



Stafford and Rural Homes

Anti-Bribery Policy

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Part A: Introduction

1. Our Commitment

- 1.1 As a Registered Provider and a charity, Stafford and Rural Homes (SARH) is committed to eliminating corruption and bribery and achieving the highest standards of good governance in all its activities.
- 1.2 SARH wishes to carry out its business transparently and fairly and therefore operates a zero tolerance policy towards bribery by its Board Members, employees, contractors, agents and other associated persons. Incidences of bribery could lead to prosecution, damage to SARH's reputation and also affect its relationship with its customers, business colleagues and other stakeholders.
- 1.3 SARH is committed to avoid working with other organisations or individuals who commit bribery.

2. Background

(a) The Bribery Act 2010 ('the Act')

- 2.1 The Government passed the Act to simplify the law and assist the UK to combat bribery. The Act came into force on 1 July 2011 and it applies to SARH.
- 2.2 The Act contains four principal bribery offences:
 - 1) Bribing someone to encourage or reward 'improper performance' of a function or activity – this includes offering, promising or actually giving a bribe;
 - 2) Being bribed resulting in an activity or function being 'improperly performed' or resulting from an activity or function being 'improperly performed' – this includes requesting, agreeing to receive or receiving a bribe;
 - 3) Bribing a foreign public official; and
 - 4) The corporate offence (see below)
- 2.3 A bribe is 'a gift or reward given, offered or received to gain any business, commercial or personal advantage'.

(b) The corporate offence

- 2.4 The Act introduces a "strict liability" offence for commercial organisations where someone associated with an organisation (including Board Members, employees, agents or sub-contractors) commits an act of bribery to obtain or retain business or a business advantage.
- 2.5 Strict liability means that SARH 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 SARH with the intention of giving SARH

a business advantage, whether or not SARH encouraged such action or was aware of it. The responsibilities under the Act therefore need to be taken extremely seriously.

(c) Penalties

2.6 Prosecution under the Act could result in SARH receiving an unlimited fine and potentially SARH becoming debarred from tendering for public contracts.

2.7 Breaches of the Act could also lead to penalties for SARH'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.

2.8 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.

(d) Adequate procedures – the six management principles

2.9 There is a defence to the corporate offence if SARH can show it had "adequate procedures" in place, designed to prevent bribery.

2.10 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.

2.11 SARH will follow these principles to show that it is committed to eliminating bribery within SARH.

2.12 The management principles SARH needs to follow are:

1. **Proportionality** – anti-bribery policies and procedures should be proportionate to the activities and size of the organisation, the sector in which it operates and the risks it faces;
2. **Top level commitment** – establishing a clear culture within SARH which reinforces that bribery is unacceptable;
3. **Risk assessment** – understanding and keeping up to date with the bribery risks it faces by carrying out regular and comprehensive risk assessments;
4. **Due diligence** – SARH needs to know about who it does business with, who it's paying money to and why – and make sure SARH's partners also have reciprocal anti-bribery agreements in place;
5. **Communication** – so that all SARH's employees, Board Members and business partners know the procedures to follow in situations which may be sensitive to bribery. SARH must ensure that its anti-bribery policies are embedded in the organisation's culture, not just a "box-ticking" exercise; and
6. **Monitoring and review** – through audit and other internal controls SARH must monitor its anti-bribery procedures to prevent and detect bribery – to make sure and prove that its procedures are working.

- 2.13 This policy is designed to address the above principles and it complements the other procedures that are in place to avoid bribery and corruption.

3. Application of the Policy

- 3.1 SARH will apply the principles set out in this policy fairly, openly and transparently.
- 3.2 The policy applies to all employees and Board Members at any time. SARH will apply the provisions of this policy as they relate to all of its commercial and non-commercial arrangements and to individuals and organisations having a relationship with SARH, including contractors, agents and consultants.
- 3.3 All of the parties listed above are required to familiarise themselves with this policy and the processes and procedures contained within it, and to make sure they follow it at all times throughout their relationship with SARH.
- 3.4 Section C of this Policy sets out how breaches of this policy will be dealt with.

4. Other policies and procedures

- 4.1 This policy needs to be read alongside other policies and procedures from time to time including:
- Staff terms and conditions including contracts of employment;
 - Board Members' Code of Conduct;
 - SARH's scheme of delegation / standing orders and financial regulations;
 - The Whistleblowing Policy; and
 - The procurement guidelines
- 4.2 Where this policy conflicts with any provision of the above policies and procedures, this policy will prevail.
- 4.3 SARH will act at all times within its Memorandum and Articles of Association (M&As). If anything within this policy conflicts with the M&As then they will take priority.

5. Day to day Operation of the Policy

(a) Who is responsible for keeping the policy up to date?

- 5.1 The Board has overall responsibility for ensuring that all of SARH's policies and procedures are kept up to date. It has delegated to the Company Secretary the specific responsibility for maintaining general awareness of and compliance with this Anti-Bribery Policy.

(b) Monitoring and review

- 5.2 This policy will be reviewed by the Board periodically and no less frequently than every two years.
- 5.3 The Audit Committee will monitor the operation and adequacy of this policy on a regular basis and will report to the Board on any problems.
- 5.4 The Audit Committee will report to the Board no less frequently than every 12 months on SARH's anti-bribery compliance.
- 5.5 This policy may only be amended with the approval of the Board.

Part B: Anti-Bribery Requirements

1. Gifts and Hospitality

- 1.1 This policy must be read in conjunction with SARH's Gifts and Hospitality Policy, in particular in relation to approval of levels of gifts and hospitality and the need to record gifts and hospitality.
- 1.2 This policy does not prohibit the giving or receiving of reasonable, proportionate and appropriate hospitality or gifts to or from people and organisations SARH deals with. There are circumstances where the acceptance of hospitality or gifts is in accordance with established business practice, or where the acceptance of gifts or hospitality is difficult to avoid without causing offence. Any such gifts or hospitality should be given openly.
- 1.3 Employees and Board Members should generally not receive or offer hospitality and gifts from or to persons or organisations that may be in a position to benefit from actions or decisions taken by SARH.
- 1.4 Hospitality and/or gifts cannot be given or received if done with the intention of influencing someone to give SARH business, influencing SARH to award business or to reward the provision or retention of business or business advantage.
- 1.5 Any hospitality or gifts given should be reasonable and proportionate and designed to:
 - Cement or improve relationships;
 - Show genuine appreciation for services;
 - Improve the SARH's image; and/or
 - Market products or services.

Recipients should never be given the impression that they are under an obligation to confer a business advantage on SARH because of the gifts or hospitality offered.

- 1.6 Gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Company Secretary.
- 1.7 Employees and Board Members should never give, promise or offer a payment, gift or hospitality to a government official, agent or representative to expedite or “facilitate” a routine procedure (e.g. to speed up a planning application).
- 1.8 If any employee or Board Member suspects that hospitality is being offered or provided with an expectation that a business advantage will be provided by SARH in return, then he / she must not accept it and must report this to the Company Secretary immediately.
- 1.9 Any hospitality or gifts offered or received should be declared appropriately. Unofficial payments or “kick backs” should not be offered or accepted under any circumstances.

2. **Expenses**

Any expenses claims made must be in accordance with SARH’s Expenses Policy, properly recorded and supported by receipts (other than in exceptional circumstances).

3. **Dealings with third parties**

- 3.1 With regard to any payments to third parties, details of such payments must be properly recorded and receipted.
- 3.2 In making any such payments, consideration should be given to what these payments are for and whether they are reasonable and proportionate.
- 3.3 All suppliers / contractors and business partners that SARH deals with must be made aware that SARH takes bribery and corruption very seriously and that it will not be tolerated.
- 3.4 No hospitality or gifts should be offered to any organisation for which SARH is tendering for a contract during the tender process.

4. **Charitable donations**

- 4.1 SARH should only make charitable donations that are legal and ethical. No donation should be offered or made without the prior approval of the Company Secretary. In making charitable donations there will be an assessment of whether it would be appropriate to make such a donation under a formal grant agreement.

5. **Political donations**

- 5.1 SARH does not make political donations.

6. **Training**

- 6.1 Key stakeholders will receive training on anti-corruption measures and the requirements of this policy, and all new Board Members and employees will receive anti-bribery training as part of their induction.

7. **Advice**

- 7.1 Employees and Board Members should seek advice from the Company Secretary if they are unsure about how the provisions of this policy should be applied.
- 7.2 Where appropriate, the Company Secretary should seek legal advice on anti-bribery issues.

8. **Practical Procedures**

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

9. **Breaches**

- 9.1 The Anti Bribery procedure (attached as Annex 1) details the action that should be taken if any employee or Board Member suspects that a breach of this policy has taken place, or may occur in the future, for example if a contractor offers something in return for business.

Part C: Dealing with Breaches

- 1.1 The application of this policy is crucial to SARH's ability to meet its legal requirements. Accordingly SARH will treat any breach of the Anti-Bribery Policy very seriously indeed.
- 1.2 Any alleged breach of the Policy will be investigated.
- 1.3 A breach of the policy by an employee will be treated as a disciplinary matter under his or her contract of employment and an appropriate sanction may be applied. An investigation into any allegation of such a breach made against an employee will be conducted in accordance with SARH's relevant policies for such investigations. This policy does not form part of any employee's contract of employment and it may be amended at any time.
- 1.4 A breach of the Anti-Bribery Policy by a Board Member will be treated as a breach of his or her duties and obligations to SARH. An investigation into any allegation of such a breach made against a Board Member will be conducted in accordance with SARH's relevant policies for such investigations and an appropriate sanction may be applied in accordance with Board Members' Code of Conduct and M&As.

- 1.5 Where SARH discovers bribery has taken place, it will make a full disclosure of this to the Serious Fraud Office and co-operate fully in any investigation carried out by the Serious Fraud Office.

Anti-Bribery 'Adequate Procedures' Checklist

1. Top level commitment

- SARH has made a clear commitment to tackling bribery within its anti-bribery policy
- An anti-bribery statement has been included on SARH's website
- An anti-bribery statement is included within all tender documentation for services to be carried out for SARH
- SARH has appointed a nominated Champion from its Executive Team

2. Risk assessment

- SARH will carry out periodic, informed and documented risk assessments of potential bribery risks faced by a) SARH in general; b) specific projects SARH is proposing to carry out; and c) potential and existing relationships with contractors and agents

3. Board Members

- SARH will ensure its Board Member code of conduct includes reference to non-tolerance of bribery
- SARH will provide training to Board Members on the Bribery Act and anti-bribery procedures

4. Employees

- SARH will ensure its employees' code of conduct includes reference to non-tolerance of bribery and that committing bribery will be considered gross misconduct
- SARH will review its terms and conditions of employment and disciplinary policy and procedures to determine if it is necessary to amend to include termination where bribery is committed
- SARH will provide regular training for employees, and consider specific training for those employees involved in procurement exercises and marketing
- SARH will incorporate anti-bribery measures into its recruitment policies and procedures, where this is appropriate to the role being

recruited for (e.g. senior management and those involved in tendering and marketing etc).

5. Contractors and consultants

- SARH will review its standard commercial contracts to ensure there is provision for termination where a contractor providing services, agent or consultant commits bribery
- SARH will carry out appropriate due diligence on agents, consultants and contractors, including taking and checking references, checking ownership, checking details of other directorships or partnerships, reviewing financial statements and accounts, incorporating checks into interviews, reviewing any judicial or regulatory findings and keeping a record of all checks carried out. In carrying out such due diligence, SARH will have regard to the potential bribery risks posed by its relationship with such agents or contractors, especially where they operate in higher risk sectors (e.g. construction) where the project is of higher value and/or longer duration
- SARH will require contractors to put in place appropriate anti-bribery procedures both internally with consultants and with sub-contractors (if applicable), including, if appropriate, bribery prevention training for employees
- Where any consultant, agent or contractor may offer hospitality on SARH's behalf, it will ensure such hospitality is only offered where appropriate, reasonable and proportionate. This may include providing such third parties with criteria for the provision of hospitality
- In employing consultants, contractors or agents, SARH will provide a clear statement of the services to be provided and any relevant costs, commissions and fees (except where this is clear from the contract with that third party)

6. Tendering

- SARH will provide appropriate training to staff involved in tendering exercises to enable them to identify potential bribery risks
- SARH will require all contractors for the provision of services to demonstrate a commitment to tackling bribery
- SARH will include a statement about its stance towards bribery in all tender documents
- SARH will review its standard tender documents to include a requirement for disclosure of bribery or other corruption offences

7. Communication

- SARH will be proactive in communicating its anti-bribery stance to employees and external organisations
- SARH will publish its anti-bribery statement on its website
- SARH will review any feedback from employees and Board Members in relation to anti-bribery training to make such training more effective

8. Financial procedures

- SARH's expenses policies and procedures will ensure that the process for reclaiming expenses is transparent

Anti Bribery - procedure to follow if bribery is suspected

1. SARH has an Anti Bribery Policy that sets out its approach to ensuring compliance with legislation on preventing bribery. All employees and Board members are required to familiarise themselves with the policy and make sure that they follow it at all times.
2. SARH wishes to carry out its business transparently and fairly and therefore operates a zero tolerance policy towards bribery by its Board Members, employees, contractors, agents and other associated persons. Incidences of bribery could lead to prosecution, damage to SARH's reputation and also affect its relationship with its customers, business colleagues and other stakeholders.

Action to take if bribery is suspected

3. An employee or Board Member must notify the Company Secretary immediately if:
 - they suspect that hospitality is being offered or provided with an expectation that a business advantage will be provided by SARH in return;
 - they believe or suspect that a breach of the Anti Bribery Policy has taken place, or may occur in future – for example if a contractor offers something in return for business;
 - they are ever offered a bribe, suspect that this may happen in the future or if think they are a victim of another form of unlawful activity; or
 - they have any concerns or suspicions that any of their colleagues may be involved in bribery or corruption at the earliest possible opportunity. Alternatively, if an employee or Board Member is uncomfortable in doing this, they should raise their concerns or suspicions following the procedure set out in SARH's Whistleblowing Policy.

Follow up action by the Company secretary

4. Where appropriate, if bribery is suspected the Company Secretary will seek legal advice. Where bribery has taken place the Company Secretary will make a full disclosure to the Serious Fraud Office and SARH will co-operate fully in any investigation carried out by the Serious Fraud Office.
5. SARH is keen to encourage openness and will support an employee or Board member if he /she raises genuine concerns under this policy (even if they later turn out to be mistaken). SARH 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 anyone feels have suffered such treatment they should contact the Company Secretary.

6. Examples of bribery

The following list contains some examples of acts which should be reported to the Company Secretary. These are to give an idea of the sort of behaviour which is unacceptable and which could have serious consequences.

- you learn that one of the contractors you regularly deal with has a reputation for paying bribes or requiring that bribes are paid to them;
- a supplier asks you to provide an invoice or receipt when no money is payable or has been paid;
- a supplier insists on being paid in cash and/or refuses to sign a formal agreement;
- a contractor offers to pay you cash to provide employment for a friend or relative;
- you notice that we have been invoiced for a payment which seems large given the service / goods which have been provided;
- you are offered an unusually generous gift or lavish hospitality;
- you are offered substantially discounted fees for supply of goods to you as a private person; or
- you are offered a payment in cash if a contract is awarded to the contractor / supplier.