



Pride. Quality. Integrity. Innovation.

Bribery Policy

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Documentation Master Sheet

Amendments to this Document are Detailed Below

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01	08/02/2016	Expansion of existing policies	17/02/2016	PDM	Audit Committee
02	18/03/2019	Review of Policy	01/04/2020	FH	Audit Committee
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PART A: INTRODUCTION AND COMMITMENT

In 2019, the Board agreed its Standards and Ethics (Probity) Policy which sets out a framework for Board and GCH employees to achieve the highest standards of probity and good governance whilst promoting integrity, openness and transparency in all aspects of its work. It expects all board and committee members, staff and involved residents to practice these principles too, in line with statutory and regulatory requirements, and sector best practice.

The Regulatory **Governance and Financial Viability Standard (2015)**, in 'Specific expectations applicable to all registered providers' states that (edited)

'Governance arrangements should ensure appropriate probity arrangements are in place'.

GCH has adopted the NHF **Code of Governance (2015)** (including **Section H Conduct, Probity and Openness**), the NHF's **Code of Conduct (2012)** for the organisation and **Conduct Becoming (2012)** for individual board and committee members, staff and involved residents, and has a clear set of **Standing Orders**. It is the responsibility of the GCH board to ensure that GCH (and any subsidiaries from time to time) comply with the codes of governance and conduct and with all the associated 'governance toolkit' policies and procedures as they relate to compliance with statutory and regulatory requirements, generally accepted standards of performance, probity and good practice; and to ensure that their conduct and the conduct of the association is transparent, effective, and in the interest of the organisation and the housing sector as a whole.

The Probity Policy describes how GCH shall manage all matters of probity and links the Policy to GCH's detailed 'governance toolkit' policies that includes our **Bribery Policy** that has been reviewed and updated to ensure best practice.

COMMITMENT: The Bribery Policy applies equally to all board and committee members, staff and involved residents; and to their family members and close connections. It includes the following commitments:

1. Eliminating corruption and bribery by achieving the highest standards of good governance in all our activities through effective controls and separation of duties.
2. Conducting our business transparently and fairly, with a zero-tolerance approach towards bribery through effective transmission and understanding of the Policy by Board and Committee members, all staff, involved tenants and residents, contractors, partners, agents and other associated persons.
3. Mitigating reputational damage through an individual's conduct that could lead to prosecutions being brought against GCH which could lead to a deterioration in our relationship with our tenants, customers, business partners and colleagues and other stakeholders.
4. We will avoid working with any organisation or individual who does not commit to doing business without bribery.



BACKGROUND

The Bribery Act 2010 ('the Act')

The Bribery Act came into force on the 1st July 2011 and it applies to GCH and any of its subsidiaries (Nerva Homes Limited).

The Act contains four principal bribery offences:

- (i) bribing someone to encourage or reward 'improper performance' of a function or activity; This includes offering, promising, or actually giving, a bribe.
- (ii) 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.
- (iii) bribing a foreign public official.
- (iv) the corporate offence.

A bribe is 'a gift or reward given, offered or received to gain any business, commercial or personal advantage'.

The corporate offence

The Act introduces a strict liability offence for organisations where someone associated with an organisation, including board and committee members, staff and involved residents, agents or sub-contractors, commits an act of bribery to obtain or retain business or a business advantage.

Strict liability means that GCH 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 GCH with the intention of giving GCH a business advantage, whether or not GCH encouraged such action or was aware of it. The responsibilities under the Act therefore need to be taken extremely seriously.

Meaning of Associated Person

Section 8 of the Bribery Act 2010 defines a person associated with an organisation as a person who 'performs services' for or on behalf of the organisation. This person can be an individual or an incorporated or unincorporated body.

The capacity in which a person performs services for or on behalf of the organisation does not matter, so employees (who are presumed to be performing services for their employer), agents and subsidiaries are included.

The act makes it clear that the question as to whether a person is performing services for an organisation is to be determined by reference to all the relevant circumstances and not merely by reference to the nature of the relationship between that person and the organisation.

The concept of a person who 'performs services for or on behalf of' the organisation is intended to embrace the whole range of persons connected to an organisation who might be capable of committing bribery on the organisation's behalf.

Penalties



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

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

Adequate procedures – the six management principles

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

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.

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

The management principles GCH will follow are:

- (i) **Proportionality:** anti-bribery policies and procedures should be proportionate to the activities and size of GCH, the sector in which it operates and the risks it faces.
- (ii) **Top level commitment:** establishing a clear culture within GCH in which bribery is unacceptable.
- (iii) **Risk assessment:** understanding and keeping up to date with the bribery risks it faces by carrying out regular and comprehensive risk assessments.
- (iv) **Due diligence:** GCH needs to know about who it does business with, who it is paying money to and why – and make sure GCH's partners also have reciprocal anti-bribery agreements in place.
- (v) **Communication:** so that all of GCH's board and committee members, staff, involved residents and business partners know the procedures to follow in situations which may be sensitive to bribery. GCH must ensure that its anti-bribery policies are embedded in GCH's culture, not just a tick-box exercise.
- (vi) **Monitoring and review:** through audit and other internal controls GCH will monitor its anti-bribery procedures to prevent and detect bribery to provide assurance that its procedures are working. Allegations and investigations of bribery will be reported in the first instance to the Audit and Risk Committee.



Attached at **Appendix 1** is an **Anti-Bribery 'Adequate Procedures' Checklist**.

This policy is designed to address these principles and, primarily, the second key principle of demonstrating top level commitment and the fifth key principle of having clear, practical and accessible policies and procedures properly communicated to people and organisations connected with GCH. This policy complements the other procedures we have in place to avoid bribery and corruption in GCH.

APPLICATION OF THE POLICY

GCH will apply the principles set out in this policy fairly, openly and transparently.

The policy applies to all shareholders and members, all board and committee members, staff, and involved residents of GCH, at any time. We will apply the provisions of this policy as they relate to all of our diverse range of activities across GCH, and to individuals and organisations having a relationship with us, including contractors, agents and consultants.

All of the parties listed above are required by GCH 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 GCH.

Part C of this policy sets out how breaches of this policy will be dealt with.

OTHER POLICIES & POLICIES

This policy needs to be read alongside GCH's other policies and procedures from time to time including:

- (i) Standards and Ethics (Probity) Policy
- (ii) Staff terms and conditions including contracts of employment
- (iii) Board and committee members Deed of Agreement for Services
- (iv) Code of Governance and Codes of Conduct
- (v) Probity Policy
- (vi) Hospitality, Entertainment, Gifts and Small Benefits Policy
- (vii) Declaration of Interests Policy
- (viii) Whistleblowing Policy
- (ix) Board and Committee Members Payments, Expenses and Benefits Policy
- (x) GCH Standing Orders, Financial Regulations, Scheme of Delegation
- (xi) Procurement Policy & Contract Standing Orders
- (xii) Counter Fraud Policy
- (xiii) Money-laundering Policy

We will always act within the requirements of our constitutional documents (Rules). If anything within this policy conflicts with our constitutional documents, the constitutional documents will take priority.



MECHANICS OF THE POLICY

Who is responsible for keeping the policy up to date?

The Board has overall responsibility for ensuring that all our 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 Bribery Policy.

Monitoring and review

The Bribery Policy will be reviewed by the Board periodically and no less frequently than every three years.

The Audit and Risk Committee will monitor the operation and adequacy of this policy on a regular basis and will report to GCH Board on any problems.

The Audit and Risk Committee will report to the Board no less frequently than every 12 months on GCH's anti-bribery compliance.

If you have any questions on this Bribery Policy or any of the issues covered within it, please contact the Company Secretary.

PART B: ANTI-BRIBERY REQUIREMENTS

HOSPITALITY, ENTERTAINMENT & GIFTS

This Policy must be read in conjunction with GCH's Hospitality, Entertainment, Gifts and Small Benefits Policy in particular in relation to

- (i) approval of levels of hospitality, entertainment and gifts (£25 and above).
- (ii) the need to declare all hospitality, entertainment and gifts.
- (iii) the need to keep a register of declarations.

This policy does not prohibit the giving or receiving of reasonable, proportionate and appropriate hospitality, entertainment or gifts to or from people and organisations GCH works in partnership with. There are circumstances where the acceptance of hospitality, entertainment 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 hospitality, entertainment or gifts should be given and received openly and transparently.

Board and Committee members, staff and involved residents should generally not receive or offer hospitality, entertainment and gifts from or to persons or organisations that may be able to benefit from actions or decisions taken by GCH.

Hospitality, entertainment and gifts cannot be given or received if done so with the intention of influencing someone to give GCH business, influencing GCH to award business or to reward the provision or retention of business or business advantage.

Any hospitality or gifts given should be reasonable and proportionate and designed to:

- (i) cement or improve relationships.
- (ii) show genuine appreciation for services.
- (iii) improve GCH's image; and/or.
- (iv) market products or services.



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

Hospitality, entertainment or gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of GCH Chair or Company Secretary.

You should never give, promise or offer a payment, hospitality, entertainment or gift to a government official, agent or representative to expedite or facilitate a routine procedure (for example, to speed up a planning application).

If you suspect that hospitality, entertainment or gifts are being offered or provided with an expectation that a business advantage will be provided by GCH in return, then you must not accept it and you must report this to the Company Secretary immediately.

Any hospitality, entertainment or gifts offered to you (including both accepted and declined) and offered by you (subject to you having the necessary approval to make such an offer) should be declared appropriately. Unofficial payments or kickbacks should not be offered or accepted under any circumstances.

EXPENSES

Any expenses claim you make must be in accordance with:

- (i) For board and committee members, GCH's Board and Committee Members Payments, Expenses and Benefits Policy.
- (ii) For staff, the GCH Staff Handbook.
- (iii) For involved residents, GCH's Resident Involvement Expenses Policy.

And must be properly recorded and supported by receipts (other than in exceptional circumstances).

DEALINGS WITH THIRD PARTIES

If you make payments to third parties, details of such payments must be properly recorded and receipted.

In making any such payments, you should consider what these payments are for and whether they are reasonable and proportionate.

You must make all suppliers / contractors and business partners you deal with aware that GCH takes bribery and corruption very seriously and that it will not be tolerated.

No hospitality, entertainment or gifts should be offered to or accepted from any organisation for which GCH is tendering for a contract during the tender process.

CHARITABLE DONATIONS

GCH only makes 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.



POLITICAL DONATIONS

GCH does not make political donations.

TRAINING

Board and committee members, staff and involved residents will receive training on anti-corruption measures and the requirements of this policy, and all new board and committee members and staff will receive anti-bribery training as part of their induction.

You must attend any training you are required to attend and, where you cannot attend a session that has been organised; you must arrange to attend an alternative session.

ADVICE

You should seek advice from the Company Secretary if you are unsure about how the provisions of this policy should be applied.

Where appropriate, the Company Secretary 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.

What we do at GCH:

- The Company Secretary and ELT will sign off all employee requests for any gift or hospitality, and this will be recorded in the Gifts and Hospitality Register.
- The Gifts and Hospitality Register is reviewed quarterly through the Company Secretary who will alert ELT to any concerns.
- The Chair of the Board will review and sign off the register quarterly.
- We will review how many times the same company offers gifts or hospitality and we will write to establish the circumstances behind the offer.
- We may warn or cancel a contract if we have suspicions.
- We will verbally update the Audit and Risk Committee of any allegations or investigations. Where there are none, we will equally report to the same Committee that we have no allegations made or investigations of bribery, money laundering, criminal finance, facilitation of tax evasion or whistle blowing.

BREACHES

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 the Company Secretary.

You must tell the Company Secretary 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 must tell the Company Secretary if you have any concerns or suspicions that any of your colleagues may be involved in bribery or corruption at the earliest possible



opportunity. Alternatively, if you are uncomfortable in doing this, you should raise your concerns or suspicions following the procedure set out in GCH's Whistleblowing Policy.

We are keen to encourage openness and will support you if you raise any genuine concerns you have under this policy (even if they later turn out to be mistaken). We want 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 the Company Secretary.

EXAMPLES OF BRIBERY

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

- (i) An employee or Board Member is offered a payment in cash or other inducement (a "cut or back hander") if a contract is awarded to the contractor / supplier.
- (ii) An employee or Board Member is offered an unusually generous gift or lavish hospitality.
- (iii) An employee or Board Member is offered substantially discounted fees for supply of goods to you as a private person.
- (iv) Officer taking in exchange for maintenance work/cash payments for a subcontract etc.
- (v) 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.
- (vi) Supplier asks you to provide an invoice or receipt when no money is payable or has been paid.
- (vii) Supplier insists on being paid in cash and/or refuses to sign a formal agreement.
- (viii) Contractor offers to pay you cash to provide employment for a friend or relative.
- (ix) You notice that we have been invoiced for a payment which seems large given the service / goods which have been provided.

PART C: DEALING WITH BREACHES

For the reasons outlined in **Part A**, this policy is crucial to GCH's ability to meet its legal requirements. Accordingly, GCH will treat any breach of this Bribery Policy very seriously indeed.

Any alleged breach of the policy will be investigated by GCH, and reported to the Audit Committee, which will be responsible for the investigation.

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 GCH'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.



A breach of the Bribery Policy by a board or committee member will be treated as a breach of his or her duties and obligations to GCH and his or her Deed of Agreement for Services. An investigation into any allegation of such a breach made against a board or committee member will be conducted in accordance with GCH's relevant policies for such investigations and an appropriate sanction may be applied in accordance with GCH's Code of Conduct, Standing Orders and constitutional documents.

A breach of the Bribery Policy by an involved resident will be treated as a breach of trust. An investigation into any allegation of such a breach made against an involved resident will be conducted in accordance with GCH's relevant policies for such investigations and an appropriate sanction may be applied in accordance with GCH's Code of Conduct, and Standing Orders.

Where GCH 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 them.

**BRIBERY POLICY
ANTI-BRIBERY 'ADEQUATE PROCEDURES' CHECKLIST**

1. Top level commitment		
1.1	GCH has made a clear commitment to tackling bribery within its anti-bribery policy.	
1.2	An anti-bribery statement has been included on GCH's website.	
1.3	An anti-bribery statement is included within all tender documentation for services to be carried out for GCH.	
1.4	GCH has appointed the Company Secretary as the Bribery Compliance Officer	
2. Risk assessment		
2.1	GCH will carry out periodic, informed and documented risk assessments of potential bribery risks faced by: (i) GCH in general (ii) specific projects GCH is proposing to carry out (iii) potential and existing relationships with contractors and agents.	
3. Board and committee members, and involved residents		
3.1	GCH will ensure its Code of Conduct always includes reference to non-tolerance of bribery by GCH.	
3.2	GCH will provide training for board and committee members and involved residents on the Bribery Act and anti-bribery procedures.	
4. Employees		
4.1	GCH will ensure its Code of Conduct always includes reference to non-tolerance of bribery by GCH and that committing bribery will be considered gross misconduct.	
4.2	GCH 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.	
4.3	GCH will provide regular training for employees and consider specific training for those employees involved in procurement exercises and marketing.	
4.4	GCH 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		
5.1	GCH will review its standard commercial contracts to ensure there is provision for termination where a contractor providing services, agent or consultant commits bribery. In addition, GCH will consider whether it is appropriate for provisions to be included to give GCH the ability to audit the organisation's activities and expenditure and require any requests for bribes to be reported to GCH.	



5.2	GCH 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, GCH 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.	
5.3	GCH will require contractors to put in place appropriate anti-bribery procedures both internally and with sub-contractors (if applicable), including, if appropriate, bribery prevention training for employees.	
5.4	Where any consultant, agent or contractor may offer hospitality on GCH's behalf, GCH 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.	
5.5	In employing consultants, contractors or agents, GCH 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		
6.1	GCH will provide appropriate training to staff involved in tendering exercises to enable them to identify potential bribery risks.	
6.2	GCH will require all contractors for the provision of services to demonstrate a commitment to tackling bribery.	
6.3	GCH will include a statement about its stance towards bribery in all tender documents.	
6.4	GCH will review its standard tender documents to include a requirement for disclosure of bribery or other corruption offences.	
7. Communication		
7.1	GCH will be proactive in communicating its anti-bribery stance to board and committee members, staff and involved residents and external organisations.	
7.2	GCH will publish its anti-bribery statement on its website.	
7.3	GCH will carry out board and committee member and staff surveys on potential bribery risks and anti-bribery compliance.	
7.4	GCH will review any feedback from board and committee members and staff in relation to anti-bribery training to make such training more effective.	
8. Financial procedures		
8.1	GCH will review its internal expenses policies and procedures as they apply to all of board and committee members, staff and involved residents to ensure that the process for reclaiming expenses is transparent.	
8.2	GCH will raise anti-bribery procedures with its internal auditors.	
9. Joint ventures		
9.1	GCH will review all joint venture arrangements to assess if appropriate anti-bribery procedures should be put in place.	
9.2	GCH will review any existing joint venture and other partnership agreements to ensure both parties demonstrate a commitment to tackling bribery and allow termination if bribery takes place.	
10. Mergers and acquisitions		
10.1	In considering any potential merger or acquisition, GCH will carry out appropriate due diligence on the other organisation(s) involved to assess and mitigate bribery risks.	