NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 Employment Fraud : Recruitment Council Assets (fraudulent use)	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 Electoral Fraud–Registration Bank Fraud	Electoral Fraud– Elections Credit Income & Refunds	Investment Fraud		Never heard of it occurring – we cannot imagine it occurring
		1 Negligible	2 Minor	3 Major	4 Critical	

IMPACT

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 that are prioritised 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 • 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 prior to award • Training on Housing Benefits processes to the Housing Management Business Unit • Review website for communications and publicity
AGREED ACTIONS	• **Refresh Housing Benefit Anti-Fraud Strategy by September 2022** • **Refresh training session for Benefits staff on counter fraud by September 2022** • **Corporate fraud campaign developed by March 2023** • **Whistleblowing policy to be updated by September 2022** • **Housing Benefit Matching Service Accuracy Initiative to be implemented with DWP by May 2022**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

	X		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

X							

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 2022 • Counter-fraud page on website detailing how public can report fraud • Annual participation in National Fraud Initiative alongside real time information reviews that are prioritised 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 participation in National Fraud Initiative alongside real time information reviews daily with information received from DWP and HMRC • Annual Single Person Discount review which will potentially identify fraud or error
AGREED ACTIONS	• **Corporate fraud campaign developed by March 2023** • **Whistleblowing policy to be updated by September 2022**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK

🟧	🟧	🟥	🟥
🟩	🟧	🟧	🟥
🟩	**X** 🟩	🟧	🟧
🟩	🟩	🟩	🟧

CURRENT RISK

🟧	🟧	🟥	🟥
🟩	**X** 🟧	🟧	🟥
🟩	🟩	🟧	🟧
🟩	🟩	🟩	🟧

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 updated February 2021 - 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 - Review planning data in respect of new developments - Visual inspection in respect of new or altered properties - 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 - All s13A exemptions and discounts for appropriateness and continued eligibility
AGREED ACTIONS	**Corporate fraud campaign developed by March 2023** **Whistleblowing policy to be updated by September 2022**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK

orange	orange	red	red
green	orange	orange	red
green	**X** (green)	orange	orange
green	green	green	orange

CURRENT RISK

orange	orange	red	red
green	**X** (orange)	orange	red
green	green	orange	orange
green	green	green	orange

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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

FRAUD TYPES	• Failure to declare occupation
	• 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 updated February 2021 • Ensure liable business identified for each assessment on the list • Information sharing with Asset Management and Sundry Debt teams • Inspections of occupied and unoccupied properties • Public complaints • Promptly report new premises to valuation office • 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 March 2023** • **Whistleblowing policy to be updated by September 2022** • **Corporate fraud campaign developed by March 2023** • **Gifts and Hospitality to be updated and approved by November 2022**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK

amber	amber	red	red
green	amber	amber	red
green	**X**	amber	amber
green	green	green	amber

CURRENT RISK

amber	amber	red	red
green	**X**	amber	red
green	green	amber	amber
green	green	green	amber

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

FRAUD RISK	CREDIT INCOME AND REFUND FRAUD
Risk Owner	**Business Manager – Revenues and Benefits**
FRAUD TYPES	**Council tax/NNDR** • 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
CONTROLS	• Anti-Fraud & Corruption Strategy updated Feb 2021 • Refund to original card/bank account where appropriate • Where refunds are processed a two stage approval process is in place • 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 • Counter-fraud page on website detailing how public can report fraud • Counter Fraud details on intranet • No cash receipted at Council offices for Council Tax/NNDR • Review of where the credit balance has originated from, to ensure that the source is legitimate • Properties that are empty are monitored by a Senior Officer/Property Inspector • Recovery inhibits are monitored by Senior Officers • Large balances against debtors monitored • Regular recovery action being undertaken • NAFN alerts received and reviewed by the Senior Officers
AGREED ACTIONS	• **Review current credit balances and suspense, and return to monthly reviewing from March 2023** • **Write off Policy review and approved by Policy, Performance Improvements Committee by September 2022** • **Whistleblowing policy to be updated by September 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
	X				X		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 updated May 2022 • Financial Regulations updated May 2022 • 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 • Electronic tender system used for receipt of tenders • Anti-Fraud & Corruption Strategy updated February 2021 • Contract management training • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • Annual refresher training on procurement • Procurement guidance on Contract Management on intranet • Housing capital expenditure is now channelled through the Council's e-tendering platform • Spot checks on CPR compliance • All staff received fraud awareness e-learning during 2021, this is now included in the introduction pack and a cyclical requirement • Review of actual invoice payments through the budget monitoring process • Annual review of contract management performance of a selection of key contracts
AGREED ACTIONS	• **Whistleblowing policy to be updated by September 2022** • **Gifts and Hospitality policy to be updated and approved by November 2022**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK					CURRENT RISK			
X						**X**		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 - Claiming petty cash for personal items - Records or methods of payment
CONTROLS	- Financial Regulations updated May 2022 - Anti-Fraud & Corruption Strategy updated February 2021 - Bi-annual review of Accounts Payable through the National Fraud Initiative - 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) - Review of actual invoice payments through the budget monitoring process - All procurement cards are owned by an individual officer and details of the card are kept private - All spend over £500 published on the Councils website as part of the Governments Transparency agenda - Counter-fraud page on website detailing how public can report fraud - Counter Fraud section on intranet - Annual Financial Regulations training for all appropriate staff
AGREED ACTIONS	**Whistleblowing policy to be updated by September 2022**
CURRENT RISK SCORE	AMBER
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
					X		
	X						

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 - Unauthorised payments
CONTROLS	- Financial Regulations updated May 2022 - Anti-Fraud & Corruption Strategy updated February 2021 - Monthly Bank reconciliations completed - Control accounts are balanced at each month end - Verify changes of bank account details using original contact information & audit trail - Counter-fraud page on website detailing how public can report fraud - Counter Fraud section on intranet - Review of actual invoice payments through the budget monitoring process - 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 - All staff received fraud awareness e-learning during 2021, this is now included in the introduction pack and a cyclical requirement - Relevant Officers signed up through the National Anti Fraud Network (NAFN) Review of actual invoice payments through the budget monitoring process
AGREED ACTIONS	**Whistleblowing policy to be updated by September 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

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

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 • Where transaction is greater than £50,000 two authorisers must release the payment • Treasury Management advisers review of current portfolio together with instant communication on counterparty rating changes and review of potential new investment counterparties • Financial Regulations updated May 2022 • Anti-Fraud & Corruption Strategy updated February 2021 • Monthly reconciliations of investment transactions to third party statements • All staff received fraud awareness e-learning during 2021, this is now included in the introduction pack and a cyclical requirement
ACTIONS	• **Whistleblowing policy to be updated by September 2022** • **Gifts and Hospitality policy to be updated and approved by November 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

FRAUD RISK	ASSETS (LAND AND PROPERTY)
	• **Business Manager – Corporate Property** • **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) • Rental Income Management
CONTROLS	• 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 approved at Cabinet above £300,000, Section 151 Officer delegated below this • Financial Regulations approved at Council May 2022 • Anti-Fraud & Corruption Strategy approved at Council February 2021 • Credit checks on potential purchasers • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • Monthly meetings across the portfolio with Corporate Debt Team • Identification and Credit checks on new tenants • New occupier form distributed to relevant departments within the Council (Legal, Business Rates) • Acquisition and Disposal policy adopted November 2021 • Budget monitoring reviews to ensure income being raised
AGREED ACTIONS	• **Adoption of Corporate Asset Management Plan by June 2022** • **Estate Rationalisation approved at Cabinet by December 2022** • **Whistleblowing policy to be updated by September 2022** • **Gifts and Hospitality policy to be updated and approved by November 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

	X					X		

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 • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • Financial Regulations training for all appropriate staff • All staff received fraud awareness e-learning during 2021, this is now included in the introduction pack and a cyclical requirement • Acquisition and Disposal policy adopted November 2021
ACTIONS	• **Gifts and Hospitality policy to be updated and approved by November 2022** • **Whistleblowing policy to be updated by September 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

	X					X	

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 - Non-disclosure of double job
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, right to work in the UK and required qualifications - References sought on all external appointments from referees - Request to see copies of new starters' bank statements to satisfy ourselves that monies paid are receipted into their accounts
AGREED ACTIONS	**Ensure Managers know the signs of trafficking so they can raise concern as appropriate by providing annual refresher training by September 2022** **Refresher training on identity validation for all HR and recruiting managers by December 2022** **Validate new starters end date of previous employment by December 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN
TARGET RISK	**CURRENT RISK**

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

🟧	🟧	🟥	🟥		🟧	🟧	🟥	🟥	
🟩	🟧	🟧	🟥		🟩	🟧	🟧	🟥	
🟩	🟩	🟧	🟧		**X**	🟩	🟧	🟧	
X	🟩	🟩	🟧		🟩	🟩	🟩	🟧	

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 or overtime • False supporting documentation • Breaches of authorisation and payment procedures • Abuse of time
CONTROLS	• Officer code of conduct in place and declared by all employees which details expected behaviours, corporate policies and potential penalties of wrongdoing. • Payments made in accordance with Financial Regulations • Anti-Fraud & Corruption Strategy updated February 2021 • Separation of duties between HR, Payroll & Business Managers • Contract and Job description detail post holder requirements in respect of their role • 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 - Training for managers on disciplinary, capability and attendance manager processes and refresher training provided when required - Counter-fraud page on website detailing how public can report fraud - Counter Fraud section on intranet - IR35 assessments in place and regular reminders/refreshers sent to all managers on the engagement of agency workers and consultants - All staff received fraud awareness e-learning during 2021, this is now included in the introduction pack and a cyclical requirement
AGREED ACTIONS	**Data analysis of payroll information and costs by December 2022** **Whistleblowing policy to be updated and approved by September 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

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

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 - 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 through Risk Management Group meetings - 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 - All staff received fraud awareness e-learning during 2021, this is now included in the introduction pack and a cyclical requirement - Risk Management fund funding schemes to mitigate fraudulent claims
AGREED ACTIONS	**Whistleblowing policy to be updated and approved by September 2022** **Investigate feasibility of the creation of a Countywide Insurance group by July 2022** **Recruitment of a new permanent Insurance officer with a comprehensive training plan by July 2022** **Review the assurance from the insurers regarding fraud by December 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
X				X			

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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	• Up to date Anti-Money Laundering policy • Up to date Financial Regulations • Cash receipts over £1,500 reported to MLRO • Cashless offices • Legal checks on Right to Buy purchases • Checks on source of credit balances prior to issuing refunds on NNDR and Council Tax and rents • All staff received fraud awareness e-learning during 2021, this is now included in the introduction pack and a cyclical requirement
AGREED ACTIONS	• **Whistleblowing policy to be updated and approved by September 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
X				X			

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 - Fraudulent acts by Political parties / candidates
CONTROLS	- Integrity Plan in place for electoral registrations - Anti-Fraud & Corruption Strategy updated February 2021 - 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 around security of the box - Ballot paper accounts checked as part of verification process - Pre-employment checks on recruited staff - 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 - Updated control documents and instructions for all election type activities in April 2021 - Issue all candidates guidance on their role in postal voting - Training to all candidates and agents ahead of elections
AGREED ACTIONS	**Whistleblowing policy to be updated and approved by September 2022** **To implement impending Government legislation regarding personal ID checks at polling stations by May 2023**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

	X				X		

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 updated February 2021 • Verification process through the IER digital service • Supervisory checks on verification failures • Proof of identity is requested where required • Application forms scrutinised before processing • Controls within Electoral software in order to flag unusual registration activity • Training for canvass staff prior to visiting properties
AGREED ACTIONS	
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

X				X			

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 to the General Ledger • Reconciliation of Land charges fees to the General Ledger • Reconciliation of Street naming and numbering to the General Ledger • 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 and Officer recommendations based on "CIL regulation 123 tests" • Regular review and update of Constitution including Members conduct re planning • Anti-Fraud & Corruption Strategy updated February 2021

	• Code of Conduct (officers & Members) • Counter-fraud page on website detailing how public can report fraud • Ombudsman review of approach to planning determinations • Judicial review challenges by interested parties on points of law • Counter Fraud section on intranet • 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. These are all authorised by a Senior Officer.
ACTIONS	• **Spot checks of closure of enforcement cases by July 2022** • **Gifts and Hospitality to be updated and approved by November 2022** • **Whistleblowing policy to be updated and approved by September 2022** • **Recap counter fraud training with Planning staff by July 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK	CURRENT RISK

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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:
	    o Fake applications
	    o Collusion

CONTROLS	• Substantiate authenticity of application via internal and external sources • Grant eligibility criteria considered before award • Anti-Fraud & Corruption Strategy updated in February 2021 • Whistleblowing Policy • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • Application process for non Direct Debit Council Tax payers, which will check to Revenues system to agree the liable person. • Prepayment checks to spotlight to ensure that liable person at correct address agrees to the bank account details quoted on application • Bank statements to be reviewed in exception circumstances
ACTIONS	• **Whistleblowing policy to be updated and approved by September 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK

🟧	🟧	🟥	🟥
🟩	🟧	🟧	🟥
🟩 **X**		🟧	🟧
🟩	🟩	🟩	🟧

CURRENT RISK

🟧	🟧	🟥	🟥
🟩	🟧	🟧	🟥
🟩	**X** 🟩	🟧	🟧
🟩	🟩	🟩	🟧

FRAUD RISK	HOUSING FRAUD
Risk Owner	• **Director – Housing, Health and Wellbeing**

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

	• **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 and offer stage – such as proof of identification, proof of residency and medical evidence • 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 by signing the tenancy agreement show they understand the consequences of being in breach of this • Photographs are taken at sign-up and stored on the in-house management system and reviewed as part of the "Getting to know you visit" • "Getting to know you visit" programme provides an ongoing detection and prevention of tenancy fraud through, checking, verifying and updating records of tenants and occupants through risk based approach with a minimum of visits every two years • Adhoc usage of information held by other NSDC departments to investigate and detect tenancy fraud • A culture has been developed where all staff are empowered to report cases where they suspect tenancy fraud • Separation of duties in the allocation of homes with annual reports to audit this separation • If allocation of home to a Council officer, this is approved by the Business Manager – Housing and Estates Management • 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 actions to address tenancy fraud and/or unlawful occupation of properties • Relationship developed between Housing and Revenues and Benefits staff to assist in the detection of fraud
ACTIONS	• **Inclusion of the annual number of sub-letting reports in the Council's approved performance monitoring framework from April 2022** • **Corporate fraud campaign developed by March 2023**

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

	• **Implementation of annual refresh of supporting documentation where applications are older than one year on the housing register by March 2023** • **Report on the findings of "Getting to know you visits" to the Portfolio Holder for Housing and Health by March 2023**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
	X				X		

NEWARK AND SHERWOOD DISTRICT COUNCIL – FRAUD RISK ASSESSMENT (APRIL 2022)

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 updated May 2022 • Anti-Fraud & Corruption Strategy in place and updated February 2021 • Guidance for Dealing with Irregularities updated February 2021 • 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 • Counter Fraud section on intranet • All staff received fraud awareness e-learning during 2021, this is now included in the introduction pack and a cyclical requirement
ACTIONS	• **Whistleblowing policy to be updated and approved by September 2022**
CURRENT RISK SCORE	GREEN
TARGET RISK SCORE	GREEN

TARGET RISK				CURRENT RISK			
X				X			