



Anti-Fraud, Bribery and Corruption

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Accountable Executive:	Chief Executive Officer
Approved by:	Risk and Audit Committee
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For the full version history of this policy, see the back page	

Please avoid referring to printed versions of this policy.
Printed versions may quickly go out of date – the latest version will be on the Policy Hub, or contact the Governance Team for further information.

For support and advice regarding the Policy, please contact the Policy Owner.

1.0 Introduction and Scope

1.1 As a socially responsible organisation operating within a regulated sector, the Board of Gentoo Group requires that our business should be conducted in an open, honest and transparent manner. These attributes are also hallmarks of good corporate governance. The Regulator of Social Housing requires that all Registered Providers have 'probity arrangements' in place and effective governance arrangements to ensure compliance with all relevant law. This Policy is a component of the Group's probity and governance arrangements to comply with relevant law. References to 'tax' relates to corporate tax and value added tax.

1.2 The scope of this policy covers:

Gentoo Group	X
Gentoo Homes	X
Gentoo Developments	X
Gentoo Genie	X

1.3 It applies to:

General Needs rented properties	X
Supported Housing	X
Sheltered Housing	X
Leasehold/Shared ownership	X
Rent to Buy properties	X
Market rented properties (domestic)	X
Temporary Accommodation	
Stock owned but not managed by the Group	
Communal Areas, including those relating to Leasehold/Shared Ownership properties	
Commercial Property (offices, depots etc)	
Stock managed by Gentoo on behalf of a third party	
Garages and outbuildings	
Remote plant (district heating, electrical pumps etc)	
Curtilage	
All employees, Board and Committee Members	X

2.0 Links to Strategy and the Business Plan

2.1 Our **core purpose** is to provide safe and decent homes for our customers of today and tomorrow.

2.2 Our **vision** is to provide great homes, strong communities and inspired people for Sunderland.

2.3 Our **values** are what we stand for and what we want to be known for. They are what makes us, us:

- We care about people
- We take accountability
- We shape the future
- We bring leadership
- We deliver

2.4 Our **priorities**. The safety of our customers and colleagues will always be our number one priority. We have identified six further priorities which will guide the delivery of our services. We live our values in everything we do from the board room to the front room, to deliver our priorities for our customers.

- We know our customers
- We provide great homes
- We help communities to thrive
- We are a great place to work
- We spend our money wisely
- We are well governed

We live our **Values** in everything we do from the board room to the front room, to deliver our **Priorities** for our customers.

2.5 Gentoo's policies support the delivery of the Group's Vision, Values and Strategy.

3.0 Regulation and Legislation

3.1 The Group Chief Executive Officer will ensure this policy has regard to all legislation, regulation and best practice. The regulation and legislation applicable to this policy is:

- Fraud Act 2006
- Bribery Act 2010
- Criminal Finances Act 2017
- Finance Act 2022
- VAT Act 1994
- Economic Crime and Corporate Transparency Act 2023 (ECCTA)

4.0 Our Policy Statement

Top Level Commitment – Fraud, Bribery and Corporate Criminal Offenses (Corporate Tax Fraud and Tax Evasion)

4.1 As a socially responsible organisation operating within a regulated sector the Board of Gentoo Group requires that our business should be conducted in an open, honest and transparent manner. These attributes are also hallmarks of good corporate governance benefitting the organisation by protecting the Group's reputation and promoting customer and stakeholder confidence. The Regulator of Social Housing requires that all Registered Providers have 'probity arrangements' in place and effective governance arrangements to ensure compliance with all relevant law. This Policy is a component of the Group's

probity and governance arrangements to comply with relevant law and supports compliance with the Group's Code of Conduct and Code of Governance.

- 4.2 Every employee, Board and Committee member has a role to play in maintaining the standards which the customers and other stakeholders are entitled to expect of the Group. The Group expects all Board and Committee Members, employees and involved residents of the Group to maintain the highest standards of probity and integrity. This includes compliance with all relevant regulations, codes of conduct, etc. Non-compliance will be regarded as a serious issue and may result consequences such disciplinary action, removal from a Board or Committee, removal from the Group's list of suppliers etc.
- 4.3 The Board recognises that fraud (including social housing fraud), bribery and tax evasion/fraud is a damaging practice that undermines reputation of the Group, those associated with it and the sector. This statement demonstrates our commitment to preventing incidents of this kind. The Board has a zero risk appetite to and tolerance of acts of fraud, bribery, corruption and tax evasion/fraud and will enforce effective systems to counter this activity and seek to recover assets and/or losses. Appropriate action will be taken against persons associated with these activities such as disciplinary action, criminal/civil proceedings, removal from supplier lists and removal from a Board or Committee.
- 4.4 We have created a policy that sets out the Group's approach to prevent and detect such incidents. This policy has been created with reference to the relevant legislation and any associated guidance.
- 4.5 We require all contractors appointed by the Group to demonstrate a commitment to prevention of fraud, bribery and corruption.
- 4.6 As part of our commitment, a number of preventative and detective procedures, sources of assurance and 'probity' arrangements have been established as follows:
 - Anti-Fraud, Bribery and Corruption Policy
 - Gifts and Hospitality policy and procedures
 - Financial Regulations, Delegation Scheme and Standing Orders
 - Anti Money Laundering Policy and Procedures
 - Code of Conduct
 - Conflicts of interest procedures
 - Executive Director annual self-assessment of compliance and review of gifts and hospitality
 - Approvals processes and separation of duties
 - Probity and fraud reporting to Risk and Audit Committee
 - Whistleblowing policy and procedures
 - Fraud register held by the Company Secretary and General Counsel
 - Tenancy Fraud Toolkit
 - Right to Buy/Acquire Toolkit
 - Supplier Contract Database
 - Recruitment procedures

4.7 Preventative procedures are developed with the involvement of the Executive Team and Risk and Audit Committee. The Chief Executive Officer and Risk and Assurance Team are responsible for establishing the Group's preventative procedures. If you have any concerns or queries in relation to this statement or our procedures in respect of bribery please contact the Company Secretary and General Counsel.

4.8 **Policy**

4.9 This policy applies to any actual or suspected irregularity (fraud, bribery or corruption), involving employees, Board and Committee Members, involved residents, tenants, associated parties and/or any other parties with a business relationship with the group. Any investigative activity required will be conducted thoroughly and independently and may include referral to a relevant fraud, government agency or Police. The policy is underpinned by the requirements set out in the Code of Conduct and Code of Governance.

4.10 All managers and supervisors have a duty to educate and familiarise themselves with the types of improprieties that might be expected to occur within their areas of responsibility and to be alert for any indications of irregularity and report concerns in accordance with the Group's Code of Conduct.

4.11 We are committed to the principles of diversity and inclusion throughout the organisation and aim to:

- meet the needs and choice of people from all backgrounds
- ensure that our services are relevant, responsive and sensitive to the needs of our existing and future customers
- Ensure that all sections of the community in which we work have equal access to our services.

4.12 Our Anti-Fraud, Bribery and Corruption Policy will ensure that customers will be treated as individuals and with fairness and respect.

5.0 **Policy**

Introduction

5.1 Break-ins, burglary, criminal damage, etc. by non-Group employees are not covered by this document; Senior Managers may contact the Police directly without the need for prior internal consultation in relation to these incidents.

5.2 This response plan is intended to provide direction in dealing with suspected cases of internal theft, fraud, bribery or corruption. It gives a framework for a response and provides information on various aspects of an investigation.

- 5.3 Acts of fraud, bribery or corruption which may significantly affect the Group's ability to fulfil its obligations, will be reported to the Regulator of Social Housing (RSH), by the Chief Executive Officer or their designated representative. This is in addition to the annual fraud report that the Group is required to provide to the RSH.

Definitions

- 5.4 Various definitions of Fraud, Bribery & Corruption exist, for the purposes of this policy the following is provided.
- **Fraud** – 'any intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/or the perpetrator achieving a gain'.
 - **Bribery** – 'as giving or receiving a financial or other advantage, in connection with the improper performance of a position of trust, or a function that is expected to be performed impartially or in good faith'.
 - **Corruption** – 'an act done with an intent to give some advantage inconsistent with official duty and the rights of other'.
 - **Corporate Criminal Offence for failure to prevent facilitation of tax evasion** - where a relevant body fails to prevent an associated person criminally facilitating the evasion of tax.

The Law

5.5 Fraud

- 5.6 The Fraud Act 2006 consolidates the law concerning fraud (previously in the Theft Acts 1968 – 1996) by creating a specific offence of fraud which is split into three principal categories:
- Fraud by false representation;
 - Fraud by failure to disclose information; and
 - Fraud by abuse of position.
- 5.7 All three forms of criminal 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.
- 5.8 **Criminal Finances Act 2017 Offence** - Where a relevant body fails to prevent an associated person criminally facilitating the evasion of tax.
- 5.9 There are three stages that apply for the offence to occur:
- **Stage one** - the criminal tax evasion by a taxpayer (either an individual or a legal entity) under existing law
 - **Stage two** – the criminal facilitation of the tax evasion by an 'associated person' of the relevant body who is acting in that capacity
 - **Stage three** - if stages one and two are committed then the relevant body will have committed the new corporate offence unless it can show that it has put in place reasonable preventative procedures.

- 5.10 The corporate offence aims to overcome the difficulties in attributing criminal liability to a corporate body for the criminal acts of employees, agents or those that provide services on their behalf. The offence focuses on who is held to account by focusing on the failure to prevent these crimes. The penalty for participating in VAT fraud gives the HMRC the power to apply a penalty where a person has entered into a transaction connected with fraudulent evasion of VAT and they knew or should have known of that connection ('the knowledge principle').

Bribery

- 5.11 The Act includes four offences outlined below:

Section 1: Bribing another person

- To offer, promise or give a financial or other advantage to another, intending the advantage to encourage a person to perform a relevant function improperly. Alternatively this could be to reward a person for the improper performance of such a function or activity.

Section 2: Being bribed

- To request, agree to receive, or accept a financial or other advantage intending that in consequence a relevant function or activity should be performed improperly.

Section 6: Bribing a foreign public official

Section 7: Corporate Offence of failing to prevent bribery

- A commercial organisation is guilty of an offence if a person associated with the company bribes another intending:
 - to obtain or retain business for the company
 - to obtain or retain an advantage in the conduct of business for the company

Prevention and Defence

- 5.12 It is not possible to prevent and detect every instance of fraud, however the primary defence against acts of fraud, bribery, corruption, tax evasion/fraud is the establishment of reasonable sound/adequate practices, procedures and systems which incorporate effective controls which are subject to effective monitoring, management and supervision arrangements.
- 5.13 The Ministry of Justice and HMRC has issued guidance which sets out six broad management principles to assist organisations to put in place appropriate and proportionate preventative procedures. The Group will follow these principles as follows:

1) Proportionality

Anti-fraud and bribery policy and procedures will be proportionate to the activities and size of the organisation, the sector in which it operates and the risks it faces.

The principal instructions, procedures and regulations adopted by the Group include:

- Anti-Fraud, Bribery and Corruption Policy
- Policies and procedures in relation to Gifts and Hospitality
- Financial Regulations, Delegation Scheme and Standing Orders
- Anti Money Laundering Policy and Procedures
- Code of Conduct
- Conflicts of interest procedures
- Executive Director annual self-assessment of compliance and review of gifts and hospitality
- Contract and supplier due diligence
- Approvals process for the purchase and payment of goods and services
- Approvals processes and separation of duties for the payment and benefits made to employees, Board Members and involved residents
- Probity and fraud reporting to Risk and Audit Committee as part of the annual assessment of compliance
- Whistleblowing policy and procedures
- Tenancy Fraud Toolkit
- Right to Buy/Acquire Toolkit

2) Top level commitment

We will establish a clear culture within the Group which reinforces that bribery is unacceptable. A Top Level Statement will be published on the Group's website. The Group's risk appetite will articulate the Group's tolerance to these risks.

3) Risk assessment

We will understand the risks we face by carrying out regular risk assessments. The Group's fraud and bribery risk assessment will be reviewed at least every 3 years or after a period of organisational change. The current risk assessment identifies the Group's activities that may be vulnerable or exposed to fraud, bribery or corruption risks:

- Social Housing / Right to Buy/Acquire Fraud which includes:
 - Application fraud / obtaining housing by deception – where a person gets a home by giving false information on their housing application or does not inform the Group of changes in their circumstances;
 - Unlawful subletting – where a tenant rents out their home without the knowledge or permission of the landlord;

- Unlawful or unauthorised succession – where the resident dies and the ‘successor’ either does not declare their succession or they try to succeed when they are not entitled to;
- Abandonment / unlawful assignment– where a resident stops using their tenancy as their main or principal home, possibly allowing another person to live there without permission;
- Key selling – where a resident is paid to move out and pass on their keys to someone else in return for a one-off payment;
- False Right To Buy/Right To Acquire application
 - where a tenant/resident makes a Right to Buy or Right to Acquire application and gives false information in their application which affects their eligibility.
 - Misrepresentation of circumstances to gain a greater discount than they are entitled to
 - Concealment of tenancy history, previous right to buy discounts, rent arrears, possession orders, evictions etc
 - Attempting to purchase a property whilst not using it as sole or principal home
 - Misrepresenting the household composition
 - Misrepresenting the source of funds that are being used to purchase the property
- Corporate Fraud:
 - Procurement and awarding of contracts
 - Cyber fraud
 - Cash collection (any situation where cash or cheques are received or collected) misappropriation, failure to account, borrowing by delaying paying monies in, falsifying of receipts, not issuing receipts
 - Credit income - deliberately issuing invoices for wrong amounts, unauthorised writing off of debts
 - Payroll - falsification of records (time sheets, overtime claims, etc.), creation of fictitious employees, falsifying the status of an employee to avoid tax
 - Creditor payments - deliberate payment for goods or services not received, payments to fictitious persons or companies, invoices deliberately paid twice, quantities under/overstated, prices under/overstated
 - Contract payments - payments for work not completed or not in accordance with specification
 - Remuneration, Expenses and other payments to employees, board, committee members and involved residents
 - Benefits – over claiming by claimants, over claiming by landlords, unauthorised claims set up by employees (payments to self, family, friends, etc.)
 - Stores and stock - creation of fictitious issue records or goods

- received notes
- Cheques - interception and alteration of payee/amount, unauthorised use of cheques
- Grants - false claims
- Development consents/licenses
- Credit and payment cards
- Management Override of Controls

4) Due diligence

We will undertake appropriate and proportionate due diligence to ensure we know our tenants and customers (and relevant associated parties) and those we do business with to promote high standards of probity. We will ensure that associated persons, also have anti-bribery arrangements in place. Appropriate due diligence may include:

- Verification of identity
- Verification of residency and tenancy history
- Source of funds checks in line with the Group's Anti-Money Laundering Policy and Procedure

Third party credit reference agencies, fraud agencies, public and Government databases may be used when carrying out due diligence.

5) Communication and Training

We will ensure that policies procedures are embedded in the organisation's culture and that an appropriate role/risk based training programme is provided which will follow these principles:

- All employees and Members will be provided awareness training
- Specific role based training will be provided depending on the role exposure to the risk

6) Monitoring and review

Through audit and other internal controls the Group will monitor its procedures to prevent and detect fraud and bribery – to ensure procedures and controls are operating effectively.

Proactive Social Housing Fraud Detection and Prevention

- 5.14 Social Housing is a scarce commodity and should be protected to ensure it is allocated to those entitled and most in need. The Group have a regulatory duty to properly manage our housing assets, and therefore required to investigate and deal with any potential instances of tenancy and Right to Buy/Acquire fraud. We have developed a Toolkits as guidance for staff and published how we are combatting tenancy fraud on the Group's website. Details of how we manage data for the purposes of prevention and detection of fraud are also available on the site as part of the Group's Privacy Notice. The Toolkit and website encourages employees and customers to report suspicions of tenancy fraud.

- 5.15 The Group will work with third parties and take part in a variety of anti-tenancy fraud activities and share best practice as part of its commitment to combatting tenancy fraud including:
- the Government's National Fraud Initiative (NFI) which matches data held by various public bodies every other year. This includes customer and staff information as well as supplier and invoice data. Where a match is found further investigation will be undertaken to establish the reason for the data match and the results reported to Risk and Audit Committee
 - Membership to national and local tenancy fraud forums will be maintained to share best practice
 - Referrals to third party fraud agencies/partners and other appropriate external agencies for the purposes of prevention and detection of fraud.

Reporting Procedures for Incidents and Suspicions

- 5.16 The Board and Executive Team encourage those involved with the Group to speak up about actual or suspected illegal activity or wrongdoing and are committed to any reports of wrongdoing being investigated thoroughly and independently. Reports of suspicions of fraudulent activity, bribery or corruption should be reported via the Group's Whistleblowing internal reporting procedures or you can contact Safecall at any time on the applicable Freephone number below:
- 0800 9151571

The Safecall line is available 24/7 365 days. Alternatively Safecall can be contacted via e-mail Gentoo@safecall.co.uk or via the web www.safecall.co.uk/report

- 5.17 Reports will be investigated in line with the agreed investigation procedures. The outsourced audit provider will report any instances of significant fraud, as identified within their audit work, to Risk and Audit Committee on an ongoing basis and will support the provision of the annual fraud report to satisfy the regulatory requirements.
- 5.18 The annual fraud report will be provided to the regulator in the timescale and format determined by the regulator, by the Company Secretary and General Counsel.

6.0 Roles and Responsibilities

- 6.1 The organisation and management of the Policy involves an element of responsibility for everyone:

The Group Chief Executive Officer and Executive Team will:

- Be responsible on behalf of the Group for ensuring that the policy is complied with at all times and setting the top level commitment.

The Board (via the Risk and Audit Committee to whom it has delegated this responsibility) will:

- Ensure that there are effective arrangements in place in order to prevent fraud, bribery and corruption within the Group
- Periodically review the effectiveness of the policy in line with its schedule of business and ensure that any necessary changes are made to the policy through the Group's Chief Executive Officer.
- Approve the top level commitment statement.

The Executive Director of Finance and Group Chief Executive Officer will be responsible for:

- Ensuring that all Senior Managers are made aware of the policy and any future amendments
- Monitoring the effectiveness of the procedures and amending the procedures as necessary
- Reporting instances of fraud to the Regulator of Social Housing in accordance with their requirements

Senior Leadership Team and Heads of Service will be responsible for:

- The establishment and operation of the Group's Anti-Fraud, Bribery and Corruption Policy within their Service/Business area
- Ensuring that the Group's Anti-Fraud, Bribery and Corruption Policy is brought to the notice of all their employees
- Ensuring that the above policy is understood at all levels within their Service/Business area by incorporating the details in induction training
- The Company Secretary and General Counsel will ensure that fraud is reported to the Risk and Audit Committee and subsequently ensure that an annual fraud report is submitted to the Regulator of Social Housing in a manner and timeline determined by the Regulator.

Managers and First Line Supervisors will be responsible for:

- The establishment, implementation and operation of the Group's Anti-Fraud, Bribery and Corruption Policy within their area of responsibility, where potential exposure to this type of risk has been identified
- Giving details of the policy to all employees and ensure that the proper arrangements are carried out in cases where the procedures set out within the policy document are implemented

Everyone will:

- Make themselves familiar with and comply with the Anti-Fraud, Bribery and Corruption Policy of the Group.

7.0 Monitoring and Review

- 7.1 This Anti-Fraud, Bribery and Corruption Policy will be reviewed annually, or in line with business needs.
- 7.2 Overall responsibility for ensuring this policy is up to date lies with the General Counsel, accountability lies with the Chief Executive Officer.
- 7.3 This Policy is Grade 1 and changes will need the approval of Risk and Audit Committee.

8.0 Policy Outcomes

- 8.1 To minimise the number of incidents that may occur, and ensure that they are identified and reported in line with the anti-fraud, corruption and bribery procedure should they occur.
- 8.2 To comply with legislation.

9.0 Records

- 9.1 The following records must be held for a period of 6 years (5 years plus current year):
- Fraud log
 - Annual fraud report
 - Investigation reports
 - Declarations of gifts, hospitality and outside interests

Version Control

Version	Reason	Issuer	Date
1.0	RAC Approval	Angela Tinkler	16.04.18
2.0	RAC Approval – Updated Policy in relation to the Group's approach to tenancy fraud.	Angela Tinkler	03.05.19
3.0	RAC Approval – Updated Policy in relation to include further links to tenancy fraud.	Angela Tinkler	08.11.19
4.0	RAC Approval – Job title amendments and housekeeping changes.	Angela Tinkler	27.04.20
5.0	RAC approval - housekeeping	Angela Tinkler	13.04.21
6.0	RAC Approval – housekeeping	Chris Johnson	21.04.22
7.0	RAC Approval – housekeeping	Chris Johnson	10.05.23
8.0	RAC Approval – Job title amendments, changes to the Group's vision and values and	Simon Walker	15.05.24

	reference to Economic Crime and Corporate Transparency Act 2023 (ECCTA).		
9.0	RAC Approval – housekeeping	Simon Walker	7.5.25
9.1	Formatting amends.	Chloe Appleby	01/09/25

Appendix 1

Legislation and Regulation

LEGISLATION:

- Fraud Act 2006
- Bribery Act 2010
- Criminal Finances Act 2017
- VAT Act 1994
- Public Disclosure Act 1998
- Prevention of Social Housing Fraud Act 2013

REGULATION:

- Regulator of Social Housing Tenancy Standard & Code of Practice 2024
- Regulator of Social Housing Governance & Viability Standard 2015
- Financial Conduct Authority ‘SYSC’ and General Principles of Business
- National Housing Federation (NHF) Code of Governance
- Code of Conduct
- Cabinet Office Guidance February 2019