

## **Hanover (Scotland) Housing Association Ltd**

### **Anti Bribery Policy**

#### **1. Introduction**

- 1.1 Hanover is committed to the highest standards of ethical conduct and integrity in its business activities.
- 1.2 All individuals and organisations, associated in whatever way with the Association must act with honesty and integrity to safeguard the people and resources for which Hanover is responsible.
- 1.3 Any breach of this policy is likely to constitute a serious disciplinary, contractual and criminal matter for the individual concerned and may cause serious reputational damage and standing to the association.
- 1.4 The Association may also face criminal liability for unlawful actions taken by its employees or associated persons under the Bribery Act 2010. All employees, Committee members and associated persons are required to familiarise themselves and comply with this policy, including any future updates that may be issued from time to time.

#### **2. Bribery Act 2010**

- 2.1 Under the Bribery Act 2010, a bribe is a financial or other type of advantage that is offered or requested with the:
  - intention of inducing or rewarding improper performance of a function or activity; or
  - knowledge or belief that accepting such a reward would constitute the improper performance of such a function or activity.
- 2.2 A relevant function or activity includes public, state or business activities or any activity performed in the course of a person's employment, or on behalf of another company or individual, where the person performing that activity is expected to perform in good faith, impartially, or in accordance with a position of trust.
- 2.3 A criminal offence will be committed under the Bribery Act 2010 if:
  - an employee, Committee member or associated person acting for, or on behalf of, the Association offers, promises gives, requests, receives or agrees to receive bribes; or

- an employee, Committee member or associated person acting for, or on behalf of, the Association offers, promises or gives a bribe to a public official with the intention of influencing that official in the performance of his/her duties.
- 2.4 There is a maximum sentence of 10 years imprisonment for bribery committed by an individual and an unlimited fine for an offence committed by a corporate body.
- 2.5 Hanover Scotland will only have the defence that it has “adequate procedures” in place to prevent bribery by its employees, Committee members or associated persons. Consequently:
- All employees, Committee members and associated persons are required to comply with this policy, in accordance with the Bribery Act 2010. All employees, Committee members are required to avoid any activity that may lead to or suggest a breach of this policy.
  - All contractors and suppliers are made aware that Hanover Scotland has an anti-bribery policy in force through the procurement process. This policy shall be available on the Hanover Scotland website.

## 2.6 **Adequate Procedures – six management principles**

The Ministry of Justice has issued guidance which sets out six broad management principles to assist organisations to put in place proper anti-bribery procedures. They are as follows:

**Proportionality:** anti-bribery policies should be proportionate to the activities and size of the association, the sector in which it operates and the risk it faces.

**Top level commitment:** establishing a clear culture within the Association in which bribery is unacceptable.

**Risk Assessment:** understanding and keeping up to date with bribery risks the Association faces by carrying out regular and comprehensive assessments.

**Due diligence:** the Association needs to know about who it does business with, who it pays money to and why – and make sure that the association’s partners have reciprocal anti-bribery agreements in place.

**Communication:** ensure that anti-bribery policies are embedded in the Association culture and that every employee, Committee member and business partner know the procedures to follow.

**Monitoring and review:** through audit and other internal controls the Association must monitor its anti-bribery procedures to prevent and detect bribery and to make sure procedures are working.

### **3. What is prohibited?**

- 3.1 The Association prohibits employees, Committee members and associated persons from offering, promising, giving, soliciting or accepting any bribe. The bribe might be cash, a gift or other inducement to, or from, any person or company, whether a public or governmental official, official of a state controlled industry, political party or private person or company regardless of whether the employee, Committee member or associated person is situated in the UK or overseas. The bribe might be made to ensure that a person or company improperly performs duties or functions (for example, by not acting impartially or in good faith or in accordance with their position of trust) to gain any commercial, contractual or regulatory advantage for Hanover Scotland in either obtaining or maintaining Hanover's business, or gain any personal advantage, financial or otherwise, for the individual or anyone connected with the individual.
- 3.2 This prohibition also applies to indirect contributions, payments or gifts made in any manner as an inducement or reward for improper performance for example through consultants, contractors or sub-contractors, agents or sub-agents, sponsors or sub-sponsors, joint venture partners, advisors, customers, suppliers or other third parties.
- 3.3 The following list contains some examples of acts which would raise concern and which should be reported to your line manager, Committee member in line with the Whistleblowing Policy. These examples are intended to give an idea of the sort of behaviour which is unacceptable – it is not intended as an exhaustive list:
  - You are offered a payment in cash if a contract is awarded to the contractor/supplier
  - You are offered cash or an incentive from a resident to obtain access to housing or services
  - You are offered an unusually generous gift or lavish hospitality
  - A supplier asks you to provide an invoice receipt where no money is payable or has been paid;

- A contractor offers to pay you cash to provide employment for a friend or relative;
- You notice that the Association has been invoiced for a payment which seems large given the service/goods which have been provided;
- You are offered discounted fees for supply of goods to you as a private person.

#### **4. Records**

- 4.1 The Association's employees and, where applicable, associated persons, are required to take particular care to ensure that all of the Association's records are accurately maintained in relation to any contracts or business activities, including financial invoices and all payment transactions with clients, suppliers and public officials.
- 4.2 The Association's employees and associated persons are required to keep accurate, detailed and up to date records of all corporate hospitality, entertainment or gifts accepted or offered in accordance with the Association's Gifts and Hospitality Policy, for employees and Committee members, respectively. All such declarations will be entered into a Gifts and Hospitality Register and reviewed by the Committee of Management annually.

#### **5. Reporting suspected bribery**

- 5.1 The Association depends on its employees, Committee members and associated persons to ensure that the highest standards of ethical conduct are maintained in all its business dealings. Employees, Committee members and associated persons are requested to assist the Association and to remain vigilant in preventing, detecting and reporting bribery.
- 5.2 Employees, Committee members and associated persons are encouraged to report any concerns that they may have as soon as possible. In the first instance, any suspicion of bribery should be reported, as a matter of urgency by that member of staff to their line manager or by a Committee member to the Chief Executive or Chairperson. If this would be inappropriate (where for example the line manager might be involved), then concerns should be reported upwards to the:
- The Department or Area Manager or Director or
  - Director of Strategic Finance or
  - Chief Executive or, where absent, the Company Secretary
  - Chairperson of the Association; or

- where it is the Chairperson of the Association that is being reported this should be reported to the Chairperson of the Audit Committee.

### 5.3 Issues that should be reported include:

- Any suspected or actual attempts at bribery;
- Concerns that other employees, Committee members or associated parties may be bribed; or
- Concerns that other employees, Committee members, or associated parties may be bribing third parties, such as clients or government officials.

## 6. Awareness

- 6.1 All employees, Committee members will be asked to sign and confirm that they have read and understood and agree to comply with this policy.

## 7. Dealing with Breaches

- 7.1 The Association will treat any breach of this policy with maximum seriousness. Any employee who breaches this policy will face disciplinary actions, which could result in dismissal for gross misconduct. Any Committee member will be dismissed from their post if a breach is discovered and proved.
- 7.2 Where the association discovers bribery has taken place, it will make a full disclosure to the Serious Fraud Office of Police Scotland and co-operate fully in any investigations carried out by these agencies.
- 7.2 The discovery of bribery is a Notifiable Event to the Scottish Housing Regulator and the appropriate procedures will be followed for providing formal notification.