



WILLOW TREE

HOUSING PARTNERSHIP

Fraud, Corruption, Money Laundering and Terrorist Financing Policy

Version:	v2
Responsibility for the Policy	Finance Director
Date approved by Executive	January 2024
Date approved by Board (if applicable)	April 2024
Date due for review:	April 2027

Statement of Intent

Willow Tree Housing Partnership Limited ('WTHP') will comply in full with UK legal and regulatory obligations regarding fraud, corruption, money laundering and terrorist financing.

Policy Objectives

WTHP recognises that in some cases it may unknowingly be party to toxic transactions. This policy sets out how WTHP will limit exposure to such risks. In the event that such transactions are identified, WTHP will take swift action to report the matter both internally and externally to the appropriate authorities.

The policy is applicable to all employees, Board Members and those directed by WTHP.

1 Managing the Risk of Fraud and Corruption

1.1 Adoption of CIPFA code of practise

WTHP adopts the Chartered Institute of Public Finance and Accountancy ('CIPFA') 'Code of Practice on Managing the Risk of Fraud and Corruption' (October 2014) as its policy on this matter, appropriately amended to reflect WTHP's business and client base.

2 Money Laundering

2.1 Compliance with UK legal and regulatory anti-money laundering obligations

WTHP is alert to the possibility that it may become the subject of attempts to involve it in transactions involving the laundering of money.

As policy, WTHP will comply in full with UK legal and regulatory anti-money laundering regulations and at the same time it will take active steps to reduce the risk arising of unknowingly being party to such transactions.

WTHP will:

- Undertake customer due diligence.
- Undertake organisation-wide anti-money laundering risk assessments including situations where there are new tenants or new transactions.
- Provide appropriate information and training regularly for staff to enable them to recognise and deal with suspicious activity.
- Establish appropriate policies and procedures to report suspicious activity.

- Maintain appropriate records on customers and transactions.
- **Any** sale of property or land (e.g. right to buy, shared ownership sales, outright sales) will be subject to ensuring that funds have come from a legitimate source. Where a tenant is involved, then WTHP will carry out its own risk assessment, factoring in what is known about a tenant's financial circumstances.
- Rent arrears payments, for example, where tenants may produce large sums at short notice to avoid eviction, should be subject to additional scrutiny.

No cash payments in excess of £2,000 should be accepted in relation to any transaction in any part of the business (or less than £2,000 and the person receiving the payment is suspicious about the source of the cash) without the prior approval of a member of the Executive Team. They will make reasonable checks that the funds have come from a legitimate source.

3 Terrorist Financing

3.1 Compliance with UK legal and regulatory terrorist financing regulations

WTHP understands that it may become the subject of attempts to involve it in transactions which may be connected to terrorist financing.

As policy, WTHP will comply in full with UK legal and regulatory terrorist financing regulations and at the same time it will take active steps to reduce the risk arising of unknowingly being party to such transactions.

WTHP will:

- **Undertake appropriate supplier due diligence** prior to them being approved for use.
- **Undertake tenant due diligence.** As part of the existing due diligence processes, a sanctions check will be undertaken when a new tenant is on-boarded with WTHP. Tenants may also be selected for periodic re-assessment.
- **Report suspicious activity.** WTHP has a legal obligation to report any suspicions of terrorism (including terrorist financing) to the National Crime Agency (NCA) via the raising of a Suspicious Activity Report.

Performance Standards

The Chair of the Audit and Risk Committee has been nominated the Board member with responsibility for compliance with the regulations respecting this policy.

The Chief Executive Officer will report any instances of the Fraud, Corruption, Money Laundering or transactions relating to terrorist financing to the Audit and Risk Committee on an annual basis, or by exception to the Chair of the Audit and

Risk Committee as instances are identified. Where there is a need to report transactions to the authorities, the CEO will ensure that this is undertaken.

The Finance Director is the nominated Money Laundering Reporting Officer, who will report any instance of Money Laundering or related transactions to the Chief Executive Officer.

The Policy is reviewed on a scheduled basis, by the Executive Team.

Reference Documents

Willow Tree Housing Partnership Limited policies:

- Disciplinary policies
- Procurement policy
- Tenancy related policies
- Employee and Board Member codes of conduct

When setting policy, the Willow Tree Housing Partnership will ensure a golden thread of best practice runs through all aspects of its operations in respect of equality, diversity and inclusion. It will seek to minimise adverse environmental impacts arising as a consequence of its work. This approach and all policies will be reviewed on their anniversary date or as new guidance or legislation is introduced, whichever occurs sooner.