NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

LIKELIHOOD		1 Negligible	2 Minor	3 Major	4 Critical	
	4 Almost certain					Occurs several times per year – it will happen
	3 Probable	Employment Fraud : Payment	Housing Benefit Council Tax Support Council Tax Procurement Fraud : Contracts & Payments NNDR			It has happened before – and could happen again
	2 Possible	Insurance Fraud Council Assets (fraudulent use) Bank Fraud	Assets : Land and Property Economic & Third Sector fraud Assets : Equipment Development Management Housing Fraud	Cyber Fraud		It may happen but it would be unusual
	1 Hardly ever	Money Laundering Employment Fraud : Recruitment	Electoral Fraud– Elections Electoral Fraud–Registration Credit Income & Refunds	Investment Fraud		Never heard of it occurring – we cannot imagine it occurring

IMPACT

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	HOUSING BENEFIT FRAUD
Risk Owner	Business Manager – Revenues and Benefits
FRAUD TYPES	• False applications • False documents • Failing to notify change
CONTROLS	• Annual participation in National Fraud Initiative alongside real time information reviews daily with information received from DWP and HMRC • Fraud referral process in place with DWP Fraud and Error Service • Ad hoc communication to social landlords on housing benefit matters • Payment of benefit procedures completed as per the Financial Regulations • Experienced benefits staff in place • Combined database with revenues • Annual subscription to National Anti-Fraud Network allows intelligence gathering • DWP led review individual cases to ensure accuracy of award • Annual Internal Audit process reviews • Whistleblowing Policy in place • Counter-fraud page on website detailing how public can report fraud • Council Tax and Housing teams sharing intelligence to identify potential fraud • Audit of the Subsidy claim whereby individual cases are reviewed - completed by External Audit • Verification of National Insurance number, proof of employment, residence, financial standing and dependents within the household
AGREED ACTIONS	• **Refresh Housing Benefit Anti-Fraud Strategy by March 2022** • **Training on Housing Benefits processes to the Housing Management Business Unit scheduled by September 2021** • **Review website for communications and publicity by December 2021**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK

X			

CURRENT RISK

	X		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	COUNCIL TAX SUPPORT SCHEME
Risk Owner	**Business Manager – Revenues and Benefits**
FRAUD TYPES	• False applications • Failure to notify change in circumstances
CONTROLS	• Anti-Fraud & Corruption Strategy in place and updated February 2021 • Annually approved Council Tax Support policy last updated January 2021 • Counter-fraud page on website detailing how public can report fraud • Whistleblowing Policy in place • Annual participation in National Fraud Initiative alongside real time information reviews daily with information received from DWP and HMRC • Council Tax and Housing share intelligence and identify potential fraud opportunities • Verification of National Insurance number, proof of employment, residence, financial standing and dependents within the household • Experienced benefits staff in place • Annual subscription to National Anti-Fraud Network allows intelligence gathering • Annual Internal Audit process reviews
AGREED ACTIONS	• **Review the use of the powers available under the Local Government Finance Act 1992 in respect of Local Council Tax Support and present to Management for approval by December 2021**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK

amber	amber	red	red
green	amber	amber	red
X (green)	green	amber	amber
green	green	amber	amber

CURRENT RISK

amber	amber	red	red
green	**X** (amber)	amber	red
green	green	amber	amber
green	green	green	amber

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	COUNCIL TAX FRAUD
Risk Owner	**Business Manager – Revenues and Benefits**

FRAUD TYPES	• Single person discount
	• Avoidance of liability through any other fraudulent claim for council tax discount or exemption
	• New properties not on the list:
	    ○ built without planning permission
	    ○ No notification of properties built and occupied or built and substantially complete

CONTROLS	• Anti-Fraud & Corruption Strategy • National Fraud Initiative – data matching. The expanded data matching review is completed every two years • Liaising with the university – access to student lists & annual review of students continued attendance on course • Due diligence completed on every application received • Check electoral register as part of due diligence review on applications • Review planning data in respect of new developments • Visual inspection in respect of new or altered properties • Internal Audit reviews • Whistleblowing Policy in place • Counter-fraud page on website detailing how public can report fraud • Closer working – Council Tax and Housing to share intelligence and identify potential fraud opportunities
AGREED ACTIONS	• **Review all s13A exemptions and discounts for appropriateness and continued eligibility by 31st March 2022**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

TARGET RISK

X			

CURRENT RISK

	X		

FRAUD RISK	NNDR FRAUD
Risk Owner	**Business Manager – Revenues and Benefits**

FRAUD TYPES	• Failure to declare occupation
	• Payment using false bank details
	• Companies going into liquidation then setting up as new companies
	• Avoidance of liability through fraudulent claim for discount or exemption
	• Empty rate avoidance
	• New properties not on the list:
	   o built without planning permission
	   o No notification of properties built and occupied or built and substantially complete

CONTROLS	• Anti-Fraud & Corruption Strategy • Ensure liable business identified for each assessment on the list • Information sharing with other Asset Management and Sundry Debt • Inspections of occupied and unoccupied properties • Checking empty properties • Information received from Landlords or letting agents in relation to changes in occupation • Public complaints – reports to valuation office • Internal Audit reviews • Whistleblowing Policy • Register of Gifts & Hospitality/Register of Interests • Supporting evidence requested during changes in occupation • Counter-fraud page on website detailing how public can report fraud • Use of Analyse Local to review and identify potential undeclared alterations and new properties • Shared inspection resource – NDR along with other Notts Districts employ shared resource to check empty properties, quality assurance for existing properties and identify new and additional properties
AGREED ACTIONS	• **Proactive NNDR review - Use analytical approach to target main business rate payers in line with best practice by December 2021**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK

orange	orange	red	red
green	orange	orange	red
green	**X**	orange	orange
green	green	green	orange

CURRENT RISK

orange	orange	red	red
green	**X**	orange	red
green	green	orange	orange
green	green	green	orange

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	CREDIT INCOME AND REFUND FRAUD
Risk Owner	**Business Manager – Revenues and Benefits**
FRAUD TYPES	**Council tax/NNDR/Rents** • Suppression of notification of debt to be raised • Improper write-off • Failing to institute recovery proceedings • Switching or transferring arrears • Manipulation of credit balances • Payment using false / fraudulent instrument then re-claim of refund • Employee based; false payment then request for refund
CONTROLS	• Anti-Fraud & Corruption Strategy • Refund to original card/bank account where appropriate • Where refunds are processed a three stage approval process is in place • Checking against other accounts (Council Tax etc.) to ensure no other money owed to NSDC • Audit trail stamp on transactional information • Individual log ins to the Revenues system for officers • Reconciliations completed between the financial management system and the source documents • Write off policy in place • System restrictions only allow certain banded officers to complete certain tasks • Internal Audit reviews • Whistleblowing Policy • Counter-fraud page on website detailing how public can report fraud • Counter Fraud details on intranet • No cash receipted at Council officers for Council Tax/NNDR • Review of where the credit balance has originated from, to ensure that the source is legitimate
AGREED ACTIONS	• **Review current credit balances and suspense, and return to monthly reviewing from October 2021** • **'joined up' refund process review across all Council services by October 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK					CURRENT RISK			
	X					**X**		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	PROCUREMENT & CONTRACT FRAUD (CONTRACTS)
Risk Owner	**Business Manager – Financial Services**
FRAUD TYPES	• Bid rigging & cartels – including cover pricing • Bribery of officers or Members involved in contract award • Collusion between officers and contractors involved in tendering • Violation of procedures • Manipulation of accounts • Failure to supply • Failure to supply to contractual standard • Inflating performance information to attract greater payments
CONTROLS	• External Procurement Team independent to the Council assists with procurements • Contract procedure rules in place • Financial Regulations in place • Contract management toolkit in place • Equifax check on proposed companies to be contracted with • Evaluation teams for award of contracts - individual scoring • Code of Conduct in place • Whistleblowing policy in place • OJEU regulations • Register of Gifts & Hospitality/Register of Interests in place • Electronic tender system used for receipt of tenders • Anti-Fraud & Corruption Strategy in place • Internal Audit reviews • Contract management training • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • CIPFA guidance – Managing the Risk of Procurement Fraud • Procurement guidance on Contract Management on intranet • Housing capital expenditure is now channelled through the Council's e-tendering platform
AGREED ACTIONS	• **Annual review of contract management performance of a selection of key contracts** • **All staff to receive fraud awareness e-learning by May 2021** • **Spot checks to ensure CPRs compliance by July 2021** • **Review Contract Procedure Rules by March 2022**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

X						X		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	PROCUREMENT AND CONTRACT FRAUD (PAYMENTS)
Risk Owner	**Business Manager – Financial Services**
FRAUD TYPES	• Credit cards & procurement cards • False invoices & claims • Duplicate payments (false submission) • Senior executive fraud • BACS fraud - fraudulent change of bank details • Mandate fraud • Fake details for internet payments • Claiming petty cash for personal items • Records or methods of payment
CONTROLS	• Financial Regulations in place • Anti-Fraud & Corruption Strategy in place • Bi-annual review of Accounts Payable through the National Fraud Initiative • Whistleblowing Policy in place • Authorisation of orders by authorised officer separate to that requesting the order to be raised • Check/approval on changes to creditor details (to prevent mandate fraud) • Budgetary control • Ownership for cards identified • Internal Audit reviews • Transparency reporting • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • Financial Regulations training for all appropriate staff • Housing capital expenditure is now channelled through the Council's e-tendering platform
AGREED ACTIONS	• **Review 'off contract' spend through use of transparency data (over £500) by July 2021** • **All staff to receive fraud awareness e-learning by May 2021**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK					CURRENT RISK			
orange	orange	red	red		orange	orange	red	red
green	orange	orange	red		green	**X** (orange)	orange	red
green	**X** (green)	orange	orange		green	green	orange	orange
green	green	green	orange		green	green	green	orange

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	BANK FRAUD
Risk Owner	**Business Manager – Financial Services**
FRAUD TYPES	• Misuse of cheques • Alteration of existing cheques • Bank Mandate fraud • Direct Debit, Standing Order fraud on Council's bank account
CONTROLS	• Up to date Financial Regulations (and training) • Up to date Anti-Fraud & Corruption Strategy • Monthly Bank reconciliations completed • Control accounts are balanced at each month end • Verify changes of bank account details using original contact information & audit trail • Internal Audit reviews • Whistleblowing Policy in place • Register of Gifts & Hospitality/Register of Interests in place • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • In year budget monitoring completed • Cheques stored securely, with limited access and reconciled to the financial management system once appearing on the bank statement • Role profiles within the banking system set to ensure separation of duties between those creating the investment and those authorising the investment • Bank communications on fraud distributed to the treasury officers
AGREED ACTIONS	• **All staff to receive fraud awareness e-learning by May 2021** • **Sign up to NAFN for fraud updates by May 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
				X			
X							

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	INVESTMENT FRAUD
Risk Owner	**Business Manager – Financial Services**
FRAUD TYPES	• Fraudulent misappropriation of assets • Loss through breach of procedures • False instruments
CONTROLS	• Annually approved Treasury Management Strategy • Role profiles within the banking system set to ensure separation of duties between those creating the investment and those authorising the investment • Treasury Management advisers review of current portfolio together with instant communication on counterparty rating changes and review of potential new investment counterparties • Updated Financial Regulations • Updated Anti-Fraud & Corruption Strategy • Internal Audit reviews • Whistleblowing Policy in place • Register of Gifts & Hospitality & Register of Interests in place • Annual training with Members facilitated with the treasury advisers • Annual training for officers with treasury advisers/CIPFA • Monthly reconciliations of investment transactions to third party statements
ACTIONS	• **All staff to receive fraud awareness e-learning by May 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK					CURRENT RISK			
🟧	🟧	🟥	🟥		🟧	🟧	🟥	🟥
🟩	🟧	🟧	🟥		🟩	🟧	🟧	🟥
🟩	🟩	🟧	🟧		🟩	🟩	🟧	🟧
🟩	🟩	**X**	🟧		🟩	🟩	**X**	🟧

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	ASSETS (LAND AND PROPERTY)
	• **Business Manager - Asset Management** • **Director – Housing, Health and Wellbeing** • **Business Manager - Strategic Housing** • **Business Manager – Financial Services**
FRAUD TYPES	• Selling asset for less than market value • Collusion between staff and purchaser – may include provision of insider knowledge (e.g. planning, leases & covenants)
CONTROLS	• Asset Management Plan • Up to date Asset register with valuations based on the Council's 5 year rolling programme of valuations • Council procures Independent valuation where this is to be sold without auction • Sale of land or property assets to be approved at Committee • Up to date Financial Regulations • Up to date Anti-Fraud & Corruption Strategy • Audit reviews • Whistleblowing Policy in place • Register of Gifts & Hospitality/Register of Interests in place • Credit checks on potential purchasers • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet
AGREED ACTIONS	• **Adoption of Acquisition and Disposal policy by September 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK					CURRENT RISK			
	X					X		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	ASSETS (EQUIPMENT)
Risk Owner	**Business Manager - ICT**
FRAUD TYPES	- Selling asset for less than market value - Collusion between staff and purchaser - Disposal of assets no longer required by the council
CONTROLS	- Annual review of Asset register - Up to date Financial Regulations - Up to date Anti-Fraud & Corruption Strategy - Segregation of duties – between officers procuring new equipment and those disposing of assets - Internal Audit reviews - Whistleblowing Policy in place - Register of Gifts & Hospitality & Register of Interests in place - Counter-fraud page on website detailing how public can report fraud - Counter Fraud section on intranet - Financial Regulations training for all appropriate staff
ACTIONS	**All staff to receive fraud awareness e-learning by May 2021** **Adoption of Acquisition and Disposal policy by September 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

TARGET RISK grid:

orange	orange	red	red
green	orange	orange	red
green	**X**	orange	orange
green	green	green	orange

CURRENT RISK grid:

orange	orange	red	red
green	orange	orange	red
green	**X**	green	orange
green	green	green	orange

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	EMPLOYMENT (RECRUITMENT FRAUD)
Risk Owner	**Business Manager – HR**
FRAUD TYPES	- False identity - Immigration (no right to work or reside) - False qualifications - Failing to disclose previous convictions
CONTROLS	- Declaration to comply with the Council's Code of Conduct for all new starters at appointment stage - All managers trained in HR policies around recruitment and selection incorporating DBS Code of practice and safeguarding requirements where appropriate - Pre-employment checks by HR including identity verification and medical screening - References sought on all external appointments from referees - IR35 assessments in place and regular reminders/refreshers sent to all managers on the engagement of agency workers and consultants
AGREED ACTIONS	**Request to see copies of new starters' bank statements to satisfy ourselves that monies paid are receipted into their accounts by April 2021** **Ensure Managers know the signs of trafficking so they can raise concern as appropriate by providing annual refresher training by September 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
X				**X**			

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	EMPLOYMENT (PAYMENT FRAUD)
Risk Owner	**Business Manager – HR** **Business Manager – Financial Services**
FRAUD TYPES	• Creation of non-existent employees (ghost) • Unauthorised changes to payroll • Redirection or manipulation of payments • False sickness claims • Not working required hours or undertaking required duties • False declarations of mileage • False supporting documentation • Breaches of authorisation and payment procedures • Abuse of time
CONTROLS	• Officer code of conduct in place which details expected behaviours, corporate policies and potential penalties of wrongdoing. • Payments made in accordance with Financial Regulations • Updated Anti-Fraud & Corruption Strategy • Separation of duties between HR, Payroll & Business Managers • Contract and Job description detail post holder requirements in respect of their • Access controls on HR/Payroll system, • Management supervision & authorisation of claims • Budgetary control devolved to budget managers and monitored on a monthly basis • Exception reports produced and reviewed by payroll on a monthly basis • Audit trail/personal logins on all systems • Any employee changes authorised by relevant Director/Business Manager • Reconciliation of payroll to BACS payments • Probationary periods to ensure suitability in role • Medical certification for sickness and a robust policy to manage attendance • Forms to request permission to undertake additional employment in place and referred to in Code of Conduct • Training for managers on disciplinary, capability and attendance manager processes and refresher training provided when required • Internal Audit reviews • Whistleblowing Policy • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet
AGREED ACTIONS	• **Data analysis of payroll information and costs by July 2021** • **All staff to receive fraud awareness e-learning by May 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
				X			

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

	X							

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	INSURANCE FRAUD
Risk Owner	**Business Manager – Financial Services**
FRAUD TYPES	• False insurance claims • Duplicate or serial claims
CONTROLS	• Small excess on policy, ensuring external claims handlers review each claim individually • External claim handlers have specialist software to identify fraudulent claims • Anti-Fraud & Corruption Strategy in place • Experienced and skilled staff in place, who monitor prior year information and match against new claims – highlighted onto external claims handlers • Notification of regional and national trend information passed from insurers and brokers • Internal Audit reviews • Whistleblowing Policy in place • Counter-fraud page on website detailing how public can report fraud • Letter included within insurance pack when sent through to claimant detailing their responsibilities regarding fraudulent claims
AGREED ACTIONS	• **All staff to receive fraud awareness e-learning by May 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK

orange	orange	red	red
green	orange	orange	red
X	green	orange	orange
green	green	green	orange

CURRENT RISK

orange	orange	red	red
green	orange	orange	red
X	green	orange	orange
green	green	green	orange

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	MONEY LAUNDERING
Risk Owner	Business Manager – Financial Services
FRAUD TYPES	• Using the Council to hide improper transactions – possible links to organized crime
CONTROLS	• Staff Awareness of the concept • Up to date Anti-Money Laundering policy • Up to date Financial Regulations • Cash receipts over £1,500 reported to MLRO • Whistleblowing Policy • Cashless offices • Legal checks on Right to Buy purchases • Checks on source of credit balances prior to issuing refunds on NNDR and Council Tax
AGREED ACTIONS	• **All staff to receive fraud awareness e-learning by May 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
X				X			

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	ELECTORAL FRAUD (ELECTIONS)
Risk Owner	**Business Manager – Democratic Services**
FRAUD TYPES	- Fraudulent voting - Fraudulent acts by poll clerks & presiding officers at polling stations - Fraudulent acts by postal vote opening staff - Fraudulent acts by verification / count staff
CONTROLS	- Integrity Plan in place for electoral registrations - Anti-Fraud & Corruption Strategy - Supervisory roles identified at counts and senior staff appointed to these - Postal votes opening sessions are supervised with controls in place to oversee process - Access controls at polling stations & counts - Ballot box controls - Ballot paper accounts checked as part of verification process - Pre-employment checks on recruited staff - Whistleblowing Policy - Counter-fraud page on website detailing how public can report fraud - Dedicated SPOC at Nottinghamshire Police who would be informed of possible issues with fraud - Full training of all staff in face to face roles in accordance with Electoral Commission guidance and statutory regulations
AGREED ACTIONS	**Update control documents and instructions for all election type activities by April 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	ELECTORAL FRAUD (ELECTORAL REGISTRATION)
Risk Owner	**Business Manager – Democratic Services**
FRAUD TYPES	• Fraudulent applications for individual electoral registration (IER) • Fraudulent application for absent voting (postal & proxy) • Fraudulent acts by staff employed as canvassers
CONTROLS	• Integrity Plan in place for electoral registration • Anti-Fraud & Corruption Strategy • Verification process through the IER digital service • Supervisory checks on verification failures • Proof of identity is requested where required • Application forms scrutinised before processing • Confirmation letters sent to successful applicants to verify address • Controls within Electoral software in order to flag unusual registration activity
AGREED ACTIONS	• **Update Integrity Plan by July 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

		X				X	

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	DEVELOPMENT MANAGEMENT
Risk Owner	**Business Manager – Development Management**
FRAUD TYPES	Corruption and collusion including: • Inducements • Conflict of interest/bribery • Planning - S106, affordability and other areas where officers are checking compliance & fines issued etc • Using Planning Process to increase land values • False representation
CONTROLS	• Senior officer determination of all planning applications (post case officer work) • Senior Officer one to one discussions with all case officers regarding cases • Open & visible process of all cases open to Team leaders & peers • Planning Committee is a public meeting and hence allows public scrutiny • Report for all applications and pre-application advice with explanation of grant or refusal determined by Senior Officers. All planning application reports are then published (not pre-applications) externally • Reconciliation of planning (including pre-application) fees • Reconciliation of Land charges fees • Reconciliation of Street naming and numbering • Separation of duties in the fee procedure (receipting, banking, planning application) • System flag for duplicated applications • Audit trail on fee income • Enforcement action-reporting & sign off by Senior officer and different officer to the officer investigating • Section 106 – separation of duties, legal agreement, triggers for payment monitored, monitoring group, reconciliation • Regular review and update of Constitution including Members conduct re planning • Register of Gifts & Hospitality/Register of Interests – staff aware need to make declarations • Anti-Fraud & Corruption Strategy in place • Code of Conduct (officers & Members) • Internal Audit reviews • Whistleblowing Policy • Counter-fraud page on website detailing how public can report fraud • Ombudsmon review of approach to planning determinations • Judicial review challenges by interested parties on points of law • Counter Fraud section on intranet
ACTIONS	• **All refunds where the application has been made through the Planning portal, to be refunded through that process, where all other refunds will require an image from the bank account to show originating bank details by June 2021** • **Implement Uniform processes for Enforcement cases to counter potential bribery and corruption by December 2021 completion**

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

	• **Refunds of application fees to be authorised only by Business Manager – Planning Development or Planning Technical Support Manager. Immediate effect.** • **Investigate Uniform software for planning cases to ensure case officer cannot sign off and issue their own decision by September 2021**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK					CURRENT RISK			
	X					X		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	ECONOMIC & THIRD SECTOR FRAUD
Risk Owner	Business Manager – Financial Services

FRAUD TYPES	Any fraud that involves the false payment of grants, loans or any financial support to any private individual or company, charity, or non-governmental organization:
	   ○ Fake applications
	   ○ Collusion
	   ○ Misuse of funds
	   ○ Failure to deliver agreed service

CONTROLS	• Substantiate authenticity of application via internal and external sources • Regular monitoring of delivery – management sign off required at all key stages • Check & authorisation of grant & loan claims • Separation of duties between grant or loan approval & sign off • Grant eligibility criteria considered before award • Quotes for work always considered and internal assessment of reasonable costs • Anti-Fraud & Corruption Strategy • Internal Audit reviews • Whistleblowing Policy • External legal advice obtained where necessary • Retentions based on performance • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • Use of NFI and Spotlight for pre and post payment checks for Business Grants • Verification of business on Business Rates system for Business Grants
ACTIONS	n/a
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

		X				X		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	HOUSING FRAUD
Risk Owner	**Director – Housing, Health and Wellbeing** **Business Manager - Housing and Estates Management** **Assistant Business Manager – Housing and Estate Management**
FRAUD TYPES	- Fraudulent housing application - false or omitted information - False homelessness applications – false or omitted information - Fraudulent succession or assignment - Unlawful sub-letting - Not using property as main or principle home - Right to Buy - fraudulent application, valuation, etc.
CONTROLS	- Participation in the National Fraud Initiative through supply and matching of application, tenancy and Right to Buy data - Robust consideration and investigation into Right to Buy applications; a joint approach is adopted between officers where fraud is suspected - Supporting information requirements at application – such as proof of identification, proof of residency and medical evidence - Cross referencing and verification of support information required at application - Requirement for applicants to update and refresh supporting information - Internal application verification and checking process to check for previous tenancies and former tenancy debt - Tenants are made aware at sign up of their obligations regarding their tenancy agreement and the consequences of being in breach of the tenancy agreement - Photographs are taken at sign-up and stored on the in-house management system - Tenancy Audit programme provides an ongoing detection and prevention of tenancy fraud through, checking, verifying and updating records of tenants and occupants - Using information held by other NSDC departments to investigate and detect tenancy fraud - Developing a culture where all staff are empowered to report cases where they suspect tenancy fraud - A programme of Internal Audit reviews providing assurance of policies and processes across the Council - Whistleblowing Policy - Separation of duties and annual reports to audit this separation - Register of Gifts & Hospitality/Register of Interests - Counter-fraud page on website detailing how public can report fraud - Counter Fraud section on intranet - Experienced, well trained staff carrying out allocations and front line service delivery - Excellent working relationships with agencies who can support with the identification of an actions to address tenancy fraud and/or unlawful occupation of properties

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

ACTIONS	• **Develop relationship between Housing & Revenues and Benefits to enhance sharing of information in order to have a collaborative approach to fraud detection by June 2021** • **Inclusion of the annual number of sub-letting reports in the Council's approved performance monitoring framework by September 2021**		
CURRENT RISK SCORE	GREEN		
TARGET RISK SCORE	GREEN		

TARGET RISK					CURRENT RISK			
🟧	🟧	🟥	🟥		🟧	🟧	🟥	🟥
🟩	🟧	🟧	🟥		🟩	🟧	🟧	🟥
🟩	🟩	🟧	🟧		🟩	**X**	🟧	🟧
🟩	**X**	🟩	🟧		🟩	🟩	🟩	🟧

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2021)

FRAUD RISK	FRAUDULENT USE OF COUNCIL ASSETS
Risk Owner	**All Directors and Business Managers**
FRAUD TYPES	• Theft of assets and equipment • Sale of assets and equipment
CONTROLS	• Financial Regulations • Anti-Fraud & Corruption Strategy • Guidance for Dealing with Irregularities • Management controls • Induction process • Security policy • User reports e.g. internet, telephone • Internet use policy • Access controls • Software audit facility • Code of conduct • Inventory checks • Complex passwords • Separation of duties • Staff counter-fraud training • Internal Audit reviews • Whistleblowing Policy • Counter Fraud section on intranet
ACTIONS	**Spot checks to inventory records**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK
X	X