

Probity and Anti-Bribery Policy and Procedure

| Version Control | | | | | | |
|-----------------|--------------|---------------|-------------|---------------|------------------|------------------|
| Version | Date drafted | Date approved | Approved by | Date reviewed | Next review date | Owner |
| Final | 14/08/2020 | 24/08/2020 | Board | N/A | 14/08/2022 | Finance Director |
| 2022 review | | | | 12/07/2022 | 12/07/2024 | Finance Director |
| 2024 review | | | | 10/07/2024 | 10/07/2026 | Finance Director |

1. Purpose

- 1.1. Westmoreland Supported Housing Limited (WSHL) is committed to ensuring that principles of accountability, transparency and probity inform everything we do. Employees, Contractors and Board Members will conduct themselves with integrity, trust and fairness and will not gain inappropriate benefit from their connection with WSHL.
- 1.2. WSHL has a zero tolerance towards fraud, bribery or corruption in any form.
- 1.3. The aim of WSHL's Probity and Anti-Bribery Policy is to set out our business practice and approach for countering bribery in accordance with the Bribery Act 2010. The Act contains four principal bribery offences:
 - Bribing someone to encourage or reward 'improper performance' of a function or activity – this includes offering, promising or actually giving a bribe;
 - 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;
 - Bribing a foreign public official; and
 - The corporate offence.
- 1.4. A bribe is "a gift or reward given, offered or received to gain any business, commercial or personal advantage".
- 1.5. 'Employees' includes executive directors, agency staff, seconded workers, volunteers, interns, contractors, external consultants, agents, business partners and third-party representatives wherever located. This policy collectively refers to Board Members employees and involved residents as "individuals".
- 1.6. Employees and Board Members should avoid situations which could create a conflict of interest between their personal interests and the work they do for WSHL.
- 1.7. If a conflict of interest cannot be avoided, then it should be reported and managed in accordance with the Conflicts of Interest Policy.

2. Legal and Regulatory responsibilities (not exhaustive)

- Bribery Act 2010 and 2012 Guidance
- Public Interest Disclosure Act 1998 and 2013 Guidance

3. Awareness

- 3.1. All employees, potential employees and customers are to be made aware of WSHL's stance on probity and bribery. We will make sure our business partners also understand our stance by publishing this policy and (where appropriate) by including clauses in our contracts to make this clear.

4. Scope

- 4.1. This policy applies to all Board and committee members, employees, and their close relatives. All business activity and conduct is covered including dealings with government and public bodies, their advisors, representatives and officials, politicians and political parties.

5. Outcome

- 5.1. By following this policy, WSHL will ensure that it:
- complies with applicable legislation (e.g. s.122 of the Housing & Regeneration Act 2008, the Bribery Act 2010 and the Fraud Act 2006);
 - complies with regulatory requirements, and applicable guidance including managing public money;
 - meets best practice.

6. Definitions

- 6.1. 'Bribery' means the giving or receiving of 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.
- 6.2. Bribery does not have to involve cash, or an actual payment exchanging hands and can take many forms such as a gift, lavish treatment during a business trip or tickets to an event (see Gifts and Hospitality Policy).

6.3. The types of bribery that take place in the commercial sector are numerous, for example:

- bribery in order to secure or keep a contract;
- bribery to secure an order;
- bribery to gain any advantage over a competitor;
- bribery of a local, national or foreign official to secure a contract;
- bribery to turn a blind eye to a health safety issue, poor performance or substitution of materials or false labour charges;
- bribery to falsify an inspection report or obtain a certificate.

6.4. 'Corruption' is often linked or associated with the term bribery. Corruption is also defined as the abuse of entrusted power for private gain.

7. Policy Principles

7.1. **Accountability:** We must be able to explain what we do and why we do it and be accountable for our actions. We should do the right thing and be mindful of professional codes of conduct. We want to set an example for our sector and follow the National Housing Federation Code of Governance.

7.2. **Probity:** We must demonstrate honesty and integrity and adopt the highest ethical standards of personal and professional conduct in all we do. Our decisions must be fair and open. We shouldn't treat, or appear to treat, colleagues (or their close relatives) more favourably than anyone else.

7.3. **Transparency:** We must be clear and honest about our activities so our customers, partners and stakeholders can have confidence in us.

7.4. Everyone must follow the principles of accountability, probity and transparency in all they do. For example, accounting, procurement, employment and the allocation of housing must all be done in ways which reflect the highest professional standards.

7.5. We will also be particularly careful when we consider employing, giving a contract for services or providing housing to a colleague or their close relative. No preference should be shown to these individuals.

7.6. Employees are required not to put themselves in any position which might lead to, or suggest, a conflict of interest (see Conflicts of Interest policy).

7.7. Certain conduct is automatically prohibited, and this includes facilitation payments; 'kickbacks'; political donations and payments to Public Officials.

7.8. Other conduct such as the giving or receiving of any advantage (whether pecuniary, financial or otherwise) such as a gift; invitation; entertainment or hospitality may be permissible depending on the circumstances (see Gifts and Hospitality Policy).

- 7.9. Any offer of a bribe must be refused and reported internally immediately. Where appropriate, any bribe will also be reported to the police and/or regulatory authorities.

8. Conflicts of Interest

- 8.1. Everyone will act impartially and shouldn't be influenced by social or business relationships. They shouldn't use their role at WSHL to further their own interests.
- 8.2. All Board Members, committee members, and employees must notify the Finance Director about any directorships or other significant positions of responsibility they have outside WSHL. This includes positions held elsewhere in the housing sector or connections they might have with organisations who have contracts with WSHL.
- 8.3. Where a private interest conflicts (or could potentially conflict) with the work they do at WSHL, it should be declared.
- 8.4. All conflicts (or potential conflicts) will be treated confidentially and recorded in a register held by the Finance Director. Where a conflict has the potential to materially impact on an employee's day to day role their Director must be informed so the conflict can be managed at team level.

9. Responsibilities

- 9.1. The Board has overall responsibility for general oversight including:
- ensuring the Probity and Anti-Bribery Policy and procedures are adequate and otherwise comply with our legal and ethical obligations;
 - that all those under our control comply with it;
 - ensuring that the effectiveness of the Probity and Anti-Bribery Policy is monitored by the Board; and
 - periodically reviewing the Probity and Anti-Bribery Policy and Procedure.
- 9.2. The Board will prepare regular reports on anti-bribery compliance.
- 9.3. Day to day responsibility for implementing this policy is every employee's responsibility.
- 9.4. Directors are responsible for receiving suspicious activity reports from employees and third parties.
- 9.5. Employees are responsible for the prevention, detection and reporting of bribery and other forms of corruption.
- 9.6. The Board shall be responsible for monitoring the implementation of the policy.

- 9.7. Board Members, employees, third parties and associates are encouraged to raise concerns about any issue or suspicion of malpractice within the scope of the Probity and Anti-Bribery Policy at the earliest possible stage. For example, if a customer, distributor or potential supplier offers something to gain an advantage with us or indicates that a gift or payment is required to secure their business.
- 9.8. Employees who are unsure whether a particular act might constitute bribery, or have any other queries, should raise a query immediately.
- 9.9. Any concerns relating to the business practices of any employee, third party or associate (for example if you believe or suspect that a conflict with the Probity and Anti-Bribery Policy has occurred or may occur in the future) can also be reported by following the procedure set out in WSHL's Whistleblowing Policy.

10. Record-keeping

- 10.1. WSHL will keep financial records and have appropriate internal controls in place which will evidence the business reason and justification for any form of advantage received from or made to any third party. In addition, employees must always act in accordance with the Gifts and Hospitality Policy.
- 10.2. All accounts, invoices, memoranda 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 or any form of advantage.

11. Protections

- 11.1. Those who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.
- 11.2. We are committed to ensuring 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 in the future. 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 WSHL's Finance Director or CEO immediately.
- 11.3. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure (as detailed in the Employee Handbook).

12. Sanctions

- 12.1. Any violation of this policy or any associated procedures is a cause for disciplinary and/or legal action against those found to have perpetrated fraud and could lead to dismissal for gross misconduct.
- 12.2. No employee will be penalised or be subject to other adverse consequences for refusing to pay bribes even if it may result in losing business.
- 12.3. We also reserve the right to terminate our contractual relationship with third parties if they breach this policy. We will in any event report any suspicion of unlawful activity to the regulatory authorities.

13. Other matters

- 13.1. Any act of bribery may also amount to an offence under the Fraud Act 2006. For example, falsifying documents or making false statements could amount to fraud by false representation where there is dishonest intent to make a gain on the part of an individual or another, or to cause loss to another or to expose another to a risk of loss. We may report any such act to the police or other regulatory authority.

14. Policy Review

- 14.1. This policy will be reviewed every two years.