

Managing Your Fraud Risk in Uncertain Times

Meeting the Moment – Minimising Fraud During a Crisis

Fraud has become a growing issue facing organisations today and poses an even greater threat in times of crisis, such as the COVID-19 pandemic. While firms are focused on deploying emergency measures, fraudsters see an opportunity to take advantage of this vulnerability. As the crisis grows, the coronavirus-related scams continue to increase, and the UK Government expects these fraudulent activities to become more sophisticated and widespread. Criminals are using cyber-attacks to exploit fears and deceive people (and firms) into parting with their money. It is critical for businesses to heighten their vigilance and ensure they revisit their fraud risk management framework to help keep up with the dynamic and ever-changing pandemic environment.

There are common trends that organisations should be aware of during the spread of COVID 19:

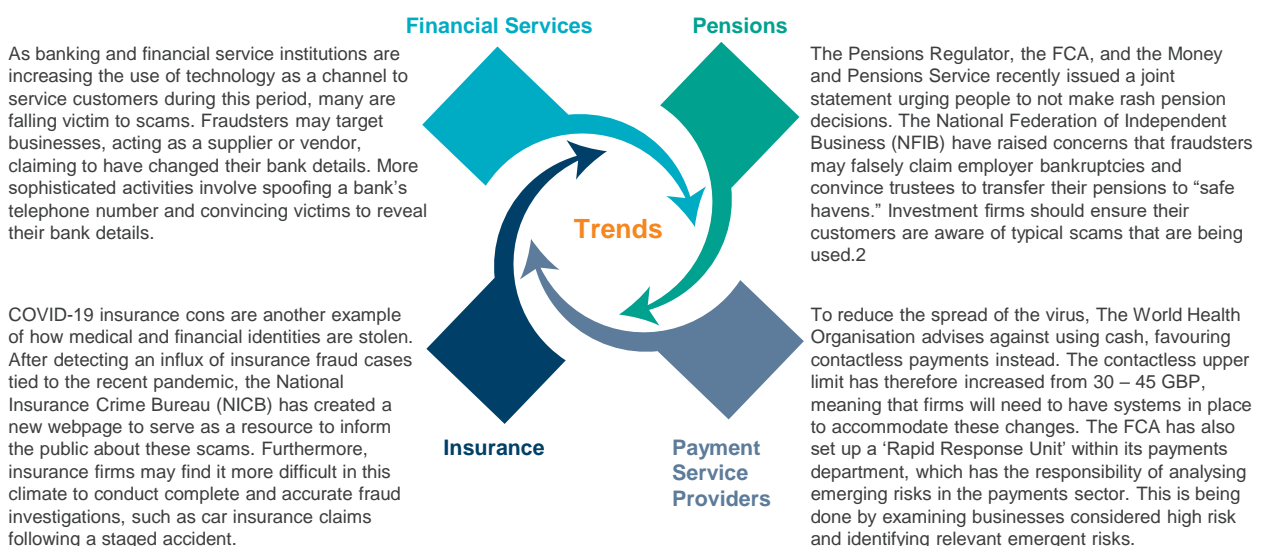
Business Email Compromise (BEC) scams:

- Targeted phishing campaigns requesting invoices to be paid to a different bank account due to bank closures.
- Scams requiring a change to payment terms and/or payment dates of scheduled invoices.
- Scams claiming to be from the government and/or HMRC offering payment or tax rebates.
- Re-emergence of the classic CEO/CFO scam.

IT Support Desk scams:

- Emails or phone calls, which take advantage of individuals working from home, where fraudster pretends to be originating from the firm's IT departments, and attempts to either update VPN settings or update laptops which require the user to provide their credentials.
- Calls and/or emails from IT requiring users to provide access to their laptops over remote sessions which enable the fraudster to "troubleshoot existing performance issues" or claiming to fix malware infections found on their laptops.

These Trends May be Prevalent Across All Sectors, But Certain Industries May Be More Susceptible to Fraud:



Time for action – In order to minimise the impact that fraud may have on an organisation, such as financial losses or reputational damage, it is vital that a fraud risk management programme is in place to help prevent and detect fraudulent activity. There has been a recent spike in COVID 19 related frauds, and firms are well advised to have appropriate response plans in place to safeguard against such attacks.

Firms must act now to adequately respond to fraud risk

What Can You Do Now?

A comprehensive examination of the overall fraud risk facing an organisation and identification of the key threats and appropriate response.

Development of a fraud incident response plan. If fraud incidents occur, organisations should have roles and responsibilities clearly defined, as well as guidance on next steps to take.

A review of policies, procedures, and controls in place to help an organization prevent fraud as well as quickly identify any instances of fraud.



Targeted efforts to inform employees and customers of the risk of fraud, tailored to the COVID-19 pandemic.

Special emphasis on accounting functions within organisations as criminals look to imitate suppliers or government officials and mislead firms into making false payments.

Interactive session designed to help stakeholders think about real-life scenarios, the wider effect of fraud, and the implications for each individual.

How We Can Help You Now

Protiviti's Fraud Risk Management Solution focuses on developing an understanding of the threats and vulnerabilities posed by fraud and misconduct, and helping the management and corporate officers establish strategies, programs and controls to meet regulatory requirements as well as strengthen and protect enterprise value. Protiviti helps organisations assess, develop and strengthen the strategies, techniques, programs and controls they use to evaluate, mitigate and monitor their risk to fraud and misconduct. We can develop or enhance existing policies, procedures and controls to be tailored to the size and nature of your firm, and can assist in the development or enhance your current processes as part of the above 6 step plan.

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