

Railway Housing Association

Policy Statement

Anti-Fraud

1. Statement of Intent

The association is committed to the highest ethical standards and these are set out in the code of conduct for colleagues and board members.

The association has a responsibility to protect its assets, reputation, and any funds it receives. There is a risk of financial and organisational loss due to fraud, which could damage the service we provide and our reputation with customers, regulators, partners and the general public.

This policy outlines how the association will endeavour to prevent, detect and report fraud, and recover assets.

The policy applies to all board members, employees, agency workers, volunteers, contractors, suppliers and any other persons associated with the association in the course of its business. These individuals are expected to act honestly and with integrity and to safeguard the resources and reputation of the association.

2. Implementation

2.1 Definitions

Fraud is an act of deceit undertaken to gain an advantage or to gain possession of some property belonging to another. The Fraud Act 2006 consolidates the law concerning fraud (previously in the Theft Acts 1968-1996) by creating a specific offence of fraud that is split into three principal categories – false representation, failure to disclose information, and abuse of position. The Act also creates two new offences designed to target technology fraud – obtaining services dishonestly, and processing, making and supplying articles for use in fraud (including data and computer software).

Fraud by false representation – a representation is defined as false if it is untrue or misleading and the person making it knows that it is, or might be, untrue or misleading. Representation can be stated by words or communicated by conduct, that is, written, spoken or by electronic means.

Fraud by failing to disclose information – a fraud will have been committed if a person fails to declare information which s/he has a legal duty to disclose.

Fraud by abuse of position – fraud is committed if a person in a privileged position acts dishonestly by abusing the position held or omits to make a declaration.

To be found guilty of fraud a person must have behaved dishonestly with the intention to gain from their actions or to cause loss or a risk of loss to another.

Under the Fraud Act 2006 there is no requirement to prove that actual loss or gain has occurred, provided the intention is there.

Theft is dishonestly taking something that belongs to someone else and keeping it.

Corruption is accepting a bribe or inducement as a reward for either doing or not doing something or showing unfair advantage towards or bias against someone or something.

Irregularity is any significant matter or issue, other than fraud or corruption, that may warrant consideration or investigation. For example, a genuine mistake or error that has been made and subsequently hidden or the possible inappropriate use of association funds that may or may not constitute fraud, theft or corruption.

For the purposes of this policy the term fraud covers fraud, theft, corruption and irregularity and all references to fraud should be construed accordingly.

2.2 Legislation and Regulatory Framework

The association will comply with all legislation relevant to fraud, theft, bribery and money-laundering, including the Fraud Act 2006, Theft Act 1968, Bribery Act 2010, Proceeds of Crime Act 2002, Prevention of Social Housing Fraud Act 2013 and applicable money-laundering regulations. Where applicable, the association will also have regard to the Economic Crime and Corporate Transparency Act 2023 'failure to prevent fraud' offence and associated guidance.

In managing fraud risks the association will have regard to the requirements and expectations of the Regulator of Social Housing, relevant NHF codes, and CIPFA counter-fraud guidance.

2.3 Prevention and Detection

The association aims to prevent fraud, or detect it at an early stage, through the use of a rigorous system of internal controls including:

- Code of conduct
- Whistleblowing policy
- Anti-bribery policy
- Treasury management policy
- Annual declarations of interest
- Standing orders and financial regulations
- Recruitment and selection procedures
- Internal audit
- Internal checks

All board members and employees are expected to demonstrate the highest standards of honesty, probity, openness and integrity in the discharge of their duties and responsibilities.

Management will carry out a periodic fraud risk assessment covering key areas of activity, including tenancy and allocations, housing management, repairs and maintenance, procurement, development, income collection, treasury and cyber-enabled processes. The outcomes of the fraud risk assessment will inform the strategic risk register, internal controls, and the internal audit plan.

All suspected, attempted or actual frauds must be reported immediately in accordance with the fraud response procedure or whistleblowing policy. The chief executive, in consultation with the chair as appropriate, will determine whether and when to report matters to the police, Action Fraud, the Regulator of Social Housing, insurers or other external bodies.

Incidents of suspected fraud within other organisations that the association has dealings with, for example, contractors and suppliers, will be reported to a senior member of staff within that organisation and/or a regulatory body for that sector or profession.

Incidents of suspected fraud involving residents of the association will be reported to the appropriate body or organisation. For example, suspected housing benefit fraud will be reported to the local authority.

Anyone who reports a suspected fraud will be protected by the Employment Rights Act 1996 (as amended). This protects employees against detrimental treatment as a result of making a disclosure in relation to specific areas of malpractice as set out in the whistleblowing policy, including in relation to financial malpractice, impropriety or fraud. The association will not tolerate any victimisation of, or disadvantage to, any individual who raises a concern in good faith. Concerns may be raised anonymously and will be handled sensitively and, where possible, confidentially.

2.4 Recovery of assets

The association will take all reasonable steps to recover any loss that occurs as the result of fraud, including court action where appropriate.

The association will ensure that insurance arrangements cover the consequences of fraudulent activity.

3. Monitoring

All cases, including attempted frauds, will be recorded in the fraud register to support analysis of trends and learning.

Individual incidents will be reported to the audit committee detailing the nature and extent of the fraud and any implications for the internal control system.

An annual report will be made to the audit committee to review the register.

4. Training

Fraud awareness training will be included in the induction process for all board members and employees. Additional training will be provided for colleagues in higher-risk roles, such as those involved in procurement, development, treasury, income collection and allocations, and will be updated to reflect emerging risks, including cyber-enabled and tenancy fraud.

Refresher training will be provided in relation to this policy for all board members and employees every three years.

5. Responsibility

The board is responsible for setting the association's risk appetite and ensuring that effective systems of internal control are in place to prevent and detect fraud. The audit committee oversees the adequacy and effectiveness of the anti-fraud framework,

including reviewing the fraud register and receiving assurance from management and internal audit.

The chief executive has overall responsibility for implementing this policy. The chief finance officer will act as the association's fraud lead, maintaining the fraud register, coordinating investigations and liaising with internal audit, external audit, regulators, insurers and law-enforcement agencies as appropriate.

5. Review

This policy will be reviewed triennially.

December 2025

This policy can be made available on request in other languages, large type, Braille or in audio format.