

Fraud Prevention Policy

1.	SCOPE
	Purpose
1.1	This Policy sets out whg's approach to preventing fraud, its commitment to thoroughly investigating any cases of alleged fraud identified and creating a culture which has zero-tolerance of fraud.
1.2	whg will not accept any level of fraud, irregularity or corruption; any case will be thoroughly investigated and dealt with appropriately, which may include reporting any potential criminal activity to the police. Colleagues have a responsibility to act honestly and with integrity and to make every effort to safeguard and minimise risk to whg's assets and interests from fraud, irregularity and corruption.
1.3	Colleagues should be alert to the potential for fraud, irregularity and corruption and take appropriate action when they know or suspect that such activity is planned or taking place, in line with this Policy and the Whistleblowing Policy.
1.4	This Policy defines the purposes, principles and key roles and responsibilities within whg for preventing and managing actual or potential fraud and/or corrupt practices. It sets out whg's approach to dealing with allegations of fraud to ensure a consistent approach across the organisation.
	Legal and regulatory framework
1.4	<p>The Fraud Act 2006 consolidates the law regarding fraud by creating three offences of:</p> <ul style="list-style-type: none"> • fraud by false representation (making a dishonest representation for the individual's own advantage or to cause another a loss); • fraud by wrongfully failing to disclose information; and • fraud by abuse of position. <p>All forms of the offence require proof of dishonesty and an intention to make a gain or to cause loss to another or to expose another to a risk of loss.</p> <p>'Gain or loss' are limited to gains or losses in terms of money or other property. The Fraud Act focuses on what the perpetrator intended rather than what necessarily resulted. It also includes an offence of possession (or making or supply) of articles (including data and computer software) that can be used in committing fraud and obtaining services dishonestly.</p>
1.5	<p>From September 2025, the Economic Crime and Corporate Transparency Act 2023 (ECCTA 2023) has created a new offence of the failure to prevent fraud.</p> <p>Under this new offence whg can be held criminally liable if:</p> <ul style="list-style-type: none"> • a person associated with whg commits a fraud offence for the organisation's benefit; and • whg fails to prevent the fraud.

	This is a strict liability offence, meaning that the prosecution does not require proof that whg is complicit in committing the fraud and it is up to whg to demonstrate that it has reasonable procedures in place to prevent fraud.
1.6	<p>Fraud is often divided into three categories:</p> <ul style="list-style-type: none"> • Internal fraud: perpetrated by people within an organisation, most often with access to moveable assets such as cash; • External fraud: perpetrated by persons outside an organisation, including theft, deception, cyber crime and computer hacking; and • Collusion: external and internal parties working together.
1.7	<p>For the purposes of this Policy, 'fraud' is used to cover all types of theft, misuse of assets or access, misrepresentation or collusion for gain. The perpetrator could be a colleague, customer, contractor, business partner or third party. The gain could be to whg or to a colleague, contractor or customer, or a family member of any of these under ECCTA 2023 or the Fraud Act 2006. Examples could include:</p> <ul style="list-style-type: none"> • Diverting funds or assets from whg, its colleagues or partners, for instance by taking materials, diverting cash, misuse of whg's credit with suppliers or false expense claims; • Misrepresenting for gain, for instance by claiming qualifications not earned, excess charging, false grant or other claims, or concealing information; • Collusion with suppliers for gain; and/or • Corruption; misuse of position for direct or indirect personal gain by offering, giving, soliciting or accepting inducements designed to influence action or decision-making.
1.8	The Regulator of Social Housing's Governance and Financial Viability Standard requires all registered providers of social housing to adhere to all relevant law. One of the annual returns made to the Regulator includes details of all frauds. Any frauds that are considered material in nature, either due to their value or other impact on the business must be reported immediately.
1.9	As a charity registered with the Charity Commission, whg must also comply with Charity Commission regulations and guidance . Any actual or suspected serious incidents of fraud, theft, other financial crimes or other significant loss to whg must be reported to the Charity Commission as part of the serious incident reporting regime. There is no minimum figure that should or must be reported. Board members have responsibility for determining whether these incidents are serious or significant enough to report in the context of whg's wider operations and the circumstances of the incident, taking into account the actual harm and potential risks to whg posed by the incident.
2.	POLICY STATEMENT
2.1	This Policy applies to all colleagues, Board and Committee members, Co-optees, consultants and contractors of whg. This includes any trainees, apprentices and agency workers.
2.2	All colleagues, Board and Committee members and Co-optees will be alert to the potential for fraud, irregularity and corruption and take appropriate action when they know or suspect that such activity is planned or taking place.

2.3	<p>whg maintains a zero-tolerance approach to fraud and is committed to:</p> <ul style="list-style-type: none"> • Preventing fraudulent activity through robust controls, training and culture; • Detecting potential fraud early via audits, whistleblowing procedures and monitoring; • Taking swift disciplinary or legal action against perpetrators; and • Complying with all applicable fraud legislation, including the Fraud Act 2006 and the ECCTA 2023.
2.4	<p>whg has the following procedures and controls in place to achieve the Policy objectives:</p> <ul style="list-style-type: none"> • The adoption and embedding of a formal statement of its expectations on standards of personal conduct, propriety and accountability (Code of Conduct and Probity Policy); • Promoting a culture of integrity and ethical behaviour (whg Values); • The establishment of adequate and effective systems of internal financial and management control and a clear requirement to comply with these systems (Finance policies and procedures, Delegations – Financial); • The internal audit function has responsibility to review and report on these systems of internal control under the supervision of the Audit and Assurance Committee (Internal Audit Plan and reports); • Delivering regular training to colleagues on fraud awareness and ethical conduct (Fraud Prevention/Awareness training modules); • The publication of a formal statement of the procedures to be followed by colleagues who have a suspicion of, or concern about, possible or actual malpractice within or affecting the business (Appendix 1 to this Policy, whg's Fraud Response Plan and Whistleblowing Policy).
	Responsibilities
2.5	<p>Colleagues are responsible for taking steps to reduce the risk of fraud within their business area. They are also responsible for keeping alert to the potential for fraud and reporting any concerns. Any suspicion or concerns must be reported to the Fraud Prevention Officer (FPO) (or other member of the Group Executive if the FPO is unavailable). Appendix 1 to the Fraud Prevention Policy and, in more detail, whg's Fraud Response Plan sets out how to explicitly report actual or potential incidents of fraud.</p>
2.6	<p>Colleagues will be supported by a proactive fraud awareness programme, and by clear operating instructions and controls. Colleagues are also responsible for completing regular mandatory anti-fraud training. The Whistleblowing Policy provides protection for colleagues reporting such issues in this and other matters. whg's Whistleblowing Policy also sets out how individuals who have serious concerns about any aspect of whg's work can come forward and voice these concerns. This is a mandatory policy for colleagues and Board members to read as part of the induction process.</p>
2.7	<p>Managers, in addition to the above, are responsible for taking action when suspected fraud is brought to their attention, using the Fraud Response Plan. Managers are also responsible for identifying areas of the business that are susceptible to fraud and regularly reviewing the controls in place to ensure they minimise the risk of fraud materialising.</p>

2.8	The Director of Governance and Legal is responsible for supporting teams to identify fraud risk and mitigating controls, particularly teams where their service area has been identified as at high risk of potential fraud. The Risk and Compliance Officer supports this process and is responsible for carrying out reviews to ensure that fraud risks are reviewed regularly and check that the controls listed are in place and are working effectively.
2.9	The Corporate Director of Governance, Compliance and Communications , as FPO, is responsible for ensuring policies and procedures are in place to minimise fraud risk, promoting awareness of whg's values and policies in this area, overseeing the investigation of suspected or alleged fraud (including those notified from outside whg) and ensuring any reports are provided as necessary, including the Fraud Register, reports to the Charity Commission and an annual report of any fraudulent activity to the Regulator. The Chair of Audit and Assurance Committee (AAC) will be kept informed of any incidents of alleged fraud, as they arise.
2.10	Internal Auditors are responsible for including within planned work consideration of fraud risk and advice to whg on best practice.
2.11	The Audit and Assurance Committee is responsible for considering any issues relating to fraud, bribery, money laundering or whistleblowing, including approval of policies relating to these areas. The Committee is also responsible for reviewing the fraud register annually and reporting to the Board on systems, internal controls and risk management
2.12	The whg Board has overall responsibility for the arrangements for prevention and detection of fraud and has delegated the above tasks to the AAC, but retains responsibility for ensuring that the internal control environment remains effective. The Board is committed to fostering a culture of zero-tolerance towards fraud and corruption and ensuring that colleagues acting in good faith are protected from possible reprisals, harassment or victimisation when reporting concerns. The Board is responsible for ensuring that any fraud, theft or significant loss which amounts to a serious incident is reported to both the RSH and the Charity Commission and is required to confirm annually to the Charity Commission that there are no such matters which have not been reported.
2.13	Third parties: are responsible for complying with whg's policies or have in place similar anti-fraud and corruption arrangements.
	The Fraud Register
2.14	The Fraud Register will be maintained electronically by the Corporate Director of Governance, Compliance and Communications and will be available to all Board and Committee Members to read. It will record all notified instances of suspected, attempted and actual fraud, noting whether they had been investigated, the final action taken and the outcome.
2.15	All instances must be recorded at first notification, the entry being updated as investigations progress. The investigation will be led by the FPO in accordance with the Fraud Response Plan.
2.16	Care will be taken over confidentiality and data protection requirements, for example, if an allegation is made against a colleague, it should be recorded in the Fraud Register

	without any detail that would allow identification, and with a reference to a confidential file, held by the FPO, which contains more information.
2.17	Access to the Fraud Register will be reserved to appropriate senior colleagues at the discretion of the FPO.
	Deterrence and Prevention
2.18	In order to help deter fraud, this Policy will be publicised and Board and Committee members and colleagues will receive training on their responsibilities outlined in section 2.5 above. It will be clear that whg is intolerant of fraud and colleagues must co-operate fully with relevant authorities where required.
2.19	whg takes a risk-based approach to fraud prevention, identifying those areas where fraud is most likely to occur and directing efforts to higher risk processes and sites. Fraud risks will be recorded and managed in whg's risk management software.
2.20	The best prevention relies on clarity of procedures, responsibilities and segregation of duties, controls and records.
2.21	The Group's Whistleblowing Policy protects colleagues who report suspicions.
	Recovery of losses
2.22	Recovering losses is a major objective of any fraud investigation. The investigating officer or internal audit will ensure that the amount of any loss can be quantified. Repayment of losses shall be sought in all cases.
2.23	Where the loss is substantial, legal advice will be obtained without delay about the need to freeze the suspected perpetrator's assets through the court, pending conclusion of the investigation.
2.24	Legal advice should also be obtained about prospects for recovering losses through the civil court, where the perpetrator refuses payment.
2.25	whg will normally pursue the prosecution of any such individual if a criminal offence is suspected of having been committed.
	Money Laundering and Bribery
2.26	whg has more detailed separate policies on our approach to preventing and managing money laundering and bribery and is required to comply with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (and associated regulations). The Corporate Director of Governance, Compliance and Communications is the nominated Money Laundering Reporting Officer.
	Other Types of Fraud
2.27	Other types of fraud, such as tenancy fraud and fraud connected with cyber security are dealt with in more detail in separate specific policies, listed in section 7 below.
	Reporting to AAC / Board

2.28	A quarterly update will be provided to AAC by the Director of Governance, Compliance and Communications or Director of Governance and Legal, on cases of fraud or potential fraud recorded on the Fraud Risk Register, and information on any ongoing investigations.
2.29	Additional reporting for frauds resulting in a material loss to whg, or involving colleagues, will be provided to AAC and the Board (as deemed appropriate). This will include, on completion of investigation, a written report containing: <ul style="list-style-type: none"> • A description of the incident, including the value of any loss, the people involved, and the means of perpetrating the fraud; • The measures taken to prevent a recurrence; and • Any action to strengthen future responses to fraud, with follow up information on whether or not the actions have been taken.
2.30	The Board will receive an annual update of all frauds resulting in a loss to whg, including tenancy fraud, before the annual submission to the RSH.
3.	PERFORMANCE MEASURES
3.1	The Fraud Register will be presented to the AAC on an annual basis.
3.2	An annual review of any frauds or attempted frauds will be carried out, assessing any possible patterns or trends that may require tightened controls or changes to processes.
4.	EQUALITY AND DIVERSITY
4.1	whg will ensure the Policy is applied fairly and there is no direct or indirect discrimination against any person or group of people because of their age, disability, gender reassignment, marital and civil partnership, religion or belief, race, pregnancy and maternity, sex, gender, or sexual orientation.
5.	TRAINING AND DISSEMINATION
5.1	Online training is mandatory for new starters. A fraud awareness campaign will be delivered annually. Face to face learning will be delivered to high risk teams. Managers are responsible for ensuring their teams are aware of the Fraud Prevention Policy. whg's Management Fundamentals programme will include a fraud prevention and awareness module.
6.	MONITOR AND REVIEW
6.1	This Policy will be monitored by the Corporate Director of Governance, Compliance and Communications and reviewed every three years, or sooner in the event of significant legal or regulatory developments, by the AAC.
7.	ASSOCIATED DOCUMENTS, POLICIES AND PROCEDURES
7.1	Documents, policies and procedures associated with this Policy are: <ul style="list-style-type: none"> • The Economic Crime and Corporate Transparency Act 2023 • Charities Act 2022

	<ul style="list-style-type: none"> • Prevention of Social Housing Fraud Act 2013 • Fraud Act 2006 • Proceeds of Crime Act 2002 • RSH Governance and Financial Viability Standard • Fraud Register • Fraud Response Plan • Fraud Risk Assessments • Code of Conduct • Probity Policy • Anti Money Laundering Policy • Anti Bribery Policy • Whistleblowing Policy • Procurement Policy • Gifts and Hospitality Policy • Lodgers, Subletting and Tenancy Fraud Policy • Information Security Policy • Information Security Acceptable Usage Policy
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APPENDIX

Reporting Suspected Fraud

These steps should be taken after considering the Fraud Prevention Policy.

If you suspect fraud:

Any instance of suspected fraud must be reported as soon as possible. Do not wait until you are sure or hesitate for fear of appearing foolish. It is better to find out your concerns were misplaced than to allow fraud to go unchallenged. Tackling possible fraud quickly can prevent or mitigate wider losses.

Report suspected fraud to:

- The FPO, in whg's case the Corporate Director of Governance, Compliance and Communications; or
- Another member of the Group Executive if the FPO is unavailable.

BE PERSISTENT if you cannot find one of the above straight away.

CONTACT THE ABOVE even if you just want advice about a situation and are not sure how to proceed.

DO NOT report your concerns to your line manager (unless they are a Corporate Director, and the FPO is unavailable).

DO NOT report your suspicions to the police, without first consulting one of the above. This may be necessary but needs to be done at the right time and in the right way.

DO NOT confront the suspected fraudster without the agreement of the person to whom you have reported the suspected fraud. In the case of colleagues, HR advice will be needed before any steps are taken.

TAKE copies of any documentation that may be useful, unless it is extensive or may alert the suspected fraudster of your suspicions. But DO NOT conduct your own investigation to establish whether or not your suspicions are correct.

Corporate Directors (other than the FPO) notified of suspected fraud:

Corporate directors who are approached regarding potential fraud shall discuss with the FPO to determine the action, once available. If the FPO will be unavailable for more than 1 day, or where suspicions concern the FPO, the correct course of action is to approach the Group Chief Executive or the Chair of the Board.

The Fraud Prevention Officer:

The FPO will advise on any steps that need taking to preserve evidence or reduce loss. They will alert the Group Chief Executive and agree whether to inform internal auditors, police and/or the Chair of the Board. The suspected fraud shall be entered in the Fraud Register at once, with further information added in due course. Consideration should be given to insurance claims. In serious cases, where significant control issues arise, the RSH should be informed.

Subject to the Group Chief Executive's oversight, the FPO will lead on the investigation following the process outlined in the Fraud Response Plan, prepare a report for the Group Chief Executive and AAC and update the Fraud Register, keeping relevant bodies informed.

During the course of the investigation, if colleagues are under suspicion, HR advice and ongoing support must be obtained from an early stage. Investigations will be conducted without regard to the suspected wrongdoer's length of service, position, title or relationship to the Group.

A 'Fraud Response Plan' has been prepared for the FPO to provide guidance in the often-sensitive process of investigating and reporting suspected frauds with due regard to Data Protection Legislative requirements.

Where needed, external expert advice will be sought.

Document author	Director of Governance and Legal and Devonshires Solicitors.
Document owner	Corporate Director of Governance, Compliance and Communications.
Version and status	v1.1 LIVE
Legal advice	Devonshires reviewed the Policy against the requirements of the Economic Crime and Corporate Transparency Act 2023 and amended where required.
Consultation	No changes requiring consultation, other than with Devonshires and Head of Inclusion and Organisational Culture. The changes made are required to comply with legislation.
Approved by	Resources and Foundation Panel - 1 July 2025 Audit and Assurance Committee - 22 July 2025
Review Date	July 2028
Transformational Programme	Work and workplace of the future
Equality Assessment	Completed with no negative/positive impact for any protected characteristics – assessment completed by Director of Governance and Legal and reviewed and approved by Head of Inclusion and Organisational Culture
Key changes made	v1.0 - Changes made linked to Economic Crime and Corporate Transparency Act 2023, including new corporate criminal offence of failing to prevent fraud for the benefit of the organisation. Other changes made are to ensure any prosecution for failure to prevent fraud can be defended. v1.1 – Updates to branding and numbering. Change of terminology from ‘Fraud Guidance’ to ‘Fraud Response Plan’.