# Statement on Fraud Prevention updated June 2023

As a regulated firm and in accordance with SYSC 3.2.6R we maintain adequate policies and procedures sufficient to ensure the firm is not used to further financial crime.

We are required to allocate responsibility *for the firm’s policies and procedures for countering the risk that the firm might be used to further financial crime* to a Senior Manager (Prescribed Responsibility d) and this is recorded in their Statement of Responsibility.

The FCA’s definition of financial crime is:-

**Any kind of criminal conduct relating to money or financial services or markets including any offence involving:-**

1. **Fraud or dishonesty, or,**
2. **Misconduct in or misuse of information relating to financial markets, or,**
3. **Handling the proceeds of crime.**

**Extortion**

**In this definition, “offence” includes an act or omission which would be an offence if it had taken place in the UK.**

Fraud falls within the definition of Financial Crime.Fraud is when trickery is used to gain a dishonest advantage, which is often financial, over another person. Fraud can be against an individual or a business.

We have allocated responsibility *for the firm’s policies and procedures for countering the risk that the firm might be used to further financial crime* to [name of director] (Prescribed Responsibility d) and this is recorded in their Statement of Responsibility. If at any time you feel that as a firm, we have acted fraudulently or as a firm have been the victim of fraud you are to contact [name of director] immediately.

It is recognised that organised criminals are involved in a wide range of frauds that cause significant harm to UK business, individuals and institutions as well as the Exchequer. Fraud is seen as the victimless crime but in fact causes financial and emotional harm to individuals, and firms. Fraud damages the confidence of consumers and can damage the reputation of the firm concerned.

The following combine together to demonstrate our firm’s proactive approach to Fraud Prevention:-

* Customer Data Security Policy supported by our Customer Data Security Gap Analysis.
* Prevention of Bribery Statement Supported by our risk assessment.
* Fraud Prevention Statement.
* Whistle Blowing Policy.
* Conflicts of Interest Policy supported by our Conflicts of Interest Gap Analysis.
* Money Laundering Policy.
* Financial Sanctions Policy.
* Detailed Accounting Procedures including Bad Debts / Aged Debtor Reports.
* Minuted Claims meetings to ensure fraudulent claims are identified.

Fraud falls within the FCA’s statutory objective of reducing the risks of financial crime and also impacts on the FCA’s consumer protection objectives. It is recognised that the FCA has a partnership approach to fraud and aims to ‘work with the grain’ of the market to encourage collaboration. Information sharing is encouraged and seen as a means to reduce fraudulent practices and increase profitability. If we as a firm or our customers are the victims of fraud through no fault of our own we will follow our firm’s internal procedures and liaise with our regulatory body.

**Employee Training:**  At induction all employees receive training followed by an annual refresher course on fraud prevention which includes information on recognising the warning signs, the different types of fraud and how information on fraud is captured and presented to senior management and the board.

If an employee is found to be in any way involved in fraudulent activity disciplinary proceedings will be followed.

It is the firm’s belief that stamping out fraud will create clarity and a level playing field which will create conditions for the insurance mediation industry to prosper.