

Policy	Anti-fraud policy
Date adopted	May 2017
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Date of next review	January 2026
Version	1.1
Responsible board	Housing Plus Group board
Responsible officer	Company secretary

1. Policy statement and purpose

This policy has been developed to:

- ◆ Demonstrate Housing Plus Group's (the Group's) commitment to preventing, detecting and investigating all forms of fraud and corruption.
- ◆ Provide a clear and robust framework, which Housing Plus Group employees can follow. This will help employees to identify, investigate and manage any fraud, corruption or associated activity.
- ◆ Reduce the Group's exposure to fraud and criminal acts committed by employees, board members, committee members or any third party.
- ◆ Help to protect the Group's reputation and that of any relevant stakeholders.
- ◆ Meet all relevant legal, regulatory and good practice requirements.

This policy applies to all employees of Housing Plus Group, board members and committee members.

2. Principles

- 2.1. All employees, board members and committee members must demonstrate the highest standards of honesty and integrity when carrying out their role. They must not engage in fraudulent activities of any kind.
- 2.2. All employees, board members and committee members have a responsibility to follow the procedures and controls that have been put in place to detect and prevent fraud. They must not bypass or avoid using them and if a weakness is identified in a procedure or control, it must be reported immediately. Any incident of fraud, whether suspected or actual, must also be reported immediately.
- 2.3. Housing Plus Group views fraud as an unacceptable breach of trust. If an internal investigation finds that fraud has been committed by an employee, board member or committee member, the disciplinary procedure may be followed. The matter may also be referred to the police for criminal investigation.
- 2.4. Housing Plus Group fully supports the police and other external agencies in the fight against fraud and corruption concerning public funds and will cooperate fully with them, within the legislative framework.
- 2.5. This policy should be read alongside the board code of conduct, employee code of conduct, anti-bribery policy, money laundering policy and probity policy.

3. Definitions

Corruption

Corruption involves giving, offering and/or receiving gifts or rewards in return for performing – or failing to perform – an act that will lead to a business, commercial or personal gain.

Fraud

Fraud is defined as the use of deception to obtain an unjust or illegal financial advantage. It may involve the intentional distortion of financial statements and other records, by someone internal or external to the Group.

Fraud also includes the misappropriation or theft of assets, dishonest acts committed by employees of Housing Plus Group and acts carried out against the Group by third parties.

The following list gives examples of situations that fall within the scope of this policy:

- ◆ The theft of cash and/or other Housing Plus Group assets
- ◆ Fraud involving illegally manipulating Group funds for financial or other gain
- ◆ Employee involvement in the illegal occupation or letting of any Group property
- ◆ Employee involvement in the letting of any Group property which is in breach of the Group's allocation policy
- ◆ Conspiring with suppliers, contractors or any third party to obtain a financial or other gain
- ◆ Unauthorised use of Housing Plus Group assets
- ◆ Intentionally breaching the Group's probity policy
- ◆ Causing malicious damage to an asset of Housing Plus Group. This includes, but is not limited to, the deliberate corruption or destruction of IT programmes and data, or intentional breaches of the Data Protection Act 1998/GDPR
- ◆ Manipulating or falsifying performance information in order to mislead managers, boards or committees, the Regulator or statutory bodies
- ◆ False accounting, which includes deliberately giving false financial statements
- ◆ Misuse or theft of Housing Plus Group's intellectual property. This includes disclosing information about Housing Plus Group programmes to third parties and copyright infringement
- ◆ Not disclosing conflicting interests which can result in financial or other gain

4. Investigation of a concern

- 4.1. The audit and risk committee and Housing Plus Group board are responsible for making sure a framework is created to prevent, detect and manage fraud.
- 4.2. The Housing Plus Group executive team is responsible for making sure all areas of the business adhere to the framework.
- 4.3. The company secretary is responsible for the effective investigation of fraud. If it is inappropriate for the company secretary to investigate an instance of fraud, the responsibility will be passed to the chief executive. If the chief executive is unable to carry out the investigation, the responsibility will be passed to the chair of the audit and risk committee.
- 4.4. The audit and risk committee receives quarterly fraud updates and an annual fraud report.

All directorates are responsible for assessing the risk of fraud in their service area. This is done as part of the ongoing risk management arrangements that keep the Group's risk register up to date.

An assessment of the risk of fraud must also be undertaken when there is a major change to a process or a third-party relationship. It is the responsibility of each directorate to regularly monitor their fraud risk profiles and exposure to fraud losses; taking proactive steps to mitigate any identified risks.

- 4.5. All employees, board members and committee members are responsible for immediately reporting any act of attempted or actual fraud.

5. Prevention of fraud

- 5.1. The Group aims to prevent fraud using the following methods:

- ◆ Robust recruitment and selection procedures
- ◆ Employee awareness sessions and training
- ◆ Sharing a clear code of conduct for employees, board members and committee members
- ◆ Implementing a concern at work (whistleblowing) policy
- ◆ Financial regulations, standing orders and a procurement strategy/policy, with supporting processes
- ◆ Keeping a robust risk register, which is regularly reviewed
- ◆ Operating a risk-based internal audit programme
- ◆ Annual declarations of interest for employees, board members and committee members
- ◆ Keeping a gifts and hospitality register
- ◆ Keeping a register of incidents of fraud and attempted fraud
- ◆ Regular reporting to the Housing Plus Group board and/or audit and risk committee
- ◆ Regular reviews of the anti-fraud policy and any related policies

- 5.2. If fraud by a supplier or contractor is identified, the Group will take steps to withdraw from any contractual relationship with the company or individual concerned.

The incident will also be investigated and action will be taken. If any financial wrongdoing is discovered, this may lead to legal action being taken by the Group, as well as the incident being reported to the relevant authorities.

6. Investigation of fraud

- 6.1. If anyone suspects an occurrence of fraud, they should report it to a member of the executive team or the chair of the audit and risk committee, in line with the Group's concern at work (whistleblowing) policy.

The person who receives details of the allegation should report them directly to the company secretary, who will begin an investigation in line with the Group's fraud investigation plan.

- 6.2. Any employee, board member or committee member raising an issue will be protected from threats of harassment and their identity will remain confidential.

Under no circumstances should someone raise their suspicions with the person they suspect of wrongdoing. This could result in the destruction of evidence.

7. Reporting

- 7.1. The Group's company secretary will maintain a fraud register and share all necessary information with the Regulator. Detailed reporting requirements can be found in the Group's fraud investigation plan.

- 7.2. The audit and risk committee will be kept informed of each potential fraud and the outcome of the investigation. They will also receive details of lessons learned and any actions taken to prevent similar fraud being committed in the future.

8. Recovery of losses

- 8.1. The Group will seek to recover the losses incurred as a result of fraud, wherever possible. Any money offered towards the recovery of a loss will be accepted without prejudice to any other action the Group may wish to take. Acceptance of such money will only be relevant to losses identified to date and the Group reserves the right to seek recovery of any further losses that might come to light in the future.
- 8.2. The Group will make a claim for fraud cases under insurance arrangements as a last resort. This action will only be taken once all other avenues of recovery have been fully explored.

9. Training and awareness

- 9.1. Housing Plus Group will make sure that all employees are appropriately trained in fraud awareness. The Group will also make sure that employees are provided with information about how to report fraud and what their duties and responsibilities are if they suspect fraud.



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