

APPENDIX 2

Under the 'Acknowledge' theme of the NFA there is a recommendation that authorities complete a fraud risk assessment to identify their own fraud threat. The Corporate risk management impact and likelihood criteria has been used to reflect the current risk score

NB: This is not an exhaustive list

Type of Fraud / Bribery	Impact	Likelihood	Current risk score
FRAUD (NFA / PPP areas)			
Council Tax Discount / Local Council Tax Support	5	2	10
Personal Budgets (direct payment)	2	3	6
Procurement (general)	5	2	10
Procurement Cards	2	3	6
Payroll:			
Expenses Fraud	1	4	4
Recruitment Fraud	2	2	4
Mandate Fraud	5	2	10
Business Rate Fraud	5	2	10
Social Fund & Local Welfare Assistance	1	4	4
Grant Fraud	1	2	2
LCC NFI Fraud Matches:			
Pension Fraud - died but still being paid	5	2	10
Pension Fraud - pensioner reemployed	1	1	1
Employee Fraud - failing to work contracted hours	1	1	1
Employee Fraud - not entitled to work in UK	2	2	4
Employee Fraud - employee and creditor are linked	2	2	4
Blue Badge misuse	2	2	4
Concessionary Travel	2	3	6
Residential Care	1	2	2
Insurance Claimant Details	5	1	5
VAT Overpayment	1	1	1
Fraud Other - Cash			
Food Court	1	3	3
Libraries	1	3	3
Museums	1	3	3
Imprest Accounts	1	3	3

BRIBERY

Includes: **Passive Bribery (Receiving a bribe)**
Active Bribery (Bribing another person)

Ministry of Justice Areas

Country Risk	4	1	4
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Sectoral Risk including:

Extractive Industries	4	2	8
Large Scale Infrastructure	5	2	10

Transaction Risk including:

Charitable contributions	1	3	3
Procurement	5	2	10
License/Permits	3	1	3

Business Partnership Risk including: transactions with Foreign Officials and/or prominent public officials	2	3	6
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LCC Specific Areas

From a member of the public in return for providing them with care services which they are not entitled to	2	3	6
From a member of the public in return for priority over foster and adoption approvals and placement of children	4	1	4
From a business in return for not investigating trading standard complaints	3	1	3
From a parent in return for allocating their child a school place which they otherwise wouldn't be given	3	1	3
Bribing an external assessment agency (e.g. Ofsted, HMRC, CQC) to issue a positive report when this otherwise wouldn't be the case	4	1	4
Bribing an investment expert in respect of gaining 'insider' information to aid treasury management investment decisions	4	1	4

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