



How does your business' risk profile look relative to your sector?

Fraud prevention and response survey

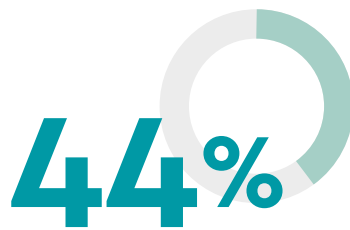
A unique insight into Construction & Development companies' strategies.

We surveyed 126 senior managers based in construction & development companies across the UK. Questions focused on fraud and the Economic Crime & Corporate Transparency Act, as part of our [cross-sector report](#) with a sample size of 1,000 respondents.

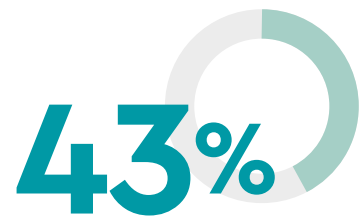
Our data suggest that organisations are aware of the risk of fraud but have disjointed prevention and response strategies. This is at a time when the Government is placing greater emphasis on corporate responsibility through measures contained in the Economic Crime and Corporate Transparency Act.

The types of fraud risks and responsive actions differ from one sector to another. **This data allows you to compare your business' risk profile relative to your sector and adapt your counter-fraud measures accordingly.**

Construction & development companies are exposed to fraud



of senior managers in this sector are unaware of the new 'failure to prevent' fraud offence.



have been victims of fraud in the last 12 months.

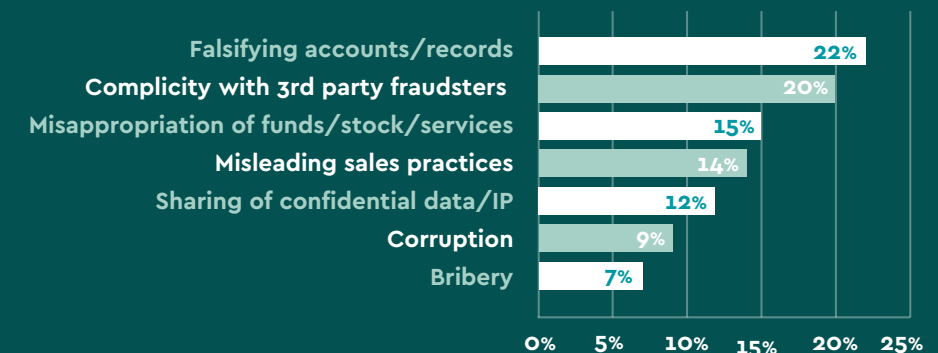
Your response to fraud

- Construction & Development companies are more likely to report to law enforcement (41% compared to 33% in the wider survey).
- They are less likely to use private prosecution, civil action, or reporting to HMRC/other government agencies, in comparison to the wider survey.

Incident rates and types – Your sector vs all respondents

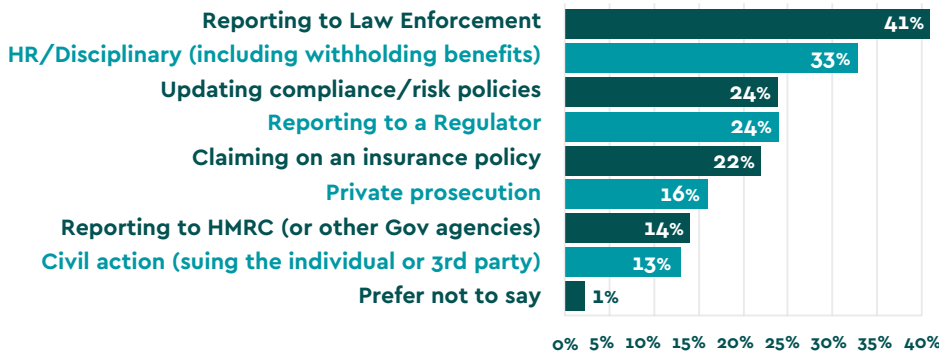
Falsifying accounts and records and complicity with third party fraudsters were the most prevalent sources of fraud in this sector.

What types of fraud have you been subject to in the last 5 years*



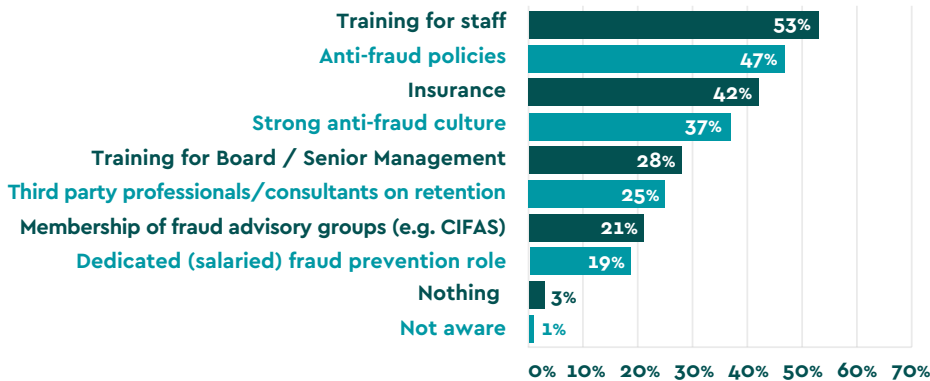
*Those who have had to take action within the last 5 years as the result of an employee's (or contractor's) involvement (or suspected involvement) in fraud

What action did you take after experiencing a fraud incident?*

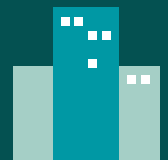


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What do you currently have in place to combat fraud?



A complete fraud strategy should consider all of these measures and ensure they work in concert. The approach should not be static and must be revised regularly to adapt to the changing threat of economic crime.



Factors including the pandemic, economic slow down and the current cost of living crisis are continuing to expose construction & development companies to fraud. Specific incidents include kickbacks, bid rigging and product substitution fraud. Prevention efforts should be multi-dimensional in order to create a culture that reduces incidents and limits reputational and financial damage.

Patrick Wetherall
Partner & Head
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Key contacts

If you'd like to speak to one of our experts, please get in touch:



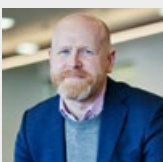
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Prepare for the new law

Undertake a fraud risk assessment as a basis for a proportionate fraud prevention and response strategy. Your policy and procedures should be tailored to apply to the real-world dynamics that your business and sector faces.

[Read our full report here](#)