

Appendix C - Fraud Risk Assessment

Under the 'Identify risks' principle of the CIPFA Code of Practice on Counter Fraud (2014) there are recommendations that fraud risks are routinely considered as part of the organisation's risk management arrangements and that the organisation identifies the risks of bribery and corruption and the importance of behaving with integrity in its governance framework.

Area	#	Impact	Likelihood	Risk Score
COMMON FRAUD AREAS (EXCLUDING NFI)				
Members' Allowances / Expenses	1	2	2	4
Council Tax Discount / Local Council Tax Support	2	5	2	10
Business Rate Fraud	3	5	2	10
Procurement - General	4	5	2	10
Procurement Cards	5	2	3	6
Grant Fraud	6	2	1	2
Employee Fraud - Allowances & Expenses	7	4	3	12
Employee Fraud - Recruitment	8	2	2	4
Mandate Fraud	9	5	2	10
Leicestershire Welfare Provision	10	1	4	4
Schools - LA Maintained	11	4	3	12
Personal Budgets - direct payments	12	2	3	6
NATIONAL FRAUD INITIATIVE (NFI)				
Pension Fraud - died but still being paid - <i>NFI Report 52</i>	13	3	2	6
Pension Fraud - pensioner reemployed - <i>NFI Reports 54, 55, 78</i>	14	1	1	1
Employee Fraud - abuse / misuse of time and resources - <i>NFI Reports 65, 66, 68</i>	15	1	1	1
Employee Fraud - no entitlement to work in the UK - <i>NFI Reports 70, 73</i>	16	3	2	6
Employee Fraud - improper employee / supplier relationship - <i>NFI Reports 80, 81</i>	17	2	2	4
Blue Badge Misuse - <i>NFI Reports 170, 172</i>	18	2	2	4
Concessionary Travel <i>NFI Report 172</i>	19	2	3	6
Residential Care - <i>NFI Report 173</i>	20	1	2	2
Insurance Claimants - <i>NFI Report 180</i>	21	5	1	5
Creditors - duplicate payments - <i>NFI Reports 700-708, 710-713</i>	22	3	2	6
VAT Overpayment - <i>NFI Report 709</i>	23	1	1	1
FRAUD - OTHER - CASH				
Foodcourt	24	1	3	3
Libraries	25	1	3	3
Museums	26	1	3	3
Imprest Accounts	27	1	3	3
Money Laundering Activity	28	2	2	4
BRIBERY & CORRUPTION				
From a prospective contractor to influence the outcome of a procurement exercise	29	5	1	5
From a member of the public in return for providing them with care services to which they are not entitled	30	2	3	6
From a member of the public in return for priority over fostering and adoption approvals and placement of children	31	4	1	4
From a business in return for not investigating trading standards complaints	32	3	1	3
From a parent in return to the allocation of a school place which they would otherwise not be entitled to	33	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	34	4	1	4
Bribing an investment expert in respect of gaining 'insider' information to aid treasury management investment decisions	35	4	1	4
Bribing an elected member, e.g. development & planning decisions	36	4	2	8

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