

<b>Policy title:</b>	Anti-Fraud, Bribery and Corruption Policy		
<b>Scope:</b>	Group-wide		
<b>Policy owner &amp; job title:</b>	Company Secretary		
<b>Approver:</b>	Audit and Risk Committee		
<b>Date:</b>	October 2024	<b>Review Due Date:</b>	October 2027

## POLICY SUMMARY

- Aspire Housing (“Aspire”) is committed to preventing fraud, bribery and corruption and achieving the highest standards of good governance in all its activities. Eliminating the risk of fraud, bribery and corruption is an important part of providing value for money and maintaining the reputation of housing sector.
- Aspire wishes to carry out its business transparently and fairly and therefore operates a zero-tolerance policy towards fraud, bribery and corruption by its Board and Committee Members, employees, tenants, contractors, agents, suppliers and other associated persons.
- Aspire is required to comply with the Bribery Act 2010, The Criminal Finances Act 2017, and the Social Housing Fraud Act 2013.
- This Policy covers the broad principles of preventing fraud, bribery and corruption within Aspire.
- This policy covers Aspire Housing and its subsidiary companies.

## PART 1 - INTRODUCTION

Aspire Housing is committed to achieving the highest standards of openness, probity and accountability. It recognises the particular importance of this as it works to maintain its reputation and that of the housing association sector as a whole.

In pursuit of its aim to carry on a viable and sustainable business and create value-for-money it takes appropriate actions to identify and guard against adverse financial and business risks. In this context, the Aspire is committed to reducing its risk of fraud to the lowest possible level.

## Purpose of policy

The purpose of this policy is to:

- set out our responsibilities, and of those working for and on our behalf, in observing and upholding our position on bribery and corruption; and
- provide information and guidance to those working for and on our behalf on how to recognise and deal with bribery and corruption issues.

## Who does this policy apply to?

This policy applies to all persons working for us [or any group company] or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, suppliers, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.

This policy does not form part of any contract of employment or other contract to provide services, and we may amend it at any time.

## Associated Policies & Procedures

The following policies are connected to and referred to in this document:

Whistle Blowing Policy;  
Money Laundering Policy;  
Anti-Fraud, Bribery and Corruption Response Plan;  
Employee Code of Conduct

## PART 2 – ANTI-BRIBERY

### Definition of Bribery and Corruption

Various definitions of Bribery & Corruption exist, for the purposes of this policy the following is provided.

**Bribery** – Bribery is offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage *‘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’ (The Bribery Act 2010).*

**Corruption** – Corruption is the abuse of entrusted power or position for private gain. It *‘includes bribery, which is the offering, promise or giving and the requesting or accepting of a bribe’ (Financial Conduct Authority (FCA)).*

### 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. We 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 your 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 we 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.

**Bribing a public official:** You arrange for the business to pay an additional "facilitation" payment to a planning official to speed up an administrative process, such as speeding up a planning permission application.

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

**Facilitation payments**, also known as "**back-handers**" or "grease payments", are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example, by a government official). They are not common in the UK, but are common in some other jurisdictions.

**Kickbacks** are typically payments made in return for a business favour or advantage.

\*Third party means any individual or organisation you come into contact with during the course of your 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.

### Offences

The Bribery Act introduces a strict liability offence for "commercial" organisations where someone associated with an organisation (including employees, agents or sub-contractors) commits an act of bribery to obtain or retain business or a business advantage.

Strict liability means that Aspire may be liable in law without the finding of fault. At court, it need only be proved that a bribe was made by someone associated with Aspire with the intention of giving Aspire a business advantage, whether or not Aspire encouraged such action or was aware of it. The responsibilities under the Bribery Act therefore need to be taken extremely seriously.

Breaches of the Act could also lead to penalties for Aspire's senior officers with whose "consent or connivance" bribery was committed. Individuals can be found guilty of bribery and, in the most serious cases, be liable on conviction to imprisonment for up to 10 years, to a fine, or to both.

In addition, individuals could be liable for bribing, receiving a bribe or bribing a foreign public official. Again, such individuals could be liable on conviction to imprisonment for up to 10 years, to a fine, or to both.

### **Accountability**

Aspire has taken reasonable steps to ensure that there are appropriate financial and management controls in place to safeguard the organisations funds and assets and to prevent and detect fraud, bribery and corruption.

Aspire will fully investigate any allegations of fraud, bribery and corruption as soon as the allegation is notified in accordance with the procedures detailed in the Anti-Fraud, Bribery and Corruption Response Plan.

### **Prevention**

Aspire aims to prevent fraud, bribery and corruption, by adhering to the following policies, processes and procedures:

- Awareness - All staff are required to complete fraud awareness training as part of their induction, and refresher training every three years thereafter.
- Recruitment and Selection.
- Code of Conduct for Employees, Committee and Board Members.
- Declaration of Interest processes and Registers.
- Whistleblowing.
- Standing Orders.
- Financial Regulations.
- Financial Systems.
- Internal and External Audit.
- Risk Assessments, Management & Control.
- Procurement, including procurement procedures related to contractors, consultants, agents and suppliers.
- Data Protection, including data protection or confidentiality clauses between contractors, agents and partner, IT Security.
- Disciplinary procedures.

Any actual or attempted fraud, bribery or corruption on the part of staff members is in breach of this policy and is likely to amount to gross misconduct. It is impossible to give exhaustive examples or guidance as to what would be precluded under this policy. Aspires Codes of Conduct and Probity Policy offers some further guidance to individuals as to what is not acceptable and examples of situations which might give cause for concern. All staff are required to avoid any acts or omissions that might amount to a breach of this policy and, if in doubt, first refer the matter to the Company Secretary before taking action.

### **Advice**

You should seek advice from your line manager if you are unsure about how the provisions of this policy should be applied.

Where appropriate, employees and Directors should seek legal advice on anti-bribery issues.

### **Practical Procedures**

You must make sure that no payments are left unrecorded; to make sure that there can be no concealment of improper payments.

### **Irregularities and Inappropriate Practices**

There can be irregularities and inappropriate practices which are not illegal, but which can cause severe damage to the image of Aspire, result in poor service to customers and attract direct and indirect financial penalties to the Company. Such practices include failure to follow:-

- Standing Orders and Financial Regulations
- Human Resources policies and procedures
- Established policies, procedures or instructions.

Though these may not constitute fraud, bribery or corruption, the actions may give rise to allegations which necessitate an investigation and result in embarrassment for both the individual and more importantly, for Aspire. Consequently, it is stressed that such practices should not be followed. If guidelines, Standing Orders, or instructions are difficult or impossible to follow, the concerns should be raised with line managers who should pursue the matter to try to get the rules amended after proper authorisation.

### **Breaches – how to raise a concern**

If you believe or suspect that a breach of this policy has taken place, or may occur in future – for example if a contractor offers you something in return for business, you must notify your line manager immediately.

You must tell your line manager if you are ever offered a bribe, suspect that this may happen in the future or if you think you are a victim of another form of unlawful activity.

You are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.

If you are uncomfortable in doing this, you should raise your concerns or suspicions following the procedure set out in Aspire's Whistleblowing Policy.

Aspire is keen to encourage openness and will support you if you raise genuine concerns you have under this policy (even if they later turn out to be mistaken). Aspire wants to ensure no one suffers detrimental treatment (including disciplinary action or dismissal, threats etc) because of such reporting or because of refusing to take a bribe – if you feel you have suffered such treatment contact your line manager.

### **Breaches of this policy**

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

## **PART 3 – FRAUD**

Various definitions of Fraud 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’ (The Institute of Internal Auditors).

### **Criminal Finances Act 2017**

The Criminal Finances Act 2017 creates two new corporate criminal offences in respect of the facilitation of tax evasion.

- Failure of a relevant corporate body to prevent the facilitation of UK tax evasion by an associated person; and
- Failure of a relevant corporate body to prevent the facilitation of non-UK tax evasion by an associated person.

To avoid being held criminally liable for the criminal acts of their associated persons and face unlimited fines organisations need to put in place reasonable prevention procedures in place.

Aspire has taken steps to ensure that it is fully compliant with the Criminal Finances Act 2017. Aspire requires suppliers and contractors to agree to terms and conditions stating that Aspire operate a zero tolerance with regard to tax evasion and expects all contractors and suppliers to comply with all UK and international tax legislation.

#### **Reporting of Fraud to the Audit and Risk Committee**

Any entries in the Fraud Register shall be reported to the Audit and Risk Committee on a quarterly basis, along with the summary findings of any investigations and recommendations arising from the investigation.

#### **Tenancy Fraud**

We are committed to ensuring that our properties are available to those who are eligible and in housing need. We will be vigilant to indications of tenancy fraud and provide our staff with training and robust procedures to tackle concerns. We will also work closely with the Local Authority to use the provisions of the Prevention of Social Housing Fraud Act 2013 to take appropriate and robust action against those believed to be committing the criminal offence of subletting. We will provide clear information regarding the requirements of the tenancy agreement to all new tenants, and no tenancy will be offered to a nominee unless photographic or other government approved form of identification can be produced.

#### **Responsibilities of employee**

Staff members are responsible for:

- being vigilant to possible indicators of fraud or attempted fraud, within their respective areas of work;
- reporting any suspicions of fraud or attempted fraud they encounter (This may be done personally or confidentially as described in the Whistleblowing policy); and otherwise,
- acting with integrity and propriety, within the law, and in accordance with relevant policies, systems and procedures.

Similarly, staff members should report to their line manager any areas of weakness they identify in procedures or systems; or suggested ways of reducing the possibility of fraud.

## **Investigation of Fraud**

Any reported cases that appear to indicate that a criminal offence has been committed will be investigated in accordance with the Aspire Anti-Fraud, Bribery and Corruption Response Plan. The investigation process is broadly outlined below (more information can be found in the Anti-Fraud, Bribery and Corruption Response Plan):

- Incident reported.
- The relevant member of the Leadership Team establishes initial facts and notifies the Executive Director - Finance. Should the Executive Director-Finance be compromised in any way by the incident, or be unavailable, then the relevant member of the Leadership Team should notify another member of the Executive Team.
- Investigating officer appointed by Executive Director – Finance (or alternate member of the Executive Team as noted above). The matter is investigated in accordance with the Police and Criminal Evidence Act (PACE) 1984. Auditors are informed and legal advice is obtained.
- Interim report made within 10 working days
- If evidence of fraudulent activity is found, then the Executive Director – Finance will report the matter to the CEO. An entry is made on the Fraud Register
- Subsequent investigation is carried out which may involve informing the Police/the Serious Fraud Office.
- Final Report produced after all investigations concluded.
- Executive Director – Finance decides on further action to take.

## **Responsibility of Aspire**

### **Aspire Housing Board**

The Board is responsible for ensuring the Group:

- operates an anti-fraud culture;
- maintains effective risk management and internal control systems.

### **Audit and Risk Committee**

The role of Audit and Risk Committee extends across the group and includes responsibility for:

- having relevant policies and systems in place to deter, detect and report suspected fraudulent activity;
- maintaining appropriate procedures that ensure reported incidents of suspected fraud are promptly and vigorously investigated; and effective sanctions and redress are applied in instances where fraud is detected.
- monitoring and reviewing the effectiveness of internal, including financial, controls and risk management systems;
- reviewing internal audit reports;

- reviewing findings of external audit;
- monitoring and reviewing the effectiveness of internal audit activities; and also in reviewing arrangements for whistleblowing and detection of fraud.

### **The Executive Team**

The Executive Team has collective responsibility for:

- developing and maintaining effective policies, procedures and control systems for deterring, detecting and reporting fraud; and ensuring these are both working effectively, and periodically reviewed in accordance with good practice;
- ensuring the Board and Audit and Risk Committee has up to date and accurate information on regulatory requirements in relation to governance and financial management, governance good practice and expected standards of conduct;
- fostering a culture of honesty and openness amongst all staff, and ensuring staff are aware of expectations relating to their professional conduct and the requirements of this policy;
- ensuring all staff have the required level of knowledge and understanding of the range of policies, procedures and systems that are relevant to the group's anti-fraud strategy;
- implementing any relevant operational anti-fraud measures, including segregation of duties;
- ensuring staff receive appropriate training that enables them to identify suspected fraud;
- ensuring the notification requirements of regulators are met.

### **Group Company Secretary**

The Group Company Secretary will review the policy every 3 years or earlier if there are changes in legislation/ best practise.

The Group Company Secretary will make an annual return to the Regulator of Social Housing in relation any fraudulent activity during the financial year.

### **Equality & Diversity:**

Where colleagues have specific needs to access the policy, reasonable support would be given. By way of example, this may include the provision of the policy in alternate forms such as braille, large print or audio versions and ensuring that the processes followed within the policy are reasonably adapted to reflect the needs of the individual.

This policy has been considered against our Equality and Diversity Policy and no additional provisions are required.