Contracts - tendering, awarding and payment Risk Treatment Measure: Severity 12 management checks register of interests constitution procurement unit legislation tendering system	Contracts - tendering, awarding and payment Risk Treatment Measures Implemented 12 management checks register of interests constitution procurement unit legislation	Contracts - tendering, awarding and payment Risk Treatment Measures Implemented Current Risk Matrix 12 management checks register of interests constitution procurement unit legislation tendering system Current Risk Score Current Severity Current Likelihood Last Risk Review Date

disposal of assets - land ar	nd proporty	•		_
	id property		Assigned To	
Clied Door	Risk Treatment Measures Implemented		Current Risk Matrix	Poolula
6	a a matitu eti a m		Current Risk Score	3
3			Current Severity	3
	asset disposal policy		Current Likelihood	1
	and the second s		Last Risk Review Date	18-Oct-2013
•	Severity 5	Severity constitution asset management plan	Severity constitution asset management plan asset disposal policy asset register	Severity Constitution asset management plan asset disposal policy asset register Current Risk Score Current Severity Current Likelihood

Risk Code	RR RDIAFC025	Risk Title	Corruption	Current Risk Status	②
Description of Risk	Award of planning conse	ents and licences		Assigned To	
Gross Risk Matrix	Poo Clieboo Cl	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
Gross Risk Score	9			Current Risk Score	3
Gross Severity	3	planning approval process segregation of duties		Current Severity	3
Gross Likelihood	3	delegated powers		Current Likelihood	1
Gross Risk Review Date		legislation	constitution legislation		18-Oct-2013
Risk Notes					
Page 59					

Assigned To Current Risk Matrix	9
Current Risk Matrix	poo
	Severity
Current Risk Score	4
Current Severity	2
Current Likelihood	2
ast Risk Review Date	18-Oct-2013
Cui	rrent Likelihood

RR RDIAFC027	Risk Title	Car parking	Current Risk Status	
			Assigned To	
Severity	Risk Treatment Measures Implemented		Current Risk Matrix	Poodilipood
9			Current Risk Score	6
3	budget monitoring		Current Severity	3
3	audit trail	audit trail reconciliations		2
	Treconciliations			18-Oct-2013
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	theft of takings disguised theft of taking without disrecycling of tickets Severity 9 3	theft of takings disguised by manipulation of accounts theft of taking without disguise recycling of tickets Risk Treatment Measures Severity 9 3 budget monitoring audit trail	theft of takings disguised by manipulation of accounts theft of taking without disguise recycling of tickets Risk Treatment Measures Implemented Severity 9 3 budget monitoring audit trail	theft of takings disguised by manipulation of accounts theft of taking without disguise recycling of tickets Risk Treatment Measures Implemented Current Risk Matrix Current Risk Score Current Severity Dudget monitoring audit trail Current Likelihood

Risk Code	RR RDIAFC028	Risk Title	Money laundering	Current Risk Status	
Description of Risk	Using the council to hide	Using the council to hide improper transactions			
Gross Risk Matrix	Pooluling	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
Gross Risk Score	8			Current Risk Score	4
Gross Severity	4	raised awareness		Current Severity	2
Gross Likelihood	2		money laundering policy training of officers upper limit for cash transactions		2
Gross Risk Review Date					22-May-2013
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Risk Code	RR RDIAFC029	Risk Title	ICT fraud & abuse	Current Risk Status	
Description of Risk	Improper use of council I	CT equipment	Assigned To		
Gross Risk Matrix	Feelihood	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
Gross Risk Score	12	internet use policy		Current Risk Score	9
Gross Severity	4	surf control access controls		Current Severity	3
Gross Likelihood	3	management reports on int	ternet usage	Current Likelihood	3
Gross Risk Review Date		software audit facility ISO27001 standard	software audit facility		18-Oct-2013
Risk Notes					

Risk Code	RR RDIAFC030	Risk Title	Employee - general	Current Risk Status	②
Description of Risk	Abuse of flexi system falsification of car loans			Assigned To	
Gross Risk Matrix	Cikelihood	Risk Treatment Measures Implemented		Current Risk Matrix	Pooling
Gross Risk Score	6	flexible working policy		Current Risk Score	4
Gross Severity	2	management checks		Current Severity	2
Gross Likelihood	3	time recording systems flexi records		Current Likelihood	2
Gross Risk Review		car inspection reports independent valuations	car inspection reports		18-Oct-2013
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Risk Code	RR RDIAFC031	Risk Title	Payment of grants to the public	Current Risk Status	
Description of Risk	claiming for properties claimants understating over claiming the value	income	Assigned To		
Gross Risk Matrix	Severity	Risk Treatment Measur	Risk Treatment Measures Implemented		Doo Like line O
Gross Risk Score	12	grant criteria		Current Risk Score	6
Gross Severity	4	grant assessments land registry checks		Current Severity	3
Gross Likelihood	3	quotes for work		Current Likelihood	2
Gross Risk Review Da te		segregation of duties inspections management checks		Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC032	Risk Title	Insurance claims	Current Risk Status	O
Description of Risk	Claiming for non existen Claiming at another esta overclaiming	t injuries blishment for the same injury		Assigned To	
Gross Risk Matrix	Pooling	Risk Treatment Measure	Risk Treatment Measures Implemented		Poor
Gross Risk Score	9				4
Gross Severity	3	Insurance brokers		Current Severity	2
Gross Likelihood	3	claim forms NFI		Current Likelihood	2
Gross Risk Review Wate		INLT		Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC033	Risk Title	Loans & Investments	Current Risk Status	②
Description of Risk	Misappropriation of funds Fraudulent payment or inv	restment of funds		Assigned To	
Gross Risk Matrix	Likelihood	Risk Treatment Measures Implemented		Current Risk Matrix	Pooluling
Gross Risk Score	12	Written procedures	segregation of duties		4
Gross Severity	4	segregation of duties authorisation process			2
Gross Likelihood	3	counterparty listing		Current Likelihood	2
Gross Risk Review Da te ນ		reconciliations treasury management policy treasury management strategy access controls internal audit		Last Risk Review Date	18-Oct-2013
sk Notes		-			

Risk Code	RR RDIAFC034	Risk Title	Council Tax & NNDR	Current Risk Status	
Description of Risk	Fictitious refunds duplicate bank accounts intercepting income suppressing arrears exemptions/discounts aw exemptions/discounts cla 3rd party collections stole	imed fraudulently	•	Assigned To	
Gross Risk Matrix	Poodilipood	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
Gross Risk Score	9	separation of duties		Current Risk Score	6
Gross Severity	3	management/supervis access controls	sory checks	Current Severity	3
Gross Likelihood	3	authorisation processe	es	Current Likelihood	2
(D (C) (C) (C) (C) (C) (C) (C) (C)		reconciliations review of suppressed interrogation reports void inspections discount/exemption re NFI	·	Last Risk Review Date	18-Oct-2013
Risk Notes				'	-

Risk Code	RR RDIAFC035	Risk Title	Regeneration development corruption	Current Risk Status	
Description of Risk	Developer awarded contra Inducements for the grant Contract granted to develop Backhanders to reduce res	ting of planning consents oper at a reduced price in ex	change for cash payments to officers and members	Assigned To	
Gross Risk Matrix	Pooling	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
Gross Risk Score	12	Dusiness sees		Current Risk Score	6
Gross Severity	4	Business cases project teams		Current Severity	3
Gross Likelihood	3	declaration interests		Current Likelihood	2
Gross Risk Review Date		Officers present minutes of meetings		Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC036	Risk Title	Housing allocations	Current Risk Status	O
Description of Risk	Housing allocated for fina fraudulent allocation of p			Assigned To	
Gross Risk Matrix	Poolulis	Risk Treatment Measures Implemented		Current Risk Matrix	Poorling
Gross Risk Score	9			Current Risk Score	4
Gross Severity	3	separation of duties		Current Severity	2
Gross Likelihood	3	housing register management checks		Current Likelihood	2
Gross Risk Review		declaration of interests		Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC037	Risk Title	Elections	Current Risk Status	
Description of Risk	Fraudulent voting Fraudulent acts by canvassers			Assigned To	
Gross Risk Matrix	Pooling	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
Gross Risk Score	12	supervisory roles at counts	supervisory roles at counts		6
Gross Severity	4	postal votes counts supervi access controls	sed	Current Severity	3
Gross Likelihood	3	ballot box controls		Current Likelihood	2
Gross Risk Review Date		ballot paper account insurance pre employment checks supervisory checks		Last Risk Review Date	18-Oct-2013
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Risk Code	RR RDIAFC038	Risk Title	financial statements	Current Risk Status	
Description of Risk	the financial statements n	nay be materially mis-stated	due to fraud	Assigned To	
Gross Risk Matrix	Pooling	Risk Treatment Measures Implemented		Current Risk Matrix	Severity
Gross Risk Score	6				4
Gross Severity	3	Internal Audit		Current Severity	2
Gross Likelihood	2	financial guidance	financial guidance		2
Gross Risk Review Date	18-Jun-2010	segregation of duties		Last Risk Review Date	18-Oct-2013
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