

ID	Area/ Process	Fraud Risk	Assessment of likelihood	Likelihood Score	Significance	Rating	Mitigation/Controls
1	Rental/voids	Subletting of properties by tenants. Letting of properties by Council or maintenance staff for personal gain during a void period.	Perception is that the risk is prevalent in properties that are rented out at social housing rates and less prevalent in properties that are rented out at full market rates.	2	2	4	BHM will prioritise regular visits to 'high risk' properties and will use intelligence from the Council's Audit and Investigation department to inform this. Property void times will be reported to the board and BHM will work to keep void periods low. The board will be provided with detailed reporting on void checks undertaken by BHM.
2	Asset disposals	Collusion between staff/ board members and buyers to dispose of properties at under market value. Undeclared conflicts of interest between staff/board members and buyers.	No properties have yet been disposed of by FWH so process and controls are unclear. The Council would be required to authorise any sale.	1	3	3	FWH will develop an Assets Disposal Policy. This will consider the Council's checks, and board and shareholder approval for the disposal of any company assets. The policy will be submitted to the shareholder for approval.
3	Accounts Receivable	Diversion of tenant rent payments by staff. Collusion between tenants and staff to write off rent arrears. Deliberate overpayment of rent by tenants using proceeds of crime and then requesting a refund.	Rent collection rates are monitored by the FWH board and are understood to be above target at present. Perception is also that areas such as refunds and write-offs are highly controlled.	1	3	3	Rent arrears write-offs are submitted to the board for approval, after going through the Council's internal procedures.
4	Accounts Payable	Set up of invalid/fictitious suppliers by staff for personal gain. Invalid amendments to supplier bank details to divert payments, either by external parties making fraudulent requests or by staff making amendments for personal gain. Payments to third parties for goods/services not being received.	Currently FWH makes minimal payments to third party suppliers. FWH pays the Council a fixed amount for service provision, and any payments are made by the Council on its behalf.	1	3	3	Payments from FWH are made through the Council's payment system and as such, are subject to Council policies and procedures.
5	Right to Buy	Tenants misrepresenting their circumstances during the eligibility assessment process. Proceeds of crime being used to purchase properties.	A small number of FWH tenants are eligible for RTB, however no such transactions have occurred during the past year.	1	2	2	FWH will review Brent Council's Right-to-Buy Policy with a view of adopting it. Board approval will be sought on any right-to-buy applications and these will be considered alongside the Council's current processes. The Council has a two stage approval process in place - if the property purchase price is above £500K it is approved at Operational Director level, and if it is below £500K it is approved at HoS level. Brent Housing Management staff can refer Right-to-Buy applications to the Council's Fraud and Investigation department if required.
6	Property maintenance	Repairs/maintenance/major works – overcharging or charging for fictitious works.	FWH pays the Council a fixed amount regardless of repairs volume, and so considers that the risk of fraud is shared between the Council and FWH. FWH has a responsibility to ensure that a fair and reasonable service is provided relative to the cost incurred to the Company.	1	2	2	BHM will implement a post inspection regime to ensure that the repairs and major works completed comply with the cost incurred. A review will be undertaken into any property which has more than 7 repairs in a 12 month period. The average cost of repair per property will be regularly reported to the board.