



Portus
Supported Housing

Group Anti-Fraud, Bribery and Money Laundering Policy Version: 1.0

Review

Date of this review	Date of last review	Author(s)	Owner	Next review date
15/05/26	New	Bill Gill, Governance Manager	Adam Reece, Interim Finance Director	15/05/28

Details of amendments

Version	Date	Update/ amendment detail	Resulting from

Approved by

Executive Team	
Group Audit & Risk Committee	27/05/26
Board	N/A



1. Introduction

Portus Supported Housing Group (PSH) is committed to the highest ethical standards and good governance of honesty, probity and accountability and adopts a zero tolerance towards fraud, bribery, corruption, money laundering and tax evasion. The conduct of the Board and Committee members, employees, consultants, contractors and suppliers and others involved in delivering PSH's business, is critical to achieving this.

Fraud, bribery, corruption and other irregularities will not be tolerated. This includes any internal action which gives advantage to any individual, group or organisation, regardless of whether there would be a financial benefit. This policy applies to all members of PSH and everyone within PSH must recognise that they have a role in ensuring that they act with integrity and that any incidents and concerns are responded to swiftly and efficiently.

2. Purpose

The purpose of this Group policy is to ensure that all customers, stakeholders, employees and Board and Committee members are aware of the actions that need to be taken in the event of detected or suspected fraud, bribery, corruption or similar impropriety. Everyone within PSH is responsible and should ensure they report any concerns immediately.

3. Scope

This policy applies to all Board and Committee members, employees and third parties working with PSH. Board and Committee members and employees must also comply with PSH's Code of Conduct. All business activities and conduct are covered. The detection, prevention and reporting of fraud, corruption and bribery is the responsibility of all Board and Committee members and employees.

All employees, potential employees, customers and suppliers are to be made aware of PSH's stance on fraud. PSH will make sure its business partners also understand its stance by publishing this policy and (where appropriate) by including clauses in its contracts to make this clear.

4. Legal and regulatory framework

This policy complies with and supports:

- Public Interest Disclosure Act 1998 and 2013 Guidance;
- Terrorism Act 2000 (section 18 and 21A);
- Proceeds of Crime Act 2002 (part 7);
- Fraud Act 2006;
- Bribery Act 2010 and 2012 Guidance;
- Social Housing Fraud Act 2013;
- Criminal Finances Act 2017;
- Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017;
- Economic Crime and Corporate Transparency Act 2023;



- NROSH + Fraud Guidance for Registered Providers;

5. Policy principles

The aim of this policy is to set out PSH's approach to countering fraud, bribery, corruption and money laundering.

PSH views any of these activities as unacceptable behaviour in all circumstances. It is listed in the Terms and Conditions of Employment as an example of gross misconduct. Acts of gross misconduct of this nature are likely to result in dismissal. PSH will not tolerate fraud, corruption or money laundering in any form and will take allegations of fraud very seriously.

A separate policy has been established to cover Tenancy Fraud.

6. Bribery

The Bribery Act 2010 applies to conduct both in the UK and abroad. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

It is an offence in the UK to:

- Offer, promise or give financial or other advantage to another person (i.e. bribe a person) whether within the UK or abroad, with the intention of inducing or rewarding improper conduct;
- Request, agree to receive or accept a financial or other advantage (i.e. receive a bribe) for, or in relation to, improper conduct;
- Bribe a foreign public official.

It is also an offence in the UK for an employee or an associated person to bribe another person during the course of conducting business, with the intention to either obtain or retain an advantage in the conduct of business. In such instances, PSH could be liable for this offence where it has failed to prevent such bribery.

Everyone must follow the principles of accountability, probity and transparency in all they do. For example, accounting, procurement, employment and the allocation of housing must all be done in ways which reflect the highest professional standards. Employees must also be particularly careful when they consider employing, giving a contract for services or providing housing to a colleague or their close relative. No preference should be shown to these individuals. Employees must not put themselves in any position which might lead to, or suggest, a conflict of interest. Where a conflict may exist, employees should declare the interest and inform their line manager. Further details around conflicts of interest and included within the Probity Policy.

7. Fraud

The Fraud Act 2006 details three ways a fraud may be committed:



Fraud by false representation – dishonestly making a representation knowing or thinking it to be untrue or misleading;

Fraud by abuse of position – dishonest abuse of a position expected to safeguard the interests of another person. Abuse of position may arise when an individual's conduct consists of an omission rather than an act;

Fraud by failing to disclose information – where there is a legal obligation to do so.

PSH is committed to the protection of its assets against losses to fraud and corruption. It is working to make sure that the opportunity for fraud and corruption is reduced to the lowest possible level. The Society aims to prevent fraud and corruption by:

- Taking a strategic approach to managing fraud risk;
- Promoting an anti-fraud and corruption culture to which everyone is committed;
- Encouraging the reporting of reasonably held suspicions;
- Assessing, and reviewing, areas where the risk of fraud and corruption is greatest, and providing adequate resources to carry out preventative and detective anti-fraud controls in those areas;
- Designing and operating systems, procedures and policies which minimise the risk of fraud and corruption;
- Assisting government bodies, where appropriate, in their investigations into fraud and corruption; co-operating with other bodies to prevent and detect fraud and corruption
- Complying with the good practice as set out in the Money Laundering Regulations 2007;
- Creating an anti-bribery culture, supported by policies and procedures, and ensuring compliance with its corporate responsibilities under the Bribery Act 2010;
- Providing appropriate training to members, managers and colleagues to make them aware of fraud risks and of their responsibilities under this and related policies.

In all types of fraud an offence must have occurred, the person must have acted dishonestly and acted with the intent of making a gain for themselves, or someone else, or inflicting a loss on another.

Corruption is abusing your position for direct or indirect personal gain by offering, giving, soliciting or accepting inducements designed to influence official action or decision making.

In carrying out its duties and responsibilities, PSH is determined to do everything it reasonably can to deter fraud and corruption, and is committed to an effective Anti-Fraud Policy which is designed to:

- Encourage prevention;
- Promote detection;
- Identify clear routes for investigation.

PSH will:

- Make all employees aware of their responsibilities to adhere strictly to this policy at all times;
- Encourage workers to be vigilant and to report any suspicions of fraud, corruption or bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;



- Rigorously investigate instances of alleged fraud, corruption or bribery and assist Police and other appropriate authorities in any resultant prosecution;
- Take firm and vigorous disciplinary action against any employees involved;
- Provide information to all employees on how to report breaches and suspected breaches of this policy;
- Include appropriate clauses in contracts to prevent fraud, corruption and bribery;
- Support and protect anyone who refuses to take part in bribery, fraud or corruption, or who reports a concern in good faith

Board and Committee members and employees will:

- Act with integrity at all times
- Adhere to the approved Code of Conduct
- Comply with Standing Orders and Financial Regulations
- Raise concerns as soon as any impropriety is suspected
- Establish and maintain a sound system of internal control that supports the achievement of PSH's policies, aims and objectives. The system of internal control is based on an on-going process designed to identify the principal risks, to evaluate the nature and extent of those risks and to manage them effectively. Managing fraud risk is seen in the context of the management of this wider range of risks.
- Ensure the Anti-Fraud Policy and associated procedures are adequate and comply with PSH's legal and ethical obligations;
- Ensure that all those under PSH's control comply with the Anti-Fraud Policy;
- Ensure that the effectiveness of the Anti-Fraud Policy is monitored by GARC ; and
- Periodically review the Policy.

The CEO will:

- Have overall responsibility for managing the risk of fraud. The day-to-day responsibility has been delegated to the Finance Director to act on behalf of the CEO
- Undertake a regular review of the fraud risks associated with each of the key organisational objectives
- Establish an effective anti-fraud response plan, in proportion to the level of fraud risk identified
- Design an effective control environment to prevent fraud.
- Establish appropriate mechanisms for:
 - reporting fraud risk issues
 - reporting significant incidents of fraud or attempted fraud to GARC
- Liaise with PSH's appointed Auditors
- Make sure that all Directors and employees are aware of PSH's Anti-Fraud Policy and know what their responsibilities are in relation to combating fraud
- Ensuring that appropriate anti-fraud training is made available to Directors and employees as required.
- Ensure that appropriate action is taken to minimise the risk of previous frauds occurring in future through detailed investigations, including root-cause analysis, and publishing lessons learnt from the incident, and
- Have responsibility for agreeing who should undertake the investigation when there is a suspicion of fraud.

The Executive Team is responsible for:



- Ensuring that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively
- Preventing and detecting fraud as far as possible
- Assessing the types of risk involved in the operations for which they are responsible
- Reviewing the control systems for which they are responsible regularly
- Ensuring that controls are being complied with and their systems continue to operate effectively
- Implementing new controls to reduce the risk of similar fraud occurring where frauds have taken place.

Every member of staff is responsible for:

- Acting with propriety in the use of PSH's resources and the handling and use of funds whether they are involved with cash, receipts, payments or dealing with suppliers
- Conducting themselves with selflessness, integrity, objectivity, accountability, openness, honesty and leadership
- Being alert to the possibility that unusual events or transactions could be indicators of fraud
- Alerting their manager when they believe the opportunity for fraud exists e.g. because of poor procedures or lack of effective oversight
- Reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events, and
- Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.

8. Fraud response plan

Board and Committee members, employees and the general public are an important element in PSH's defence from fraud and corruption. They are encouraged to raise any concerns they may have in respect of fraud, bribery or corruption. A number of different channels for communication are available, including managers, auditors, senior officers, Board members and the Whistleblowing Policy.

Members of the public may also use PSH's Complaints procedure for this purpose where appropriate. All allegations of irregularity will be followed up.

PSH has a series of inter-related policies and procedures to ensure proper conduct of its affairs, which include:

- Standing Orders
- Financial Regulations
- Code of Conduct
- Conflicts of interest register
- Complaints Procedure
- Whistleblowing Policy
- Disciplinary Procedure

In the first instance, any suspicion of fraud or bribery or other irregularity should be reported, as a matter of urgency, to one or more of:



- The line manager
- A senior member of staff
- The CEO
- A member of the Group Audit & Risk Committee (GARC)

When so notified, the designated officer, auditor or other advisor will:

- Deal promptly with the matter
- Record evidence received
- Ensure the security and confidentiality of evidence
- Work closely with senior managers of the service concerned and other agencies, such as the Police and Courts to ensure that all issues are properly investigated and reported upon
- Ensure maximum recoveries are made on behalf of PSH
- Make a report to the Regulator where required
- Implement PSH disciplinary procedures where considered appropriate

Any action or investigation taken under the policy will be recorded in PSH's Fraud Register which will be reviewed annually by GARC. Records will be maintained of:

- Attempted and perpetrated fraud;
- Action taken to investigate fraud;
- Losses suffered and amounts recovered;
- Individuals involved and action taken against them;
- Control failures or weaknesses which may have contributed to fraud and the action taken to remedy them.

GARC will also be kept abreast of the progress of any investigation, including the outcome and any lessons learnt. Depending on the nature and size of the fraud, GARC may make recommendations to the Executive to immediately remediate identified weaknesses. A summary of the Fraud and the investigation will be provided to the Board.

Full details of the Fraud will be recorded in the Fraud Register maintained within Finance. The Fraud Register will be in the format required by the NROSH annual fraud return.

PSH must report to the Regulator of Social Housing any fraud over £5,000 or a fraud involving Board members or senior management as soon as it is known, in addition to the annual reporting. In these circumstances, the Escalation Protocol would be followed and PSH would actively engage with the Regulator to ensure they were kept abreast of the situation due to the increased profile of these cases.

9. Money Laundering

Money laundering is a growing and expensive problem in the UK, which is being addressed through increased regulation and wide-ranging legislation. The Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017 replaces the Money Laundering Regulations 2007.

The Money Laundering Regulations 2017 apply to any person or organisation that conducts various regulated activities, and requires any such person or organisation to:



- Assess the risks posed to the business of money laundering activity;
- Carry out appropriate 'customer due diligence' including verifying the identity of customers on the basis of documents obtained from a reliable and independent source, on a risk-based approach;
- Check the identity of 'beneficial owners' (person or body who has a controlling interest) in financial transactions;
- Conduct ongoing monitoring of financial transactions (i.e. not just at the start of a financial transaction);
- Inform the National Crime Agency (NCA) of any suspicious activity using the Suspicious Activity Reporting (SAR) procedures;
- Have in place a Money Laundering Reporting Officer (MLRO) and easily accessible mechanisms for reporting concerns internally;
- Keep records relating to financial transactions and due diligence (in line with document retention schedules);
- Provide training on money laundering to all employees that require it;
- Regularly review its anti-money laundering policy and associated procedures.

Registered providers are only required to comply with the regulations where they carry out 'regulated activities'. PSH does not carry out any 'regulated activities' and therefore has not appointed a Money Laundering Reporting Officer (MLRO) as there is no requirement to establish one. PSH also does not undertake any activities that fall under the auspices of the Consumer Credit Act or FCA Regulations.

Irrespective of this, there are increasing money laundering risks associated with housing management and everyday business. The National Housing Federation recommend registered providers conduct an assessment of money laundering and terrorist financing risks that may be encountered and adhere to the obligations of the UK anti-money laundering legislation and practice.

Money laundering occurs when criminally obtained money or assets (criminal property) are exchanged or handled for 'clean' money or assets with no obvious link to their criminal origins and covers money used to fund terrorism. The rent refund system operated by PSH is open to the possibility of money laundering

Under the Proceeds of Crime Act 2002 and the Terrorism Act 2000, money laundering and/or terrorist financing means:

- Handling, concealing, disguising, converting, transferring (or otherwise being directly involved with) criminal or terrorist property or removing it from the UK;
- Entering into or becoming involved in an arrangement which facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person;
- Acquiring, using or possessing criminal property;
- Failing to disclose knowledge or suspicion of money laundering to either MLRO (a Money Laundering Reporting Officer where relevant) or the National Crime Agency (NCA) as appropriate;
- 'Tipping off' any person that such a disclosure has been made;
- Fund raising, involvement in funding arrangements or facilitating the retention or control of money which is destined for (or is the proceeds of) terrorism.



These are the primary money laundering offences and are therefore, prohibited acts under the legislation. As a general rule, any direct involvement with criminal or terrorist property (whether knowingly or otherwise) may be classed as money laundering.

Whilst the risk to PSH of contravening the legislation is low, it is imperative that all colleagues are familiar with their legal responsibilities as serious criminal sanctions may be imposed for breaches of the legislation. Any colleague could be subject to the money laundering provisions and commit an offence if they suspect money laundering and become involved with it in some way, do nothing about it or 'tip off' the individual knowingly or inadvertently.

This policy applies to all colleagues, Board and Committee Members, contractors and suppliers. In order to ensure compliance with legislation all personnel will be required to comply with reporting procedures concerning anti-money laundering.

The main risk area for PSH are payment of rent and rent refunds. Transactions may include financial and property transactions. Compliance with the law applies to all areas of work undertaken by PSH; therefore, all colleagues are required to comply with this policy.

PSH will not seek any funding from any institution which is not regulated by the Financial Conduct Authority (FCA) and is not well established.

PSH will ensure there are clear procedures in place to confirm and verify an individual's identity and relevant financial circumstances.

In cases where Power of Attorney is applicable, PSH will take verification steps to confirm their authority to act for the tenant including confirmation of their identity.

Third party transactions will always require appropriate documentation confirming their identity and authority to act.

PSH will undertake a risk assessment in accordance with Money Laundering Regulations 2017 against the likelihood of money laundering taking place advertently or inadvertently in its highest risk areas of operation. This will be reviewed periodically or where any major changes in the types and areas of activity being carried out. These areas are:

- Overpayments in rent accounts;
- Clearing larger levels of rent arrears at short notice;
- Any other activity which PSH deems to be unusual.

PSH will ensure that there are adequate checks in place to identify suspicious activity (red flags) in the form of potentially risky transactions or customer activity.

10. Economic Crime and Corporate Transparency

The Economic Crime and Corporate Transparency Act (ECCTA) 2023 is a significant piece of legislation aimed at strengthening the UK's framework for combating economic crime and enhancing corporate transparency. Enacted in response to growing concerns about money laundering, fraud, and other financial crimes, ECCTA seeks to create a more transparent and accountable business environment. Two of its primary aims include enhancing the scope of corporate liability for a number of offences and creating the offence of failure to prevent fraud.



This legislative effort builds on previous measures and reflects the government's commitment to tackling financial crime and ensuring the integrity of the corporate sector.

The Act introduces the senior managers regime from 26 December 2023 which means that, where a senior manager commits a relevant offence (this includes fraud, bribery, and sanctions offences) within the actual or apparent scope of their authority, the organisation, too, will be guilty of that offence. The penalty is an unlimited fine.

Additionally, from 1 September 2025, ECCTA will introduce a new offence of failure to prevent fraud. This offence applies to 'large organisations', which PSH is by merit of its turnover and assets, who will be guilty of the offence where: (i) an associated person commits a fraud offence intending to benefit that organisation, or any person to whom the associated person provides services on behalf of that organisation, or (ii) where an employee of an organisation commits a fraud offence intending to benefit that organisation, where that organisations' parent undertaking is a large organisation. Organisations who are found liable are subject to an unlimited fine where they are unable to prove they had taken reasonable steps to prevent fraud. This means that both PSH and PPM are captured by the legislation.

The legislation identifies two defences against the criminal offence of failing to prevent fraud. The first defence is if the organisation itself was the target or intended target. The second defence is that "reasonable processes are in place to prevent fraud".

The government has issued guidance around fraud prevention which follows current PSH practice that PSH had already adopted. It identified the six principles of fraud prevention which PSH has adopted within its internal control framework:

- Proportionality – action taken to prevent bribery should be proportionate to the risks faced and the size of the organisation;
- Top level commitment – senior colleagues should commit to developing an honest culture;
- Risk Assessment – understanding risks facing the business;
- Due Diligence – establishing processes to know the people we deal with;
- Communication – communication with colleagues and stakeholders to raise awareness;
- Monitoring and review – reviewing and monitoring risks to ensure any changes to the risk profile can be appropriately managed.

11. Tax Evasion

The Criminal Finances Act 2017 introduced the corporate offence of failing to prevent the criminal facilitation of tax evasion. The offences cover tax both UK and foreign tax evasion.

Organisations must be able to demonstrate that they have adequate procedures in place to prevent tax evasion. Procedures should be based on a robust risk assessment.

The risk of PSH being party to tax evasion is considered low, with all staff paid directly through the payroll, and as such no additional control processes have been established.

12. Responsibilities and Training



PSH will ensure that all named Officers within the this Policy receive appropriate training to be able to carry out their duties effectively. The training will ensure the named officers have:

- An understanding of the legal position in regard to fraud, corruption, bribery and money laundering
- An understanding of when to escalate investigations to external agencies or when it is most appropriate for external agencies to carry out investigations
- An understanding of the possible sanctions and disciplinary procedures that would apply to PSH employees found to be responsible for fraud or corruption (in line with the Employee Handbook and governance documents) or who make malicious or repeated allegations that are unfounded

PSH will also ensure all employees, Board and Committee Members, and Directors are aware of their responsibilities in regards to fraud, corruption and money laundering through the induction programme, refresher training and through publication of the Statement of Internal Controls annually. The training and information provided will include an overview of PSH's culture in regards to money laundering as follows:

- Re-enforcement of the zero-tolerance approach to all forms of money laundering
- Illustrative examples of behaviours and actions that could constitute money laundering
- Mechanisms of how to report allegations including confidential reporting
- Possible consequences if individuals are found to be responsible for fraud, corruption or money laundering including disciplinary measures, civil or criminal proceedings

All Board and Committee Members will confirm their responsibility for safeguarding PSH's assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities as part of PSH's published annual financial statements.

13. Monitoring and Review

GARC has responsibility for the oversight of anti-fraud activity within its terms of reference. This policy is a key plank of the work being undertaken in that area.

GARC will oversee regular fraud risk assessments. These can be undertaken internally using appropriate checklists, which as a minimum should consider overall fraud risk, operational fraud risk and cyber security risks, as well as whether the counter fraud response plan remains sufficient and fit for purpose. Alternatively, an internal audit of PSH's counter fraud activities can be included within the Annual Internal Audit Plan.

This policy will be reviewed every two years.

