

# Anti Fraud, Anti-Corruption and Anti Bribery Policy

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UNCONTROLLED IF PRINTED

## Aim of Policy

For the purposes of this Policy ForViva and Group members are referred to as 'the Group'.

The aim of the Policy is to ensure that employees are aware and that the Group is compliant with the Fraud Act 2006, Bribery Act 2010, Criminal Finances Act 2017 and the implications that may arise should a breach of legislation be performed by an employee of the Group.

It is our policy to conduct all of our business in an honest and ethical manner and to require that from our staff, customers and suppliers. The Group take a zero-tolerance approach to financial malpractice. We are committed to acting professionally, fairly and with integrity in all our business dealings and activities wherever the Group operates, and to putting in place and enforcing systems to adhere to legislation.

The Group will uphold all laws relevant to Fraud, countering bribery and corruption in any jurisdiction in which the Group operates.

The aim of this Policy is to:

- Ensure compliance with Regulatory obligations
- Set out our responsibilities, and the responsibilities of employees, in observing and upholding our position on fraud, bribery and financial malpractice; and
- Provide information and guidance to employees on how to recognise and deal with matters related to fraud, bribery, and all other forms of financial malpractice

Financial malpractice legislation has created offences punishable with imprisonment for individuals convicted of the most serious offences. If the Group or any subsidiary are found to have taken part in corruption, we could face an unlimited fine, be excluded from tendering for public contracts and our reputation will be damaged. The Group therefore take our legal responsibilities very seriously.

For the purpose of this Policy, third party means any individual or organisation employees come into contact with during the course of their work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

This Policy applies to all individuals working at all levels and grades, including Board Members, senior managers, officers, directors, employees (whether permanent, fixed term or temporary), consultants, contractors, trainees, seconded employees, home workers, casual workers and agency employees, volunteers, agents, sponsors or any other person associated with us, or any of our future subsidiaries or their employees, wherever located.

## Definitions

### **Fraud**

This term is used to describe acts such as deception, bribery, forgery, extortion, corruption, theft, embezzlement, misappropriation, false representation, concealment of material facts, collusion, money laundering.

For practical purposes fraud may be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party. The criminal act is the attempt to deceive and attempted fraud is therefore treated as seriously as accomplished fraud

The Fraud Act 2006 set out for the first time a legal definition of fraud which identified three classes of fraud, these being:

- (1) Fraud by false representation
- (2) Fraud by failing to disclose information
- (3) Fraud by abuse of position.

### **Bribery**

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

The six principles of the Bribery Act are;

- Proportionate procedures. - The policies and procedures a commercial organisation has in place to prevent bribery should be proportionate to the bribery risks the organisation faces. Procedures should be aligned to the nature, scale and complexity of the organisation's activities, while also being clear, practical, accessible and effectively implemented and enforced.
- Top level commitment - Top-level management should be demonstrably committed to preventing bribery by a person associated with it, fostering a culture within the organisation in which bribery is never acceptable...
- Risk assessment - For any anti-bribery process to be consistently effective, the organisation must assess the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it. The assessment should be periodic, informed and well documented. As business operations change and evolve, so will the risk facing the organisation and it is therefore imperative for regular re-assessment to be undertaken.
- Due diligence - Due diligence procedures must be applied, taking a proportionate and risk based approach, with regard to the individuals who perform or will perform services for or on behalf of the organisation. This is crucial if identified bribery risks are to be mitigated.
- Communication - Organisations need to ensure that that bribery prevention policies and procedures are embedded and understood throughout the organisation, via both internal and external communication. Communication should include training that is proportionate to the risks the organisation faces.
- Monitoring and review - As an overarching principle, organisations should monitor and review procedures designed to prevent bribery by persons associated with it and make improvements where necessary.

The Bribery Act creates four categories of offences:

- Offering, promising or giving a bribe to another person;
- Requesting, agreeing to receive or accepting a bribe from another person;
- Bribing a foreign public official; and
- The corporate offence of failing to prevent bribery.

Examples:

#### Offering a bribe

You offer a potential client tickets to a major sporting event, but only if they agree to do business with us.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. The Group may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept the offer.

#### Receiving a bribe

A supplier gives your nephew a job but makes it clear that in return they expect you to use your influence in our organisation to ensure the Group continue to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

#### Bribery a foreign official in a country that supplies materials

You arrange for the business to pay an additional payment to a foreign official to speed up an administrative process.

The offence of bribing a foreign public official has been committed as soon as the offer is made. This is because it is made to gain a business advantage for the Group. The Group may also be found to have committed an offence.

### **Facilitation payments and kick backs**

The Group do not make, and will not accept, facilitation payments or kickbacks of any kind.

If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment you should raise these with your line manager or the Group Company Secretary.

Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

### **Donations**

The Group only make charitable donations that are legal and ethical under the relevant laws and practices. No donation must be offered or made without the prior approval of the Group Company Secretary or an executive or if there is a specific delegation to a particular staff member to enable decisions to be made under specific limits

### **Tax Evasion**

The Group has a zero-tolerance approach towards tax evasion and no activities carried out by the Group will facilitate the evasion of taxes. The Group will also take steps to ensure that no partners or affiliated agents carry out such activities. If staff become aware of any actions which facilitate tax evasion, they should report suspicions to the Group Company Secretary and the Group Chief Operating Officer.

## **Policy**

Fraud may be perpetrated by staff, customers, consultants, suppliers, contractors or development partners, individually or with others. Fraud is an ever-present threat to our scarce resources and all staff should be alert for signs of fraud and be aware that it is their responsibility to report their concerns to management.

Staff should also be alert for signs of fraud and/or financial abuse of customers which should then be reported through the Safeguarding process. Details of this can be found in our Safeguarding Policy

Staff are an important element in our stance on fraud and corruption and are required and positively encouraged to raise any concerns they have on these issues. This can be done in the knowledge that such concerns will be treated in confidence and investigated properly and fairly through our fraud investigation process. More information is available in the Whistleblowing Policy.

Members of the public and Board members are encouraged to report concerns through our Whistleblowing Policy.

### **Regulatory Obligations**

Irrespective of the amount involved, all cases of proven fraud shall be reported to the police as soon as they are discovered.

As a Registered Provider ForHousing a subsidiary of ForViva needs to ensure regulatory compliance

The Regulator for Social Housing's Fraud Reporting Guidance for Registered Providers (issued March 2021) places an obligation on ForHousing to:

- As part of an organisation's governance structure, establish a fraud risk management programme, including written policies.
- Undertake a periodic assessment of fraud risk exposure to identify specific potential schemes and events which may require mitigation.
- Establish fraud prevention techniques to mitigate risk.
- Establish fraud detection measures.
- Establish a reporting process to solicit input on potential fraud.
- Ensure a co-ordinated approach for timely investigation and corrective actions.

- Produce an annual report to the Regulator on fraud losses.

ForHousing will fulfil its obligations as outlined above and in line with the Governance and Financial Viability Regulatory Standards

The Group Chief Executive carries overall responsibility for the prevention of fraud and is liable to be called to account by the Board and the Regulator for specific failures. The fraud register shall be open to inspection by the Regulator at any time and shall be reviewed by the Audit and Risk Committee on an annual basis and reported to the Regulator annually.

Details of any such suspected frauds will be maintained within the fraud register. Operational responsibility for maintaining the fraud register is delegated to the Company Secretary. However, the above responsibilities fall directly on line management and may involve all board members and staff in ForHousing.

### **Record Keeping**

The Group must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

All accounts, invoices and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept 'off book' to facilitate or conceal improper payments.

### **Responsibilities**

The Board has overall responsibility for ensuring this Policy complies with our legal and ethical obligations and that all those under our control comply with it. The Group Company Secretary has primary and day to day responsibility for implementing this Policy and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this Policy and are given adequate and regular training on it.

### **Boards**

The ForHousing, Liberty and ForViva Boards are responsible for establishing adequate system of internal control and for ensuring that these are regularly reviewed for effectiveness and compliance.

It is acknowledged that there can never be any 'absolute' guarantees that internal checks and systems and procedures established will always prevent fraud, corruption or malpractice occurring.

The Code of Conduct notes that it is the responsibility of all members to report details of alleged, detected, suspected or attempted fraud, corruption and/or malpractice committed by any person.

### **Audit and Risk Committee**

The Audit and Risk Committee receives all investigations into fraud allegations and ensures on behalf of the Board that the investigations are thorough, all possible redress has been

attempted and the appropriate controls are strengthened. It also reports to the regulator on any fraud over 5K and inspects the fraud register on an annual basis. ARC is responsible to the board for the effective implementation of this policy.

### **Group Chief Executive Officer and Executive Management Team**

The EMT Management (lead by the Group Chief Executive Officer) has a responsibility for preventing fraud through:

- identification of risks to which systems and procedures are exposed
  - developing and maintaining effective internal controls to prevent fraud
  - establishing an environment that promotes compliance with internal controls
  - promoting fraud awareness amongst staff
  - fostering an 'anti- fraud' culture
  - ensuring that if a fraud or attempted fraud occurs a vigorous and prompt investigation takes place without regard to position held or length of service
  - take appropriate disciplinary and legal action in all cases where justified
- reviewing systems and procedures to prevent similar frauds arising

### **Group Company Secretary**

Group Company Secretary has primary responsibility for the implementation and delivery of this policy as well as;

- Reporting Fraud to the Regulator of Social Housing
- Leading on all Fraud Investigations and deciding best course of investigation
- Is the main point of contact for reporting a suspicion of Fraud which is related to a Board or Committee Member or a member of EMT

### **Line Managers**

Line managers are responsible for implementing this Policy in respect of fraud prevention and detection and in responding to incidents of fraud. In particular, this involves ensuring that the high legal, ethical and moral standards are adhered to in their area.

The practical requirements of line managers are to:

- Have an understanding of the fraud risks in their areas and to consider whether processes under their control might be at risk.
- Have adequate processes and controls in place to prevent, deter and detect fraud.
- Be diligent in their responsibilities as managers, particularly in exercising their authority in authorising transactions [electronically or otherwise] such as timesheets, expense claims, purchase orders, returns and contracts.
- To be aware of all key documentation as it relates to areas of high risk e.g. tenancy fraud, IT security and Finance etc;
- Deal effectively with issues raised by staff including taking appropriate action to deal with reported or suspected fraudulent activity.
- Report suspected frauds according to the process outlined in this document.
- Provide support/resource as required to fraud investigations.

Managers are responsible for ensuring that staff are aware of this policy and procedures and associated documentation relevant to their role.

## **Your responsibilities as an employee of the Group**

You must ensure that you read, understand and comply with this Policy.

The prevention, detection and reporting of bribery and malpractice are the responsibility of all those working for us or under our control. All employees are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

You must notify your line manager or the Group Company Secretary as soon as possible if you believe or suspect that a conflict with this Policy has occurred or may occur in the future. This may happen, for example, if a client or potential client offers you something to gain a business advantage with us or indicates to you that a gift or payment is required to secure their business.

There are other signs that as an employee you will need to be aware of. These signs are known as 'red flags'. Potential 'red flags' that may indicate bribery or corruption are set out in the Anti Fraud, Anti-Corruption and Anti Bribery Procedure.

If you are unsure whether a particular act constitutes bribery or malpractice, or if you have any other queries, these should be raised with your line manager or Director, in confidence.

Concerns should be reported by following our Whistleblowing Policy.

Any employee who breaches this Policy will face disciplinary action, which could result in dismissal for gross misconduct. The Group reserve our right to terminate our contractual relationship with any employee if they breach this Policy.

## **What to do if you are a victim of bribery or corruption**

It is important that you tell your line manager, a Director or the Group Company Secretary or the confidential whistleblowing helpline as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

## **Protection for Employees**

Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Group aim to encourage openness and will support anyone who raises concerns in good faith under this Policy, even if they turn out to be mistaken.

The Group are committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place or may take place. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have



suffered any such treatment, you should inform your line manager, a Director or the Group Company Secretary immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure.

## Training and Communication

We recognise that the continuing success of this policy and its general credibility will depend largely on the effectiveness of programmed training and responsiveness of staff throughout the organisation.

In order to facilitate this, Induction training for new Board Members and staff is mandatory and ongoing refresher courses, particularly for those involved in internal control systems.

Staff awareness will also be prompted by communicating all changes in policy immediately and reporting to staff the outcomes of investigations.

Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

## How the Policy will be delivered

The Policy will be delivered through the existing governance structure and monitored on an annual basis in order to ensure compliance. Furthermore, the review will ensure that the existing arrangements remain fit for purpose.

Any reported fraud incidents will be investigated in line with the fraud investigation process and all investigations will be led by the Company Secretary.

To ensure the anti-bribery process is consistently effective, risk assessments are in place on the Group and subsidiaries risk registers ensuring the nature and extent of our exposure to potential external and internal risks of bribery is captured. The risk assessments are regularly reviewed by the A&R Committee and Boards to ensure they are reflective of operational change as we evolve.

We have a number of options which an employee or external source can choose from in order to report fraud or seek advice. These are:

- an internal and external hotline number – 0161 605 7900 (all phone calls will be recorded, and an audio file emailed to the Governance team);
- an internal and external email address: [Whistle.Blowing@forviva.co.uk](mailto:Whistle.Blowing@forviva.co.uk);
- a dedicated and confidential Company Secretariat email: [company.secretary@forviva.co.uk](mailto:company.secretary@forviva.co.uk); and
- a direct telephone number to the Group's internal auditors, BDO on - 0161 817 7500.

## Related Documents

ForViva Code of Conduct  
ForViva Whistleblowing Policy  
ForViva Disciplinary Policy

ForViva Grievance Policy  
 ForViva Expenses Policy  
 Finance and Treasury Management  
 ForViva ICT Strategy  
 ForViva Procurement Strategy  
 ForHousing Right to Buy and Right to Acquire policies  
 ForViva Anti Fraud, Anti-Corruption and Anti Bribery Procedure  
 ForViva Anti Money Laundering Policy  
 ForViva Gifts and Hospitality Policy

## Equality Analysis

Date of approved EA	N/A
Results of EA / Actions taken forward to mitigate any potential negative impacts	

## Consultation & Business Intelligence

No consultation has taken place on this Policy.

## Monitoring Arrangements

The Group Company Secretary will monitor the effectiveness and review the implementation of this Policy annually, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures should be subject to regular audits to provide assurance that they are effective in counting bribery and corruption.

All employees are responsible for the success of this Policy and should ensure they use it to disclose any suspected danger or wrongdoing.

## Control Data & Approval History

Policy Owner:	Audit and Risk Committee (Primary Responsibility Company Secretary)
Next review date:	February 2024

Issue	Approved By	Date
Approval	Relevant Operational Manager	07.12.2021
Approval	Executive Management Team	07.12.2021
Approval	Board or Audit and Risk Committee	24.02.2022
Equality Analysis	Business Excellence Team, Operational Manager, Equality Analysis	N/A

Health & Safety	Head of Health and Safety Assurance	Not required
Legal	Legal Services Executive	Not required
HR	Relevant Service Excellence Group or Trade Union if HR related	Not applicable

## Document Revision History

Date Amended	Version Number	Key Changes
01.07.15	1	Arrangements for new group structure.
17.10.16	2	Definition section added following advice from audit.
22.11.16	3	Put onto new corporate template. Footnote reference added to definition section. Document owner changed from Operational Manager for Governance to Assistant Director of Governance. Amends to Related Documents section.
July 2017	3	No changes identified
January 2018	4	Updated to reflect changes in Money Laundering Regulations and Criminal Finances Act
November 2018	5	Updated to reflect job title changes
01.07.19	V6	Rewrite following Project Reform and ForViva DNA. No substantial changes.
09.06.20	V7	Revisions to include non-bribery related areas and amend title.
20.01.21	V8	Revision to include outcomes of internal audit process
30.11.2021	V9	Money Laundering and Gifts and Hospitality Information removed from document these are now individual policies with the Governance suite of documentation