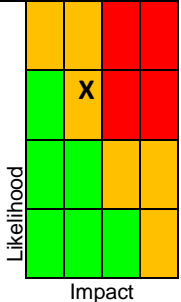
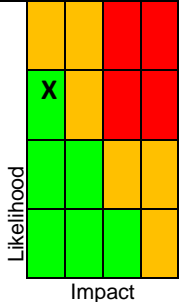




Newark & Sherwood District Council – Fraud Risk
Assessment (April 2019)

Fraud Risk	Key Controls and Actions	Risk Owner	Current Risk Score	Target Risk Score	Current Assurance Status	Exposure
1. HOUSING BENEFIT FRAUD						
<p>Any fraud linked to the false claiming of housing benefit:</p> <ul style="list-style-type: none"> False applications False documents Failing to notify change 	<p>Controls in place</p> <ul style="list-style-type: none"> Housing Benefit Anti-Fraud Strategy Annual participation in National Fraud Initiative Other data matching initiatives in place – real time information reviewed frequently (pensions, earnings & employment records (against universal credit etc) HBMS – Government housing benefit matching scheme Fraud investigators now transferred to FES – DWP (FES) use prosecution, caution & admin penalties – NSDC no longer have powers Key controls in the housing benefit application process – prevention & detection Authorised officer powers – access to employers, landlords, banks & building 	<p>Resources Directorate</p> <p>Business Manager Revenues & Benefits</p>			<p>AMBER</p>	<p>Since December 2016 : 6 cases confirmed as fraud & sanctioned (Other cases still being investigated)</p> <p>Value: £13173 (HB) £394 (CTS)</p> <p>Housing Benefit bill for 2017/18 : £24.8m</p> <p>Forecast for 2018/19 - £25m</p> <p>National Fraud Authority potential annual fraud losses = 0.7% or £174k</p>

		<p>societies</p> <ul style="list-style-type: none"> • Daily ATLAS updates (including UC) notifications/updates to system • Fraud awareness training to social landlords • Ad hoc communication to social landlords • Financial Regulations • Experienced benefits staff • Combined database with revenues • Only accept original documents in support of claims • Subscription to National Anti-Fraud Network • DWP led Housing Benefit review • Communications & publicity • Internal Audit reviews • Whistleblowing Policy • Counter-fraud page on website detailing how public can report fraud • Council Tax and Housing teams sharing intelligence to identify potential fraud <p>Further actions required</p> <ul style="list-style-type: none"> • <i>Need to ensure sanction figures obtained from DWP for HB cases in our area</i> 					
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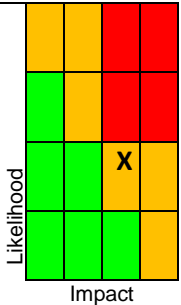
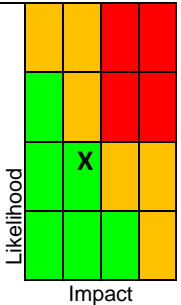
2. COUNCIL TAX SUPPORT SCHEME

<ul style="list-style-type: none"> False applications Failure to notify change in circumstances 	<p>Controls in place</p> <ul style="list-style-type: none"> Most controls are the same as Housing Benefits Anti-Fraud & Corruption Strategy Council Tax Support policy Counter-fraud page on website detailing how public can report fraud Financial Regulations Whistleblowing Policy County-wide Single Person Discount review completed LCTS included in National Fraud Initiative (data matching) from October 2016 Closer working – Council Tax and Housing share intelligence and identify potential fraud opportunities (sharing intelligence – informal arrangement) <p>Further action required</p> <ul style="list-style-type: none"> <i>Need to consider use of sanction powers for LCTS – under Local Government Finance Act 1992</i> 	<p>Resources Directorate</p> <p>Business Manager Revenues & Benefits</p>			<p>AMBER</p>	<p>1 confirmed fraud case since December 2016 (joint case with DWP)</p> <p>Annual level of council tax support paid : £6.4m</p> <p>Forecast for 2018/19 - £6.4m</p> <p>National Fraud Authority potential annual fraud losses = 0.7% or £44.8k</p>
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3. COUNCIL TAX FRAUD

<ul style="list-style-type: none"> • Single person discount • Avoidance of liability through any other fraudulent claim for council tax discount or exemption • New properties not on the list: <ul style="list-style-type: none"> ○ built without planning permission ○ No notification of properties built and occupied ○ Or built and substantially complete 	<p>Controls in place</p> <ul style="list-style-type: none"> • Financial Regulations • Anti-Fraud & Corruption Strategy • National Fraud Initiative – data matching • Monthly monitoring of council tax base • Liaising with the university – access to student lists • Application checks • Annual review of students continued attendance on course • Check electoral register • Information from planning re Developments where full planning not required • Checks on documentary evidence for exemptions • Visual inspection • Internal Audit reviews • Whistleblowing Policy • Separation of duties • Counter-fraud page on website detailing how public can report fraud • County-wide Second Person Discount review completed <p>Further action</p> <ul style="list-style-type: none"> • <i>Closer working – Council Tax and Housing to share intelligence and identify potential fraud opportunities</i> 	<p>Resources Directorate</p> <p>Business Manager - Revenues & Benefits</p>			<p>AMBER</p>	<p>Annual Council Tax Income collected : approx. £73m</p> <p>National Fraud Authority potential annual fraud losses : 4% or £2.924m (NSDC share = £290k)</p> <p>Value of SPD fraud confirmed since December 2017 : £17226.39 (60 fraud cases and 9 errors)</p>
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4. NNDR FRAUD

<ul style="list-style-type: none"> • 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 	<p>Controls in place</p> <ul style="list-style-type: none"> • Up to date Financial Regulations • Up to date Anti-Fraud & Corruption Strategy • Ensure liable person identified for each assessment on the list • Information sharing with other Business Units • Inspections of occupied properties • Checking empty properties • Information from Landlords or letting agents • Public complaints – reports to valuation office • Internal Audit reviews • Whistleblowing Policy • Separation of duties • Register of Gifts & Hospitality/Register of Interests • Supporting evidence requested • Counter-fraud page on website detailing how public can report fraud • Use of Analyse Local to monitor threats • Shared inspection resource – NDR inspector with BDC to check properties where no appeal has been made • More staff involved – 	<p>Resources Directorate</p> <p>Business Manager - Revenues & Benefits</p>			<p>AMBER</p>	<p>Annual NNDR income collected - approx. £41m</p> <p>National Fraud Authority potential annual fraud losses : 3.76% or NSDC share £154.1k</p>
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	<p>eyes on NDR</p> <p>Further action</p> <ul style="list-style-type: none"> Use analytical approach to target main business rate payers (20-30 in number that make up 90% of IRRV) in line with best practice 					
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5. CREDIT INCOME AND REFUND FRAUD

<p>e.g.</p> <p>Council tax NNDR Rents</p> <ul style="list-style-type: none"> 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 	<p>Controls in place</p> <ul style="list-style-type: none"> Up to date Financial Regulations Up to date Anti-Fraud & Corruption Strategy Debit/credit card payments monitoring Review of unusual activity Refund to original card/bank account where appropriate Authorisation procedures & levels Checking against other accounts (Council Tax etc.) to ensure no other money owed to NSDC Staff counter-fraud training Audit trail/personal logins Reconciliations Budgetary controls Write off policy Debt recovery procedures Supervisory controls 	<p>Resources Directorate</p> <p>Business Manager - Revenues & Benefits</p>			<p>GREEN</p>	<p>Total value of refunds made in 2017/18 : £3.56m</p> <p>Total value of write-offs in 2017/18 : £441k</p> <p>(Refunds and write-offs relating to NDR and Council Tax)</p>
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request for refund	<ul style="list-style-type: none">• Review of credit balances and suspense items• Internal Audit reviews• Whistleblowing Policy• Counter-fraud page on website detailing how public can report fraud• Counter Fraud details on intranet• Financial Regulations training for all appropriate staff – completed• Introduction of cashless system• Cash limits in place• Follow up payment sources <p>Further action</p> <ul style="list-style-type: none">• <i>Revenue and Benefits Team to discuss if any fraud risks in this area</i>					
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6a. PROCUREMENT AND CONTRACT FRAUD (CONTRACTS)

<ul style="list-style-type: none"> • 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 	<p>Controls in place</p> <ul style="list-style-type: none"> • NAFN & fraud alerts • Contract procedure rules • Up to date Financial Regulations • Contract management • Contract Terms & Conditions • Equifax check on accounts • Finance team check on accounts for large contracts • Evaluation teams for award of contracts - individual scoring • Code of Conduct • Whistleblowing policy • OJEU regulations • Register of Gifts & Hospitality/Register of Interests • Secure receipt and storage of tenders • Anti-Fraud & Corruption Strategy • Staff counter-fraud training • Internal Audit reviews • Separation of duties • Contract management training • Advertisement of contract opportunities • Transparency Code 2014 and Transparency agenda • Counter-fraud page on 	<p>Resources Directorate</p> <p>Business Manager – Financial Services</p>			<p>AMBER</p>	<p>Total annual supplier spend 2017/18 – approx. £30.1m. This value can fluctuate depending on construction projects at the time</p> <p>National Fraud Authority - potential annual fraud losses : 1% (or £301k)</p>
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		<p>website detailing how public can report fraud</p> <ul style="list-style-type: none"> • Counter Fraud section on new intranet • CIPFA guidance – Managing the Risk of Procurement Fraud • Procurement guidance on Contract Management on intranet • Invoice reconciliation procedures for key utility bills (gas/electricity) in Admin Services BU <p>Further actions required</p> <ul style="list-style-type: none"> • <i>CPPRs require updating to reflect that from March 2019 the Council will no longer have a dedicated procurement officer in post and the function will be provided by Welland Procurement</i> • <i>Future housing capital expenditure managed by Newark and Sherwood Homes is to be channelled through the Council's Proactis e-tendering platform</i> • <i>Annually the officer responsible for Commercialisation and Major Projects will review the contract management performance of a selection of key contracts. Deployment of Procontract system including controls and full audit trail</i> 					
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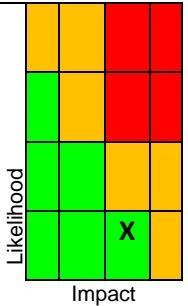
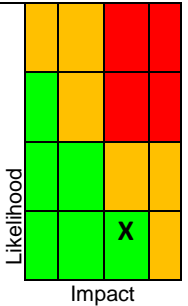
6b. PROCUREMENT AND CONTRACT FRAUD (PAYMENTS)

<ul style="list-style-type: none"> • 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 	<p>Controls in place</p> <ul style="list-style-type: none"> • Up to date Financial Regulations • Up to date Anti-Fraud & Corruption Strategy • National Fraud Initiative • Whistleblowing Policy • Payment authorisation process • Reconciliations • Audit Trail/personal logins • Segregation of duties • Check/approval on changes to creditor details (to prevent mandate fraud) • Budgetary control • Card security features • Ownership for cards identified • Staff counter-fraud training • NAFN fraud alerts • Experienced staff • 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 – completed 	<p>Resources Directorate</p> <p>Business Manager - Financial Services</p>			<p>AMBER</p>	<p>Total annual supplier spend 2017/18 – approx. £30.1m. This value can fluctuate depending on construction projects at the time</p> <p>National Fraud Authority - potential annual fraud losses : 1% (or £301k)</p>
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7. BANK FRAUD

<ul style="list-style-type: none"> False instruments: misuse of cheques alteration of existing cheques Mandate, Direct Debit, Standing Order fraud on Council's bank account Theft of customer card data 	<p>Controls in place</p> <ul style="list-style-type: none"> Up to date Financial Regulations (and training) Up to date Anti-Fraud & Corruption Strategy Bank reconciliation Control accounts Cheque signatories – authorisation Letter from banking/ID to withdraw cash Audit trail/personal logins Verify changes of bank account details using original contact information & audit trail Security checks on standing orders Staff counter-fraud training Internal Audit reviews Whistleblowing Policy Separation of duties Register of Gifts & Hospitality/Register of Interests NAFN fraud alerts Counter-fraud page on website detailing how public can report fraud Counter Fraud section on intranet <p>Further actions required:</p> <ul style="list-style-type: none"> Hosted system for PCIDSS compliance 	<p>Resources Directorate</p> <p>Business Manager - Financial Services</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>GREEN</p>	<p>2017/18 - processed by bank:</p> <ul style="list-style-type: none"> 6606 debit transactions 75081 credit transactions
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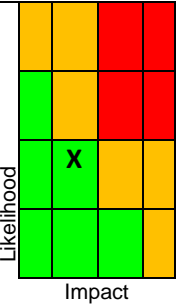
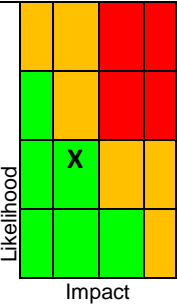
8. INVESTMENT FRAUD

<ul style="list-style-type: none"> • Fraudulent misappropriation of assets • Loss through breach of procedures • False instruments 	<p>Controls in place</p> <ul style="list-style-type: none"> • Treasury Management Strategy • Investment procedures • Authorisation procedures for investments & loans • Treasury Management advisers • Suitability checks on investments • Segregation of duties • Regular independent supervision • Audit trail of investments & personal logins • Staff counter-fraud training • Financial Regulations (and training) • Anti-Fraud & Corruption Strategy • Internal Audit reviews • Whistleblowing Policy • Separation of duties • Register of Gifts & Hospitality & Register of Interests 	<p>Resources Directorate</p> <p>Business Manager - Financial Services</p>	 <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>	 <p style="text-align: center;">Likelihood</p> <p style="text-align: center;">Impact</p>	<p>GREEN</p>	<p>Average level of investment for 2017/18 approx. £29m (average)</p>
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9a. ASSETS (LAND AND PROPERTY)

<ul style="list-style-type: none"> Selling asset for less than market value Collusion between staff and purchaser – may include provision of insider knowledge (e.g. planning, leases & covenants) 	<p>Controls in place</p> <ul style="list-style-type: none"> Asset Management Plan Asset register Segregation of duties Independent valuation or auction Committee scrutiny and authorisation Financial Regulations Anti-Fraud & Corruption Strategy Staff counter-fraud training Internal Audit reviews Whistleblowing Policy Register of Gifts & Hospitality/Register of Interests Credit checks on potential purchasers Counter-fraud page on website detailing how public can report fraud Counter Fraud section on intranet Spot checks of council housing HRA Development and disposal programme 	<p>Resources Directorate</p> <p>Business Manager - Asset Management</p> <p>HRA Director - Safety</p> <p>Business Manager - Strategic Housing</p> <p>Newark & Sherwood Homes</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>GREEN</p>	<p>Net book value of Land & Buildings (not including Council Houses) : approx. £74.2m</p> <p>ICT equipment value - £1.035m</p> <p>Net book value of Council Dwellings £267.7m</p>
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9b. ASSETS (EQUIPMENT)

<ul style="list-style-type: none"> • Selling asset for less than market value • Collusion between staff and purchaser • Disposal of assets no longer required by the council 	<p>Controls in place</p> <ul style="list-style-type: none"> • Asset Disposal policy • Asset register • Financial Regulations • Anti-Fraud & Corruption Strategy • Staff counter-fraud training • Segregation of duties – includes systems administration, raising and authorising of financial procurements • Internal Audit reviews • Whistleblowing Policy • Register of Gifts & Hospitality & Register of Interests • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • Financial Regulations training for all appropriate staff – completed verification of RTB valuations 	<p>Resources Directorate</p> <p>Business Manager - ICT</p>			<p>GREEN</p>	<p>Net book value of vehicles, plant and equipment = approx. £4.8m</p>
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10a. EMPLOYMENT (RECRUITMENT FRAUD)

<ul style="list-style-type: none"> False identity Immigration (no right to work or reside) False qualifications Failing to disclose previous convictions 	<p>Controls in place</p> <ul style="list-style-type: none"> National Fraud Initiative Code of Conduct HR policies –recruitment and selection policy incorporating DBS Code of practice and safeguarding requirements where appropriate. Pre-employment checks by HR including identity verification and medical screening 	<p>Governance and OD Directorate</p> <p>Business Manager - HR & Legal</p>			<p>GREEN</p>	
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10b. EMPLOYMENT (PAYMENT FRAUD)

<ul style="list-style-type: none"> Creation of non-existent employees Unauthorised changes to payroll Redirection or manipulation of payments False sick claims Not working required hours Not undertaking required duties Working for multiple employers (without informing manager) 	<p>Controls in place</p> <ul style="list-style-type: none"> HR policies – sickness, Appraisals, disciplinary capability and flexi time scheme. Financial Regulations Anti-Fraud & Corruption Strategy Separation of duties between HR, Payroll & Business Managers Contracts Access controls Management supervision Authorisation of claims Budgetary control Exception reports produced and reviewed Audit trail/personal logins Any employee changes 	<p>Resources Directorate</p> <p>Business Manager - Financial Services</p>			<p>GREEN</p>	<p>Total cost of payroll including expenses payments 2017/18 = £11.3m</p> <p>National Fraud Authority potential annual fraud losses = 0.2% or £22k</p> <p>Average number of employees paid monthly – 422</p>
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<ul style="list-style-type: none"> • False declarations of mileage • False documentation to support allowances • Breaches of authorisation and payment procedures • Abuse of time • Inappropriate acceptance of gifts or hospitality • Non-declaration of interests 	<p>signed off by HR Manager</p> <ul style="list-style-type: none"> • Reconciliation of payroll to BACS payments • Probation periods • Register of Gifts & Hospitality/ Register of Interests • Medical certification for sickness • Request forms to request permission to undertake additional employment • Secondary employment register • Training for managers on disciplinary process • Staff counter-fraud training • Internal Audit reviews • Whistleblowing Policy • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • Financial Regulations training for all appropriate staff – completed <p>Further actions required</p> <ul style="list-style-type: none"> • <i>To implement controls to reduce likelihood of false claims</i> 					
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11. INSURANCE FRAUD

<ul style="list-style-type: none"> False insurance claims 	<p>Controls in place</p> <ul style="list-style-type: none"> Financial Regulations Anti-Fraud & Corruption Strategy Claims Handlers Experienced staff Alerts on current national trends to insurance team Prior year information on data base to match to previous claims Staff counter-fraud training Internal Audit reviews Whistleblowing Policy Counter-fraud page on website detailing how public can report fraud Financial Regulations training for all appropriate staff – completed National Fraud Initiative reports 	<p>Resources Directorate</p> <p>Business Manager - Financial Services</p>			<p>GREEN</p>	<p>Number of claims received 2017/18 = 31</p> <p>Total value of claims settled 2017/18 = £15788</p>
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12. MONEY LAUNDERING

<ul style="list-style-type: none"> Using the Council to hide improper transactions - linked to organized crime 	<p>Controls in place</p> <ul style="list-style-type: none"> Staff Awareness Money Laundering policy Financial Regulations Training of officers Upper limit for cash transactions : £5,000 Whistleblowing Policy Cashless offices Legal checks on Right to 	<p>Resources Directorate</p> <p>Business Manager - Financial Services</p>			<p>GREEN</p>	
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	<ul style="list-style-type: none"> Buy purchases Additional controls over NNDR and Council Tax refunds (check payment sources) <p>Further actions required</p> <ul style="list-style-type: none"> Develop procedure to check financial standing of new businesses Potential for exercise to check to listings to ensure not dealing with contractors with links to serious and organised crime Update of Money Laundering Policy 					
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13a. ELECTORAL FRAUD (ELECTIONS)

<ul style="list-style-type: none"> 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 	<p>Controls in place</p> <ul style="list-style-type: none"> Integrity Plan (Registrations and Elections) Anti-Fraud & Corruption Strategy Supervisory roles at counts Postal votes counts supervised and more rigorous controls More focus on preventing false applications Access controls at polling stations & counts Ballot box controls Ballot paper account Insurance 	<p>Governance and OD Directorate</p> <p>Business Manager - Democratic Services</p>			<p>GREEN</p>	<p>Any incidents would be raised with the Police via their Single Point of Contact</p>
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	<ul style="list-style-type: none"> • Pre-employment checks • Supervisory checks • Application forms scrutinised before processing • Whistleblowing Policy • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on intranet • SPOC at Police 					
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13b. ELECTORAL FRAUD (ELECTORAL REGISTRATION)

<ul style="list-style-type: none"> • Fraudulent applications for individual electoral registration (IER) • Fraudulent application for absent voting (postal & proxy) • Fraudulent acts by staff employed as canvassers 	<p>Controls in place</p> <ul style="list-style-type: none"> • Integrity Plan (Registrations and Elections) • Anti-Fraud & Corruption Strategy • Verification process through the IER digital service • Supervisory checks on verification failures • Request for evidence letters sent • Application forms scrutinised before processing • Confirmation letters sent to successful applicants 	<p>Governance and OD Directorate</p> <p>Business Manager - Democratic Services</p>			<p>GREEN</p>	<p>Any incidents would be raised with the Police via their Single Point of Contact</p>
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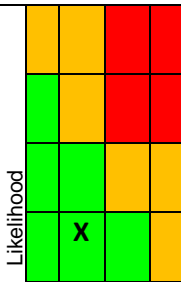
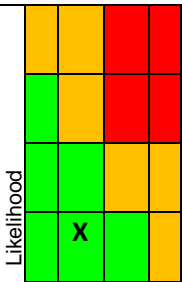
14. DEVELOPMENT MANAGEMENT

<p>Corruption and collusion including:</p> <ul style="list-style-type: none"> • 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 	<p>Controls in place</p> <ul style="list-style-type: none"> • Supervisory checks by Team Leaders/Manager on planning applications • One to one discussion with all case officers • Open & visible process all cases open to Team leaders & peers (due to past issues and high profile) • Public scrutiny • Planning Committee scrutiny • Pre application advice • Report for all applications and pre-application advice with explanation of grant or refusal • Sign off of completion by 	<p>Growth and Regeneration Directorate</p> <p>Business Manager - Development Management</p>	<table border="1"> <tr> <td></td> <td>Low</td> <td>Medium</td> <td>High</td> </tr> <tr> <td>High</td> <td>Yellow</td> <td>Yellow</td> <td>Red</td> </tr> <tr> <td>Medium</td> <td>Green</td> <td>Yellow</td> <td>Red</td> </tr> <tr> <td>Low</td> <td>Green</td> <td>Green</td> <td>Yellow</td> </tr> </table> <p align="center">Impact</p>		Low	Medium	High	High	Yellow	Yellow	Red	Medium	Green	Yellow	Red	Low	Green	Green	Yellow	<table border="1"> <tr> <td></td> <td>Low</td> <td>Medium</td> <td>High</td> </tr> <tr> <td>High</td> <td>Yellow</td> <td>Yellow</td> <td>Red</td> </tr> <tr> <td>Medium</td> <td>Green</td> <td>Yellow</td> <td>Red</td> </tr> <tr> <td>Low</td> <td>Green</td> <td>Green</td> <td>Yellow</td> </tr> </table> <p align="center">Impact</p>		Low	Medium	High	High	Yellow	Yellow	Red	Medium	Green	Yellow	Red	Low	Green	Green	Yellow	<p>GREEN</p>	<p>Number of planning applications determined 2017/18 : 1027</p>
	Low	Medium	High																																			
High	Yellow	Yellow	Red																																			
Medium	Green	Yellow	Red																																			
Low	Green	Green	Yellow																																			
	Low	Medium	High																																			
High	Yellow	Yellow	Red																																			
Medium	Green	Yellow	Red																																			
Low	Green	Green	Yellow																																			

representation	<p>Business Manager Development or Senior Planner</p> <ul style="list-style-type: none"> • Ombudsman (3rd party scrutiny)-planning appeal system • Reconciliation of planning fees • Separation of duties in the fee procedure (receipting, banking, planning application) • Audit trail on fee income • Significant enforcement action-reporting & sign off • Section 106 – separation of duties, legal agreement, triggers for payment monitored, monitoring group, reconciliation • Constitution including Members conduct re planning • Regular communication with affected parties throughout the process where appropriate • Register of Gifts & Hospitality/Register of Interests • Financial Regulations • Anti-Fraud & Corruption Strategy • Staff counter-fraud training • Code of Conduct (officers & Members) • Internal Audit reviews • Whistleblowing Policy • Counter-fraud page on website detailing how 					
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	<ul style="list-style-type: none"> public can report fraud Counter Fraud section on intranet 					
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15. ECONOMIC & THIRD SECTOR FRAUD

<p>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:</p> <ul style="list-style-type: none"> Fake applications Collusion Misuse of funds Failure to deliver agreed service 	<p>Controls in place</p> <ul style="list-style-type: none"> Substantiate authenticity of application Regular monitoring of delivery Check & authorisation of grant & loan claims Separation of duties between grant or loan approval & sign off Regular review of loan processes takes place Grant criteria Quotes for work Grant assessment Financial Regulations Anti-Fraud & Corruption Strategy Staff counter-fraud training Internal Audit reviews Whistleblowing Policy External legal advice Retentions based on performance Counter-fraud page on website detailing how public can report fraud Counter Fraud section on intranet 	<p>Deputy Chief Executive</p>	 <p>Likelihood</p>	 <p>Likelihood</p>	<p>GREEN</p>	<p>National Fraud Authority potential annual fraud losses : 1% or £9k</p> <p>Total Think BIG loans amount outstanding to March 2019 - £514k</p> <p>Total Think BIG loans granted - £1.637m</p> <p>Total Disabled Facilities Grants awarded 2017/18 : £549k</p> <p>Total grants awarded to voluntary sector 2016/17 = £147k</p>
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16. HOUSING FRAUD																																						
<ul style="list-style-type: none"> • Fraudulent application - false information • False homelessness applications - false information • Key selling • Fraudulent succession • Unlawful sub-letting • Using property as second home • Right to Buy - fraudulent application, valuation, etc. 	<p>Controls in place</p> <ul style="list-style-type: none"> • NSH Approach to Tenancy Fraud document • National Fraud Initiative • Form of identification required from applicants • Proof of residency required • Documents obtained to support claim • Checks on information provided • Summary check at allocation stage • Declaration and future changes signed by applicant • Confirmation of all information e.g. previous tenancies • Robust tenancy agreement • Robust sign up-info to tenant re rules • Routine tenancy inspections • Using and sharing intelligence – across council • Publicity of impact and consequences • Eviction powers • Home visits • Photographs • Acting on hearsay 	<p>Safety Directorate/ Newark & Sherwood Homes</p> <p>Chief Executive Newark & Sherwood Homes</p> <p>Business Manager - Strategic Housing</p> <p>Business Manager - Housing Options</p>	<table border="1"> <tr><td>High</td><td>High</td><td>High</td><td>High</td></tr> <tr><td>Medium</td><td>High</td><td>High</td><td>High</td></tr> <tr><td>Low</td><td>Medium</td><td>Medium</td><td>Medium</td></tr> <tr><td>Very Low</td><td>Low</td><td>Low</td><td>Low</td></tr> </table>	High	High	High	High	Medium	High	High	High	Low	Medium	Medium	Medium	Very Low	Low	Low	Low	<table border="1"> <tr><td>High</td><td>High</td><td>High</td><td>High</td></tr> <tr><td>Medium</td><td>Medium</td><td>Medium</td><td>Medium</td></tr> <tr><td>Low</td><td>Low</td><td>Low</td><td>Low</td></tr> <tr><td>Very Low</td><td>Very Low</td><td>Very Low</td><td>Very Low</td></tr> </table>	High	High	High	High	Medium	Medium	Medium	Medium	Low	Low	Low	Low	Very Low	Very Low	Very Low	Very Low	<p>GREEN</p>	<p>Sub-letting tenancy fraud cases in 2017/18 - 1</p> <p>No of Council houses approx. - 5469</p> <p>Annual rent income approx. - £21.6m</p>
High	High	High	High																																			
Medium	High	High	High																																			
Low	Medium	Medium	Medium																																			
Very Low	Low	Low	Low																																			
High	High	High	High																																			
Medium	Medium	Medium	Medium																																			
Low	Low	Low	Low																																			
Very Low	Very Low	Very Low	Very Low																																			

		<p>evidence</p> <ul style="list-style-type: none"> • Acting on information from other bodies such as police • Staff counter-fraud training • Internal Audit reviews • Whistleblowing Policy • Separation of duties • Register of Gifts & Hospitality/Register of Interests • Counter-fraud page on website detailing how public can report fraud • Counter Fraud section on new intranet • Management Agreement • Robust Allocation Scheme • Meetings between NSDC & NSH <p>Further action</p> <ul style="list-style-type: none"> • <i>Develop relationship with between NSH & Council Tax – e.g. single person accounts, to enhance sharing of information in order to have a collaborative approach to fraud detection</i> • <i>Housing Options to reviews SLA's in place to ensure 'counter fraud' is incorporated into these</i> • <i>Inclusion of the annual number of tenancy fraud cases in the Council's</i> 					
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approved performance monitoring framework scrutinising NSH – this is reported to Members through the Homes and Communities Committee

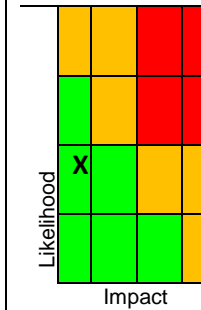
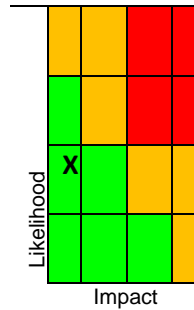
17. FRAUDULENT USE OF COUNCIL ASSETS

Controls in Place

- Financial Regulations
- Anti-Fraud & Corruption Strategy
- Guidance for Dealing with Irregularities
- Management controls
- Induction process
- Security policy
- User reports e.g. internet, telephone (procurement team monitor usage of ICT assets for potential abuse)
- Internet use policy
- Access controls
- Software audit facility
- Code of conduct

All Directorates

All Directors & Business Managers



GREEN

	<ul style="list-style-type: none"> • Inventory checks • Complex passwords • Separation of duties – eFinancials account set up • Staff counter-fraud training • Internal Audit reviews • Whistleblowing Policy • Counter Fraud section on intranet 					
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18. CYBER FRAUD

<ul style="list-style-type: none"> • Risk of ransomware attack • Systems unavailability leading to: • reputation loss • service delivery loss including inability to process BACS 	<p>Controls in Place</p> <ul style="list-style-type: none"> • IPS/IDS implemented, along with Geo location blocking • Firewalls, email & internet detection software in place • Education programme for all staff with regular reminders • Quarterly scans performed on network • Incident Response Plan in place • Mobile Device Management <p>Further actions required</p>	<p>Customers Directorate</p> <p>Business Manager - ICT</p>			<p>AMBER</p>	<p>This area remains emerging and rapidly evolving risks – difficult to assess exposure</p>
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		<ul style="list-style-type: none">• <i>Gain Cyber Essentials accreditation</i>					
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