



Belmont House, 57 Belmont Road, Cambuslang, G72 8PG
www.wwhc.org.uk E: enquiries@wwhc.org.uk T: 0141 641 8628

Policy Name	Fraud and Anti-Bribery Policy
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West Whitlawburn Housing Co-operative will provide this policy on request at no cost, in larger print, in Braille, in audio or other non-written format, and in a variety of languages. Please contact the office.

Registered with the Scottish Housing Regulator No. 203
Registered Charity No. SCO38737, VAT Registration No. 180223636
Registered society under the Co-operative and Community Benefit Societies Act 2014



1. Introduction

West Whitlawburn Housing Co-operative (WWHC) recognises the importance of protecting the organisation including its operations, its employees, suppliers, and its assets, tenants and residents against financial risks, operational breaches and unethical activities. WWHC is committed to eliminating corruption and bribery and achieving the highest standards of good governance in all our activities.

Losses due to fraud, theft or corrupt practices could have a direct effect on the level and quality of service provision. WWHC plays an important role in the local area and any instances of fraud or corruption could be damaging for its reputation. It is wrong to assume therefore that actual financial losses are the only negative outcome of frauds. The full cost is usually much greater than the amount stolen, as the costs associated with correction may be material. Staff morale and the level of confidence of tenants, owners, partners, suppliers, our lenders and The Scottish Housing Regulator may decline as a result of fraud.

WWHC wishes to carry out our business transparently and fairly and therefore we operate a zero tolerance policy towards bribery, fraud and any form of dishonesty in all of our transactions by our employees, Committee Members, contractors, agents and other associated persons.

WWHC has a responsibility to its tenants, owners, staff, partners, suppliers and other stakeholders in general to take all reasonable steps to prevent the occurrence of fraud. This policy sets out in more detail procedures for:

- fraud prevention and detection
- the investigating and reporting of fraud
- recording of fraud
- responsibilities

Information is also provided on risk management, internal controls, management checks, staff training and the Bribery Act 2010.

2. Policy Scope

The aims of this policy are to:

- Promote a culture of honesty, integrity and professionalism;

- Set out WWHC’s responsibilities, and of those working for or on our behalf, in observing and upholding WWHC’s position on bribery, fraud and corruption
- Provide information and guidance to those working for WWHC on how to recognise and address bribery, fraud and corruption issues.
- Set out clear definitions of what fraud and corruption are together with clear and defined responsibilities for reducing and preventing the risk of fraud and corruption and how any suspected or detected attempts of fraud or corruption will be dealt with.
- Minimise the risk of exposure to fraud and corruption, minimise any financial loss and the potential adverse effects on our reputation in the event of its occurrence.

The Policy sets out the responsibilities of all members of the Management Committee and staff members, including temporary staff regarding the prevention and detection of fraud and the action to be taken where fraud is suspected or detected.

This policy applies to all employees; management committee members and any other associated persons including temporary workers, consultants, contractors, suppliers and any other person or body or subsidiary organisation engaged to act for us, or on our behalf. Breaches of this policy are likely to constitute a serious disciplinary, contractual and or criminal action for the individual(s) concerned.

WWHC requires all Management Committee and staff members to act with honesty and integrity at all times and to safeguard the resources they are responsible for. Fraud and corruption are ever present threats to these resources and therefore must be a concern for all Management Committee and staff members.

Every employee, Management Committee member and associated person is responsible for maintaining the highest standards of personal, ethical and business conduct. Any breach of this policy is likely to constitute a serious disciplinary, contractual and criminal matter for the individual concerned and may cause serious damage to our reputation and standing.

3. Frameworks and Definitions

The Co-operative is regulated by The Scottish Housing Regulator (SHR). Their Regulatory Framework 2019, sets out seven Standards of Governance

and Financial Management. Regulatory Standard 5 requires that “The RSL conducts its affairs with honesty and integrity.” Any breaches of this policy would be considered a Notifiable Event and therefore reportable to SHR. WWHC has a separate Notifiable Events Policy. The SHR would further notify the Office of the Scottish Charity Regulator (OSCR) under provisions set out in The Charities and Trustee Investment (Scotland) Act 2005.

In Scotland, criminal fraud is mainly dealt with under the common law and is defined as “when someone achieves a practical result by the means of a false pretence. In other words, where someone is caused to do something they would not otherwise have done, or vice versa, by the use of deception.”

For the purpose of this policy this statement also applies;

“The intentional distortion of financial statements or other records by persons internal and external to the Co-operative, which is carried out to conceal the misappropriation of assets or otherwise for personal gain.”

Fraud can be defined as any act actual or alleged of wilful dishonesty to gain individual or collective advantage. It is taken to include theft, deception, bribery, forgery, extortion, corruption, conspiracy, embezzlement, misappropriation, concealment of material facts and collusion. For practical purposes, fraud may be defined as the use of deception with the intention of obtaining advantage, avoiding an obligation or causing loss to another party.

The crime of "uttering" occurs when someone tenders as genuine a forged document to the prejudice of another person. Most cases of uttering have a practical result and can be treated as cases of common law criminal fraud. Uttering and fraud are often interchangeable offences.

The Criminal Justice (Scotland) Act 2003 sets out a definition of corruption as: “Every person who shall by himself or by or in conjunction with any other person, corruptly solicit or receive, or agree to receive, for himself, or for any other person, any gift, loan, fee, reward, or advantage.”

For the purpose of this policy this statement will apply: “The offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person.”

Money Laundering offences can also be committed under the Proceeds of Crime Act 2002 by concealing, disguising, transferring acquiring, using, possessing and so on the proceeds of criminal fraud.

The UK Bribery Act 2010 (Bribery Act) applies in Scotland. The Act codifies the law relating to bribery and corruption.

Corruption is the misuse of office or power for private gain.

Bribery is a form of corruption and means that it falls within the scope of this policy.

Under the Bribery Act 2010 it is illegal to:

- Offer, promise to give or to pay a bribe
- Request, agree to receive or accept a bribe
- Bribe a foreign public official
- Fail to have adequate procedures in place to prevent bribery

The Bribery Act is one of the widest-ranging pieces of legislation in the field. It covers: bribery which occurs in the UK or abroad; any corrupt act by a UK business (or by a foreign country carrying on any part of its business here) wherever it occurs. A corrupt act committed abroad may well result in a prosecution in the UK. Nor does it matter whether the act is done directly or indirectly.

If the Co-operative or anybody acting on the Co-operative's behalf is found guilty of bribery - or even of failing to have adequate procedures in place to prevent bribery – they will be subject to large fines (£5,000 to unlimited) and/or imprisonment (up to ten years).

Reference to the Bribery Act shall be contained in all relevant policies and contracts with suppliers.

Staff should be aware that gifts, including hospitality, offered by contractors, suppliers and service providers may place an employee in a vulnerable position. Even when offered and accepted in innocence, such gifts may be misconstrued by others. The offer, acceptance or refusal of gifts and hospitality must be in line with WWHC's Entitlements, Payments and Benefits Policy and associated guidance.

4. **Examples**

Some examples of fraud, bribery or corruption that may be perpetrated against the Co-operative are:

Fraud

- Theft of cash or other assets
- False accounting and / or making fraudulent statements with a view to personal gain or gain for another.
- Claims for payment of works of maintenance that haven't been completed / don't exist / exaggerated / excessive.
- Claims for payment of supplies that have not been provided.
- Falsification of expenses and invoices
- Falsification of flexi records, annual leave records, sick or special leave records
- Knowingly providing false information on job applications and requests for funding
- Alteration or falsification of records (computerised or manual)
- Failure to account for monies collected
- Tenancy fraud-including false applications and illegal sub letting
- Acceptance of bribes for access to housing / improper allocation of housing
- Payroll fraud
- Development fraud-may include inflating land prices
- Housing benefit fraud
- Procurement fraud - improper award of contracts
- Bank mandate fraud
- Online fraud
- For practical purposes examples may include: forgery, extortion, theft, conspiracy or embezzlement.

Bribery

- Bribery and corruption – offering, giving, soliciting or accepting an inducement or reward that may influence the actions taken by the co-operatives staff, for example in the procurement of goods or services.
- Offer of goods or services for business advantage
- Unofficial payments or “kickbacks”
- Offer of an unusually generous gift or lavish hospitality
- Invoice or receipt when no money is payable or has been paid
- Cash payments with no formal agreement

- Offer of cash to provide employment for a friend or relative
- Invoice for a payment which seems large given the service/goods which have been provided
- Offer of substantially discounted fees for supply of goods, through an individual as a private person
- Offer of a cash payment if a contract is awarded to the contractor/supplier.
- Any hospitality or gift received should be declared appropriately and entered into our gifts and hospitality register and be in accordance with the terms of our Entitlements, Payments and Benefits Policy

The above list is not exhaustive.

5. Cybercrime

Cybercrime is criminal activity carried out using computers and the Internet. Cybercrime covers a broad scope of criminal activity which can include anything from downloading illegal files to stealing millions of pounds from online bank accounts. Cybercrime also includes non-monetary offenses, such as creating and distributing viruses on other computers or posting confidential business information on the Internet.

A prominent form of cybercrime is identity theft, in which criminals use the Internet to steal personal information from other users. A common way of doing so is to lure users to fake websites (that appear to be legitimate), where they are asked to enter personal information which criminals can use to "steal" another person's identity.

Ransomware attacks are a further online threat which can have long-lasting effects including a loss of service, damage to reputation, the cost of remedying the situation, plus the long term issue of data loss and possible regulatory action.

6. Prevention and Detection

6.1 Prevention

WWHC has a culture which rejects impropriety, values honesty and puts the protection of the public interest first.

WWHC operates systems of internal controls, policies and procedures, in

an effort to deter, prevent and detect fraud and corruption.

These controls are regularly reviewed to ensure they comply with legislative changes and updates to best practice guidance. They will be circulated and awareness and adherence to them promoted to all Management Committee and staff members.

All new employees (including temporary and contract) are asked to provide details of any current unspent criminal offences in the Co-operative's employment application form. WWHC will verify details provided in the application form including references and educational checks. All staff must demonstrate their eligibility to work in the UK.

All suppliers and contractors must be in good standing and subject to screening by the Co-operative in line with WWHC's Procurement policy.

All contractual agreements with the Co-operative will contain the provision prohibiting fraudulent or corruptive acts and will include information about reporting fraud and corruption.

All staff will receive fraud and corruption awareness training.

In order to protect WWHC computer systems we use antivirus and spyware blocking software which is regularly tested and updated by our IT services provider. We provide information to all staff on potential viruses and actions through the IT Security Policy.

6.2 Detection

The primary responsibility for detecting fraud lies with the Management Committee and the Senior Staff Team through the implementation, documentation and operation of effective systems of internal control. However, all staff have a responsibility to be aware of the potential for fraud and take the necessary steps to minimise the risk to the Co-operative. Senior staff should ensure staff in their areas of operation are familiar with the common types of fraud.

The Co-operative is not advocating the creation of an overtly suspicious environment, but expects staff to be alert to the potential for fraud in areas where they operate.

The Co-operative's internal auditors, through their evaluation of the control framework, also have a role to play in preventing and detecting fraud; however this is not the main remit of internal audit.

7. Investigation and Reporting

If staff suspect any incident of money laundering, bribery, fraud or theft they must report it immediately to their Line Manager or the Director. If for any reason it is felt reporting in this manner is inappropriate staff must report confidentially to the Chair of the Management Committee or contact our internal or external auditors directly.

Where it appears that the fraud may have involved the Director, the Chairperson should be notified immediately, who shall then contact both the internal and external auditors who will guide them accordingly.

Staff should not be dissuaded from reporting actual or suspected fraud as all cases will be treated in the strictest confidence. The Co-operative is fully committed to supporting and protecting staff that raise legitimate concerns where possible. However the Co-operative cannot guarantee anonymity and may have to provide, for example, witness statements to assist with the investigation.

Provided the allegations have been made lawfully, without malice and in the public interest, the employment position of the person will not be disadvantaged for reasons of making this allegation. The Co-operative's Whistleblowing Policy contains further information on this.

Any action to prevent the reporting or any attempts at intimidation will be treated seriously and the Co-operative will immediately report such action to the police.

Fraudulent or corrupt activity by a staff member is regarded as a breach of contract and where there are grounds for suspicion then suspension, pending the outcome of enquiries, is likely. Where there are grounds to suspect that criminal fraud has occurred the Co-operative's policy in all such cases is to immediately advise the Police. The Police and Procurator Fiscal will be solely responsible for deciding whether a criminal investigation is required. In all cases the Co-operative will co-operate fully with the Police and pursue prosecutions where possible.

The Co-operative may start its own investigation while any Police investigation is on-going. The Co-operative will follow its own disciplinary procedure if required.

Where dishonesty is detected then disciplinary procedures will be instigated and this may lead to dismissal of the individual concerned. The Co-operative's auditors or any other appointed independent investigator will be called in to carry out a fuller investigation and to provide independence in the investigation. In all cases the Co-operative will co-operate fully with those carrying out the investigation.

Line managers should note that suspects have certain rights under the law and no action (such as interviewing staff) should be taken without prior legal or EVH consultation. Failure to follow established procedures in relation to investigating fraud and interviewing the staff involved can invalidate disciplinary action and compromise the success of any future investigation and/or prosecution.

The Co-operative will require that any staff member who is convicted of a fraudulent act whilst employed by the Co-operative is required to inform the Director. The Co-operative will take a view on whether or not the offence committed will result in the staff member being able to continue in their current post. WWHC will carry out a risk assessment of the position in line with recruitment best practice for the Employment of Ex- Offenders.

The Management Committee raise a Notifiable Event with the SHR as appropriate.

A fraud response plan is attached at **Appendix 1**.

8. Fraud Register

All frauds, suspected or actual, will be recorded in the Fraud Register, held by the Director. This will be reviewed annually by the Management Committee and External Auditor.

The register which will show the following information:

- Scope and circumstances arising; summary of what happened
- Action taken by the Co-operative & Police
- Outcome

- Any control action required as a result of the fraud
- Estimate of Loss / Potential Loss
- Extent of / potential for recovery of loss
- Date reported to the Scottish Housing Regulator (all suspected or actual fraudulent activity is to be reported)

Should any loss through fraud be sustained, the Management Committee will take all reasonable steps to recoup the loss if the loss is of a material amount. The loss may be recouped from the perpetrator of the fraud or through an insurance claim.

An extract from the Register is attached at **Appendix 2**

9. Responsibilities

9.1 Management Committee

The Management Committee is responsible for establishing adequate systems of internal control and for ensuring that these are regularly reviewed for effectiveness and compliance.

It is acknowledged that there can never be any 'absolute' guarantees that internal checks and systems and procedures established will always prevent fraud, corruption or malpractice occurring.

The Committee Code of Conduct notes that it is the responsibility of all committee members to report details of alleged, detected, suspected or attempted fraud, corruption and/or malpractice committed by any person.

The Management Committee will consider Internal Audit reports and recommendations and decide what recommendations it will accept. The senior staff team will be responsible for implementing the recommendations.

The external auditors Management Letter will also be considered by the Management Committee who will reply to any points raised.

The Committee will also review the Fraud Register on an annual basis.

9.2 Director

The Director has a responsibility to:

- Appoint an investigating officer where appropriate
- Inform the Chairperson of an investigation

9.3 Senior Staff Team

The senior staff team has a responsibility for preventing fraud through:

- identification of risks to which systems and procedures are exposed
- developing and maintaining effective internal controls to prevent fraud
- establishing an environment that promotes compliance with internal controls
- promoting fraud awareness amongst staff
- promoting an 'anti- fraud' culture
- ensuring the Management Committee has up to date and accurate information on Regulatory Requirements in relation to Governance and Financial Management, governance and good practice
- ensuring that if a fraud or attempted fraud occurs a vigorous and prompt investigation takes place without regard to position held or length of service
- take appropriate disciplinary and legal action in all cases where justified
- reviewing systems and procedures to prevent similar frauds arising
- ensuring staff have the required level of knowledge and understanding of the range of policies, procedures and systems that are relevant
- ensure that staff receive appropriate training that enables them to identify any suspected fraud
- Ensuring that the notification requirements of the Scottish Housing Regulator are met

9.3 Staff

All staff have a responsibility to adhere to the Code of Conduct and to:

- be vigilant to possible indicators of fraud or attempted fraud, within their respective area of work
- act with integrity and propriety, within the law, and in accordance with relevant policies systems and procedures

- report to their line manager any areas of weakness they identify in procedures or systems or suggest ways of reducing the possibility of fraud
- report any suspicions of fraud or attempted fraud to their line manager or Director

10. Risk Management

While the senior staff team are responsible for assessing and controlling the level of risk within their areas of authority, it is the responsibility of all staff to be aware of fraud and take the necessary steps to minimise the risk to the WWHC.

Managing the risk of fraud is the same in principle as managing any other business risk. It is best approached systematically both at corporate and operational level. Managers should identify risk areas, assess the scale of risk, allocate responsibility for managing specific risks and implement and test controls to minimise the risks.

Management also have a responsibility to familiarise themselves with common fraud techniques in areas for which they have control. This should include being alert to signs which indicate that fraud is taking place.

We will also consider what special risks occur in aspects of our business operations and make arrangements to manage these. Examples of higher risk areas include, but are not limited to:

- Access to on line banking, cash and cheques
- Ability to influence fees and charges (including writing off)
- Tendering and award of contracts
- Decisions on the award of services to individuals including housing allocations
- Granting of permissions/approvals
- Acquisition, use and disposal of assets
- Ability to raise payments
- Claims (expenses, timesheets).

11. Internal controls

Internal controls are the key element in preventing fraud. They should be documented, communicated to all staff and the importance of compliance regularly reminded to staff. It is the responsibility of each line manager to ensure controls within their areas of responsibility have been documented and communicated and operate effectively.

Managers should assess the types of risk involved in the operations for which they are responsible; to review and test the control systems for which they are responsible regularly; to ensure that controls are being complied with; and to satisfy themselves that their systems continue to operate effectively.

Management should periodically monitor compliance with controls and may also ask the Internal Auditors to test compliance. It should be emphasised that the main remit of internal audit is to evaluate the effectiveness of the overall framework of internal control, with management being responsible for ensuring implementation and monitoring of the framework.

Common excuses for non-compliance with controls are that they are no longer applicable, insufficient time is available or they are not appropriate. It is important that such comments are reported to line managers so that the need for the controls can be re-evaluated and amended as appropriate.

12. Management checks

The prevention and detection of fraud and impropriety is only possible where strong internal controls are present and consistently applied. Routine checks and monitoring by management to ensure that procedures are being followed are therefore essential. There are two benefits from implementing a culture of strong management controls:

- a deterrent effect when it is known that Management are actively involved in ensuring that procedures are followed, and
- the results of the checks will allow Management to identify any operational areas where controls are not being uniformly applied and investigate whether systems have been exploited and need to be reviewed.

13. Corporate Governance

The Scottish Housing Regulator monitors the Co-operative's adherence to corporate governance requirements through their publication of the annual Regulation Plans and also through more in depth and focused on-site inspections and, more so, desk top reviews of various statutory returns.

Development of best practice and recommendations arising from the publication of other inspection reports and Governance Matters publications, will continue to be important in the development of an environment in which awareness of responsibility for fraud prevention and detection can flourish.

14. Staff Training

Staff often provide the best protection against fraud and corruption. It is important therefore that the policy on fraud prevention and investigation is fully communicated to all staff. A lack of clear guidance and ignorance of procedures will often be the first excuse used by offenders.

The recruitment of suitable staff is the first defence in preventing fraud. Best practice recruitment policies such as detailed application forms including a statement on relevant unspent convictions, written and verbal communication with referees and past employers and educational and professional qualifications will be strictly adhered to.

Staff awareness of policy and procedures is fundamental to the effective operation of systems. Best practice includes:

- instruction and discussion on control and probity issues as part of staff induction
- formal staff training on operational procedures
- desktop instructions for specific tasks
- publication of the policy on fraud and corruption; an
- regular staff notices regarding changes to control systems, policies and procedures.

15. Equalities

We are committed to ensuring equal opportunities and fair treatment for all people in our work. In implementing this Policy, we will provide a fair and equal service to all people, irrespective of factors such as gender, race, disability, age, sexual orientation, language or social origin, or other personal attributes.

16. Policy review

This policy will be subject to review at least every 3 years.

Appendix 1

Fraud Response Plan

1. Introduction

The purpose of this Plan is to outline the steps to be followed in the event of a suspected fraud. It provides a consistent framework for investigating and reporting fraud by defining authority levels, responsibilities for action and lines of reporting. This Plan should be read in conjunction with Co-operative's Fraud Policy and Whistleblowing Policy.

2. Initiating Action

Suspicion of fraud may be captured through a number of means. This includes internal audit work, external audit, or incidences of whistleblowing. In all cases the Director should be alerted to the matter without delay. In the Director's absence, another member of the senior staff team should be informed, and they will inform the Chair of the Management Committee. In the case where the Director is suspected, the Chair must be advised immediately.

The Director (or in their absence, another member of senior staff) shall, as soon as possible and normally within 24 hours, convene a meeting of the Fraud Response Group. This Group shall normally comprise the Director, Deputy Director, Assistant Director (Corporate Services), external Finance Agent if appropriate and Chair of the Management Committee. The Group has the task of deciding on initial action to be taken. This action will normally involve:

- engaging the internal auditor to act as Investigating Officer and undertake an investigation;
- informing external auditors of the matter, and agreeing arrangements for keeping the external auditors informed about the work of the Group;
- considering how to secure records/assets and prevent further loss;
- considering the membership of the Fraud Response Group, and the need to involve other members of the Management Team. This will typically be determined by the area of business where

- the alleged or suspected fraud has taken place;
- seeking expert legal advice from the Co-operative's solicitors, as required;
 - confirming responsibilities and arrangements for submitting relevant regulatory notifications;
 - confirming requirements and arrangements for notifying funders.

The Director should advise the Chair of the Committee as soon as an investigation under this procedure has been initiated.

3. Preliminary Investigations

The Investigating Officer must conduct an initial information gathering exercise to enable the circumstances to be investigated rigorously, confidentially and without undue delay. They should thereafter report their initial findings to the Fraud Response Group, any interim conclusions and provide an action plan to guide the full investigation if this is the recommended course of action.

The Fraud Response Group will consider the Investigating Officer's report, but the information will not be disclosed or discussed with anyone else who does not have a legitimate need to know. In cases where an individual is suspected of fraud, which a subsequent investigation does not substantiate, every effort must be made to minimise potential damage to the individual's reputation.

4. Involving the Police

Where preliminary investigations establish that there are reasonable grounds to suspect that fraud has taken place, it is Co-operative policy to pass details directly to the police, normally without undue delay and prior to any further internal investigation. The Director will notify the Chair of the Committee of this action.

The police will lead any further investigations from this stage. All employees are required to co-operate fully with police enquiries in this regard. The Director will establish and maintain appropriate lines of communication with the police.

The provisions of this Plan apply in full in cases where external

frauds, perpetrated by third parties, are identified or suspected and there is any suspicion of collusion of staff members.

In all other cases of suspected external fraud the Director, in consultation with the Fraud Response Group and Chair of the Committee shall normally report the matter to the police without delay.

A major objective in any fraud investigation will be the punishment of any perpetrator, to act as a deterrent to other potential perpetrators. The Co-operative will follow its Disciplinary Policy and Procedures in dealing with of any member of staff who has committed fraud; and will normally pursue the prosecution of any such individual.

5. Subsequent Investigations

Where preliminary investigations provide reasonable grounds for suspecting a member or members of staff of fraud, the Fraud Response Group will decide whether there is a requirement to suspend the suspect(s). It will do so, with reference to the Co-operative's Disciplinary Policy and Procedure. It may be necessary to plan the timing of suspension to prevent the suspect(s) from destroying or removing evidence that may be needed to support disciplinary or legal action.

In these circumstances, the suspect(s) should be approached unannounced. They should be supervised at all times before leaving the Co-operative's premises. They should be allowed to collect personal property under supervision, but should not be able to remove any property belonging to the Co-operative. Any keys to premises, offices and furniture should be returned.

The Co-operative's IT providers/officer should be instructed to withdraw, without delay, access permissions to WWHC's computer systems. The suspect(s) should be requested to hand over all IT and communications equipment provided to them by WWHC, including laptops, mobile telephones and other devices.

If no suspension takes place following preliminary investigations, the Fraud Response Group should review this at subsequent stages

of the ensuing investigation.

The Investigating Officer shall consider whether it is necessary to investigate systems other than that which has given rise to suspicion, through which the employee may have had opportunities to misappropriate Co-operative assets. In consultation with the Fraud Response Group they will also determine whether there is a need to collect additional information in order to provide an appropriate level of evidence.

Dependent on the nature of the suspected fraud, the investigation may require technical expertise that the Investigating Officer does not possess. In these circumstances, the Fraud Response Group has responsibility for the appointment of external specialists to lead or contribute to the investigation.

Any requests for information from the press or other external agency concerning any fraud investigation must be referred to the Director. Under no circumstances should the Investigating Officer or any other employee provide statements or information to the press or external agencies.

6. Recovery of Losses

The Investigating Officer shall ensure that the amount of any loss is quantified wherever possible. Repayment of losses will be sought in all cases. Where the loss is substantial, legal advice should be obtained without delay about the need to freeze the suspect's assets through the court, pending conclusion of the investigation. Legal advice should also be obtained about prospects for recovering losses through the civil court, where the perpetrator refuses repayment. The Co-operative will normally expect to recover costs in addition to losses.

The Investigating Officer, in discussion with the Director should also decide whether any of the losses warrant a claim under any current insurance policy. Action to recover losses via insurance will normally only be taken as a last resort.

7. Investigation Report

On completion of a fraud investigation, the Investigating Officer will submit a written report to the Fraud Response Group. If a fraud has been established, the report shall contain:

- a description of the incident, the people involved, and the means of perpetrating the fraud;
- the measures taken to prevent a recurrence;
- quantification of losses;
- progress with recovery action;
- progress with disciplinary action;
- progress with criminal action;
- actions taken to prevent and detect similar incidents.

The report will normally be submitted to the next meeting of the Management Committee. Where the fraud is significant, in terms of losses incurred, or particularly novel, unusual or complex, a special meeting of the Management Committee may be convened. The Management Committee will consider all matters and relevant management responses. This will include details of lessons learned or recommendations to improve controls.

8. Review of the Fraud Response Plan

As a minimum, the Plan will be reviewed every three years to ensure fitness for purpose. It will also be reviewed after any fraud incident in order to identify any need for change

Appendix 2

West Whitlawburn Housing Co- operative Fraud register

1. Please provide a summary of the actual / suspected fraud

2. Please state the action taken by:

2.1 The Co-operative

2.2 The Police

3. Please state the outcome of the detected / suspected fraud

4. Please state any control action required as a result of the fraud / suspected fraud

5. If financial loss has incurred please state how much this loss / estimated loss or potential loss was and the action taken to recover it.

Date reviewed by the Management Committee

Signature - Chair of Management Committee

Date:

Signature - Director:

Date:

Date reported to The Scottish Housing Regulator (where applicable):