

Anti Fraud Policy

1. Policy Statement

Argyll Community Housing Association Limited is not a complex organisation however it is responsible for significant amounts of financial and other resources. Because of the high overall value of moveable assets owned by the Association, ranging from small items of stationery through to expensive items of plant and equipment, the large amounts of money received and paid out, and the vast number of supporting transactions, there is always a risk that dishonest people in a position to defraud the Association out of money to which they are not entitled will try and do so.

The accountability for the anti fraud and corruption policy lies with the Board of Management. The Senior Management Team of the Association however is charged with the principal responsibility for ensuring that the Association's assets are protected and the implementation of this policy.

Definitions of Fraud and Corruption are as follows:-

Fraud - "the intentional distortion of financial statements or other records by persons internal and external to the Association, which is carried out to conceal the misappropriation of assets or otherwise for gain".

Corruption - "the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person".

- 1.6. Argyll Community Housing Association Limited is committed to having an effective anti-fraud and corruption strategy.

2. Prevention

The Association aims to prevent fraud and corruption by the following measures:

- Recruitment and selection procedures
- Code of Conduct for Employees and Board Members
- Whistle blowing policy
- Standing Orders, and Financial Regulations
- Internal Audit
- Disclosure Scotland checks

- 2.2. The Association will treat attempted fraud in the same manner as actual fraud perpetrated against the Association.

3. Detection

- 3.1. In an attempt to eliminate fraud and corruption, the Association continues to seek cost effective ways of identifying fraud and corruption, such as rigorous procedures

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and processes involving segregation, IT systems and management tools, trend analysis and spot checks and acts on all information and allegations received.

1. Investigation

All cases are referred to the Director of Finance & IT or in their absence another Director who records the referral. In cases of potential major fraud, the Internal Auditors, and /or Directors of the Association, where deemed appropriate, report the matter to the Chief Executive or the Chair of the Association.

An entry is recorded in the Association's Fraud Register.

The Association has clear written procedures in accordance with which all investigations are carried out. These involve Managers, Directors, the Senior Management Team, Internal Auditors, and the Chair of the Association. All investigations are carried out in complete confidentiality, with professional standards being strictly observed in the gathering and recording of the evidence and the putting together of a case file, in order to comply with the provisions of the Police and Criminal Evidence Act of 1994.

1.0. Where necessary, appropriate action is taken after an investigation. This may involve:

- disciplinary procedures against employees
- legal action against third parties
- reference to the Police for further investigation and possible prosecution

1. Recovery of Losses

The Association always seeks to recover the losses incurred as a result of fraud and corruption. Any monies offered toward the recovery of a loss are accepted "without prejudice to any other action the Association may wish to take", and that acceptance is only in respect of losses identified to date and that the Association reserves the right to seek recovery of any further losses that may come to light in the future.

1.0. Claims under the Association's insurance arrangements in fraud and corruption cases should be regarded as a 'last resort', and are only instigated once all other avenues of recovery have been fully explored.

1. Reporting to Communities Scotland

1.0. All cases are notified to Communities Scotland in accordance with the current regulatory guidance regarding Notifiable events, CSGN 2007/04. In practical terms this is where the value of the fraud or attempted fraud exceeds £1,000; or where it involves a Board Member or member of the Senior Management Team or Executive Team (irrespective of value).

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1. Reporting to Board

- 1.0. The Director of Finance & IT will provide a quarterly summary report on fraud or attempted frauds perpetrated against the Association.

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