



PEAKS & PLAINS
Housing Trust

The Trust

Anti-Fraud, Bribery and Corruption Policy

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1. INTRODUCTION

- 1.1. The Trust is committed to maintaining high standards of honesty, probity and accountability and to the prevention of fraud and corruption; it takes a zero-tolerance approach to fraud, bribery, corruption and related activities and offences.
- 1.2. PPHT expects all its employees to operate in such a way that the reputation of the Trust is not called in to question. It also expects that organisations who work with or wish to work with the Trust will act with integrity and with a similar commitment to the prevention of fraud and corruption.
- 1.3. The purpose of this Policy is to set out the Trust's overall approach and responsibilities with regard to prevention and detection of fraud, bribery and corruption, what to do if fraud, bribery or corruption is suspected and the actions that will be taken by the Trust.
- 1.4. PPHT will take robust action against perpetrators where fraud or attempted fraud and/or corruption is detected. It will seek the appropriate civil, criminal and, where necessary, disciplinary sanctions against those who seek to commit such offences against the Trust.
- 1.5. Implementation of this policy should demonstrate our commitment to probity and accountability. It should encourage and enable staff and others to raise serious concerns with the Trust rather than to overlook a problem or to raise the concern or issue directly with a third party and should minimise any losses, reputational damage and risk of legal action against the Trust which may arise through fraud or corruption.

2. SCOPE

- 2.1. This policy applies to all Trust employees, permanent and temporary, trainees, apprentices, volunteers including involved tenants, contractors, consultants, suppliers, business partners, Board and committee members and those acting on behalf of PPHT in any business transactions (including agents), otherwise termed as 'associated persons'.
- 2.2. The policy applies to all parts of the Trust. Where 'Peaks & Plains', 'PPHT' or 'The Trust' are mentioned, this also means any subsidiary companies.
- 2.3. The broad principles of this policy apply also to tenancy fraud, however, the detail of how the Trust prevents and responds to tenancy fraud is set out in the separate Tenancy Fraud Policy.

3. LEGAL & REGULATORY REQUIREMENTS

- 3.1. The most significant legislation relating to this policy is:

- Fraud Act 2006
- Bribery Act 2010
- Criminal Finances Act 2017

[Many other pieces of legislation include provisions relating to fraud, bribery and corruption].

- 3.2. The Fraud Act 2006 lists 3 fraud offences:
- Fraud by false representation – making a knowingly or recklessly false representation;
 - Fraud by failing to disclose – not saying something when you have a legal duty to do so;
 - Fraud by abuse of a position – abusing a position where there is an expectation to safeguard the financial interests of another person or organisation.
- 3.2.1. It should be noted that all offences under the Fraud Act 2006 occur where the act or omission is committed dishonestly and with intent to cause gain or loss or to expose another to risk of loss. The gain or loss does not have to succeed, so long as the intent is there.
- 3.3. The Bribery Act 2010 refers to several types of offence which can be committed:
- Active bribery – the offering, promise or giving of a bribe
 - Passive Bribery – requesting, agreeing to receive or the accepting of a bribe
 - Bribing a foreign Public official
- plus the Corporate Offence
- Negligently failing to prevent a bribe – a commercial organisation can be liable for prosecution if a person associated with it bribes another person intending to obtain, or retain business, or an advantage, in the conduct of business for that organisation
- 3.3.1. PPHT is classed as a commercial organisation for the purposes of the Act.
- 3.3.2. In order to reduce the risk of this occurring organisations are expected to ensure they have “adequate procedures” in place to prevent bribery. The Trust expects all employees to act appropriately when conducting business on its behalf and declare relevant commercial interests.
- 3.4. Criminal Finances Act 2017.
- 3.4.1. The Trust has a separate Criminal Finances Act Policy which covers its approach and measures in place to prevent tax evasion.

4. DEFINITIONS

- 4.1. **Fraud** can be described as the intentional deception made in order to secure unfair or unlawful gain. It includes any intentional or deliberate act to deprive another of property or money by guile, deception or any other unfair means.
- 4.2. **Corruption** occurs when individuals in collusion seek to misuse powers. By its nature corruption can be difficult to detect as it usually involves two or more people entering into a secret agreement. The agreement can be to pay a financial inducement to a public official for securing a favour of some description in return.

4.3. **Bribery**

- 4.3.1. The offence of giving a bribe is where a financial or other advantage is offered, promised or given to another person:
- with the intention that it induces or rewards a person to perform improperly a function which that person is expected to perform in good faith or impartially or is in a position of trust by virtue of performing it; or
 - knowing or believing that the acceptance would constitute such improper performance.
- 4.3.2. The offence of receiving a bribe is where a person:
- requests, agrees to receive or accepts a financial or other advantage:
 - intending that such a function should be improperly performed;
 - where doing so itself constitutes improper performance of that function;
 - as a reward for such improper performance;
 - in anticipation of or in consequence of requesting, agreeing to receive or accepting a financial or other advantage, such a function is improperly performed.
- 4.4. The person bribing and / or the person receiving the bribe can be third parties.

5. **OUR POLICY**

- 5.1. The Trust will comply with all legal and regulatory requirements in relation to fraud and corruption.
- 5.2. The Trust will ensure proper and authorised use of the Trust's resources, create and maintain a rigorous and effective framework for dealing with actual and suspected instances of fraud, bribery or corruption and endeavour to act swiftly to reports of them.
- 5.3. The Trust will establish and will maintain clear internal controls to minimise the chance of fraud and corruption and will regularly review their adequacy including the use of internal audit programmes to provide an independent check on financial and other controls.
- 5.4. The Trust will follow directives and advice from the relevant regulatory bodies and auditors in order to address weaknesses in its internal controls and/or to improve its ability to prevent, detect and investigate fraud and corruption.
- 5.5. The Trust will thoroughly investigate reported incidents of fraud or attempted fraud and or corruption, using independent assistance, if appropriate.
- 5.6. The Trust will enable employees and persons associated with the Trust to understand the risks associated with fraud, bribery and corruption, to be able to recognise, prevent, and to report any wrongdoing.

- 5.7. By clearly stating its approach the Trust aims to encourage staff to raise any concerns regarding fraud or corruption in the knowledge that reports will be properly and fairly investigated.
- 5.8. The Trust will ensure that firm action is taken against individuals involved in fraud, bribery or corruption. Disciplinary procedures will be used where investigations indicate improper behaviour by members of staff.
- 5.9. Any abuse of the Fraud Policy or Whistleblowing Policy by deliberately raising unfounded, malicious allegations will be treated as a disciplinary matter
- 5.10. The Trust recognises that in some cases staff will need to come forward on a more confidential basis to express their concerns. Further guidance on how to raise concerns confidentially is included in the Whistleblowing Policy.
- 5.11. **Prevention**
- 5.11.1. Staff and Board and committee members should always act in accordance with the Trust's Standing Orders & Financial Regulations and Scheme of Delegation and in accordance with procurement and financial procedures; these are designed to ensure probity and appropriate separation of duties and authorisations, in part, to minimise opportunities for fraud or corruption.
- 5.11.2. Staff and Board and committee members are expected to make themselves aware of and to follow all other procedures for internal control within their areas of work.
- 5.11.3. Staff and Board and committee members should declare, in the appropriate register, any offers of gifts and hospitality (whether accepted or declined) and should follow any Trust guidance about the acceptance or provision of gifts or hospitality. They must not offer, promise or accept gifts where this is to secure an advantage for the Trust or any of its employees or to influence the impartiality of the recipient.
- 5.11.4. Staff and Board and committee members are expected to follow the relevant Code of Conduct, both the code for staff and the code for Board and committee members set out clear requirements to act with honesty and integrity and include guidance on avoiding and declaring conflicts of interest.
- 5.12. **Detection, Reporting and Investigation**
- 5.12.1. The Trust's systems and controls are designed to provide early indicators of irregularities and/or fraudulent activity.
- 5.12.2. It is the responsibility of all staff and board and committee members to be vigilant to possible indicators of fraud or attempted fraud and to report immediately any act of attempted or actual fraud or corruption.

- 5.12.3. The Trust will maintain a Fraud Response Plan which outlines the process that must be followed when any of the activities described in this policy are suspected or detected including initial reporting and investigations and notifications to external bodies.
- 5.12.4. Initially, anyone who suspects or detects fraud or corruption should report the matter directly to the Executive Director of Resources. If the incident/suspicion relates to the Executive Director of Resources the matter should be reported to the Chief Executive. If none of the above is appropriate, it should be reported to the Chair of the Audit Committee.
- 5.12.5. Prompt reporting of any suspected fraud or corruption is essential.
- 5.12.6. Depending on the nature and anticipated extent of the allegation, the Trust will work closely with other agencies and auditors and the Police to ensure that allegations and evidence is properly investigated and reported on.

6. EQUALITY, DIVERSITY & INCLUSION

- 6.1. This policy should not have any different impact on individuals with protected characteristics. Any investigations which need to be carried out as a result of suspected or actual fraud and corruption will be conducted fairly and without discrimination.
- 6.2. An Equality Impact Assessment has been carried out for this policy. It identified no specific impacts on individuals who have protected characteristics.

7. RESPONSIBILITIES

7.1. The Board

- Establishing and overseeing the overall framework of internal controls which is designed to give assurance regarding the safeguarding of assets, maintenance of proper accounting records and reliability of financial information.
- Setting the tone/culture regarding fraud and corruption and for championing propriety and integrity in the Trust's operations and activities.
- Having overall responsibility for ensuring that the Trust is compliant with this policy.

7.2. The Audit Committee

- Reviewing and approving the policy.
- Receiving periodic reports on any fraud and attempted or alleged fraud, bribery and corruption and reviewing the Fraud Register annually.
- Periodically reviewing the types of fraud, bribery and corruption risks faced by the Trust and their likely scale and impact.
- Approving and reviewing the Trust's fraud response plan.
- Ensuring that any fraud, attempted fraud or alleged fraud is appropriately investigated and any identified weaknesses in internal controls are addressed.
- Ensuring that, where required, the Regulator is notified of fraud incidents.
- Receiving annual reports on the provision and receipt of hospitality.

- 7.3. **The Chief Executive** has overall responsibility for the assets of the organisation and for:
- ensuring appropriate policies and procedures are in place which prevent the risk of fraud, bribery or corruption.
- 7.4. **The Executive Director of Resources** has overall responsibility for managing the financial risks within PPHT and for:
- Developing a fraud risk profile as part of the risk register.
 - Designing an effective control environment to prevent fraud, corruption and bribery.
 - Maintaining staff awareness of their responsibilities and reporting mechanisms.
 - Supporting the delivery of effective communication across PPHT that actively seek to embed a culture of honesty and integrity and actively encourages employees to report concerns.
 - Maintaining a Fraud Register in which all instances of suspected, attempted or actual fraud is recorded, noting any action taken
 - Reporting to the Audit Committee about matters relating to fraud, corruption and bribery.
 - Informing the Trust's internal and external auditors, insurers and the Police as appropriate, consulting with the Chief Executive and Chair of the Audit Committee regarding any notification to the Police. Police and external auditors will be informed once there is a clear prima facie evidence of fraud or corruption.
 - In consultation with professional advisors, as appropriate, determining how a matter is to be investigated.
 - Appointing an individual to lead where internal investigation is required
 - Reporting any frauds as necessary that are required to be notified to the Regulator of Social Housing (RSH).
 - Liaising with investigatory bodies which may include, but is not limited to, Serious Fraud Office (SFO), Police, National Crime Agency (NCA) HM Revenue and Customs (HMRCO and the Crown Prosecution Service (CPS).
 - Ensuring periodic review of this policy
- 7.5. **Internal and External Audit**
- Referring immediately to the Executive Director of Resources any incident or suspicion that comes to their attention Supporting investigations, whether internal or external, and provide relevant evidence as required.
- 7.6. **Human Resources Staff**
- Liaising closely with managers and the lead investigator from the outset of an internal investigation if an employee is suspected of being involved in fraud, bribery or corruption.
 - Ensuring the appropriate use of the PPHT disciplinary procedure and as such should be consulted prior to any decision making where a suspicion is raised against an employee.
 - Advising those involved in any investigation on matters of employment law and other procedural matters, seeking external legal advice, if necessary.
 - Liaising with the lead investigator to ensure that any parallel sanctions (i.e. criminal, civil and disciplinary sanctions) are applied effectively and in a coordinated manner.

- Establishing at the recruitment stage, as far as possible, the previous record of potential employees (including temporary and fixed term contract employees), as well as the veracity of required qualifications and memberships of professional bodies, in terms of their propriety and integrity.

7.7. **Managers** are responsible for day to day prevention of fraud and corruption including:

- Assessing the types of risk involved in the operations for which they are responsible, in particular those which may expose the Trust to fraud and/or other corrupt activity.
- Ensuring that adequate control measures are put in place and maintained to minimise the risks. These must include clear procedures, clear roles and responsibilities, supervisory checks, staff rotation (for key functions), separation of duties wherever possible so that control of a key function is not invested in one individual, and regular reviews to ensure that control measures continue to operate effectively.
- Ensuring that agreed controls are being complied with, are working effectively and are subject to independent verification.
- Being vigilant and ensure that procedures to guard against fraud are followed.
- Being alert to the possibility that unusual events or transactions could be symptoms of fraud, seeking advice from the Executive Director of Resources, as necessary.
- Instilling and encouraging an anti-fraud, bribery and corruption culture within their team and ensure that information on procedures is made available to all staff.
- Reporting immediately all instances of actual or suspected fraud which come to their attention to the Executive Director of Resources.
- Informing staff of the Trust's Code of Conduct and of the expectations set out in it as part of their induction.,
- Ensuring that all employees for whom they are accountable are made aware of the requirements of the Policy.
- Being aware of this Policy and the rules and guidance covering the control of specific items of expenditure and receipts.
- Identifying financially sensitive posts.

7.8. All employees have a duty to ensure that the assets of PPHT (including information, goodwill and property) are safeguarded, whether or not they are involved with cash or payment systems, receipts or dealing with contractors or suppliers.

They are also responsible for:

- Complying with all applicable laws and regulations and the Trust's Code of Conduct relating to ethical business behaviour, procurement, personal expenses, conflicts of interest, confidentiality and the acceptance of gifts and hospitality.
- For making themselves aware of and following approved procedures for internal control within their areas and the Trust's Standing Orders & Financial Regulations and Scheme of Delegation.
- Acting with honesty, integrity and propriety.
- Avoiding acting in any way that might cause others to allege or suspect them of dishonesty.
- Behaving in a way that would not give cause for others to doubt that PPHT's employees deal fairly and impartially with official matters.

- Being alert to the possibility that others might be attempting to deceive and being vigilant to possible indicators of fraud or attempted fraud.
- Reporting immediately any act of attempted or detected fraud or corruption if they suspect evidence of irregular or improper behaviour or that a fraud may have been committed.
- Highlighting to their line managers any areas of weakness they identify in procedures or systems which may expose the Trust to fraud.
- Co-operating fully with any checks, audits or investigations.
- Acting in accordance with the standards laid down by their professional institutes, where applicable, and have a personal responsibility to ensure that they are familiar with them.

8. MONITORING AND REPORTING

- 8.1. The Executive Director of Resources/Governance Manager will monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness.
- 8.2. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits, to provide assurance they are effective in countering fraud, bribery and corruption.
- 8.3. The Trust will maintain a fraud register which will be open to inspection by the Regulators and the Trust's auditors at any time. All reports of attempted or actual fraud will be recorded in this register together with a note of the actions taken.
- 8.4. Brief details of attempted or actual frauds will be reported to the Audit Committee together with details of action taken. The fraud register will be reviewed by the Audit Committee at least once a year.
- 8.5. The Trust will comply with the RSH's reporting requirements regarding fraud. The Executive Director of Resources will advise the Chair of the Audit Committee and the RSH regarding all frauds in excess of £5000 (or equivalent in value) immediately upon discovery and any fraud or corrupt act perpetrated or attempted by a senior member of staff (no matter how low its value). The Trust will report annually to the RSH any losses incurred due to fraud.

9. CONSULTATION

- 9.1. The Policy has been developed in consultation with the All Managers Team, the Senior Management Team and the Executive Management Team.
- 9.2. At any stage before the policy is next formally reviewed, staff and Board or committee members are invited to suggest ways in which the policy might be improved. Comments, suggestions and queries should be addressed to the Executive Director of Resources/Governance Manager.

10. REVIEW

- 10.1. This Policy will be reviewed at least every 3 years. It will be reviewed sooner if there are legal, regulatory or other changes which make this necessary. In carrying out this review the Trust will take account of best practice and advice from internal and external auditors and of legal and regulatory requirements

ASSOCIATED DOCUMENTS

- Fraud Response Plan
- Tenancy Fraud Policy
- Whistleblowing Policy
- Anti-money laundering Policy
- Anti-money laundering procedure
- Standing Orders & Financial Regulations
- Procurement Policy & procedures
- Staff Code of Conduct
- Board & Committee Member Code of conduct
- Disciplinary Policy
- Criminal Finances Act Policy
- Risk Management Policy

POLICY INFORMATION

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