



LODDON
HOMES

Anti Fraud and Anti Bribery Policy

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1. Policy

As a matter of good governance and to mitigate the risk of any losses, whether financial or reputational, the Company needs to ensure that it has the appropriate policies and procedures in place to limit the risk of fraud and bribery, as well as robust internal controls.

The Homes & Communities Agency (HCA) requires Registered Providers to submit an annual report on fraud, within six months of its year end.

For the purpose of this policy 'Loddon Homes limited', the 'Company' refers to the parent company and its subsidiaries.

2. Purpose

The aim of this policy is to establish ground rules which clarify that fraud and bribery will not be tolerated and spell out the consequences of fraud and bribery. It also sets out the framework to ensure a fast and appropriate response to instances of alleged fraud and bribery.

3. Principles

The following principles will apply to this policy:

- It will be open, fair and transparent
- It will be reviewed every three years

4. Review

We will review this policy, procedures and staff training needs at least once every three years to ensure that it continues to operate within best practice and statutory and regulatory requirements.

Alternatively, the policy and all associated procedures will be reviewed immediately following any relevant change to government policy, regulation or legislation.

The Finance Director will be responsible for ensuring that policy reviews are undertaken, that appropriate consultation takes place and that revisions are reported to the Board.

5. Application

Loddon Homes' Board will approve this policy. and delegate responsibility to The Finance Director to ensure that it is communicated and implemented and that staff are suitably trained

6. Policy Statement

The overall objective is to limit the Company's exposure to fraud and the risk of bribery and to minimise any losses.

The Company will:

- Institute and maintain cost effective measures and procedures to deter fraud and the risk of bribery.
- Take firm and vigorous action where appropriate against any individual or group perpetrating fraud and bribery against the Company.
- Encourage employees to be vigilant and to report any suspicion of fraud or bribery, and provide suitable channels of communication and ensure sensitive information is treated appropriately.
- Rigorously investigate instances of alleged fraud and bribery and pursue perpetrators to seek restitution of any asset fraudulently obtained, together with the recovery of costs.
- Assist the police and all other appropriate authorities in the investigation and prosecution of those suspected of fraud or bribery.

The detection, prevention and reporting of fraud or bribery is the responsibility of all members and employees of Loddon Homes, who should act with honesty and integrity at all times.

This policy applies to all employees and Board members of Loddon Homes.

6.1 Definitions of Fraud and Bribery

The term 'fraud' is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. "Fraud" is usually used to describe depriving someone of something by deceit, which might either be straight theft, misuse of funds or other resources, or more complicated crimes like false accounting, misuse of computer records and the supply of false information.

The term 'bribery' is defined as giving someone a financial or other advantage to encourage that person to perform their function or activities improperly or to reward that person for having done so already.

6.2 The Company's Statement on Fraud and Bribery

Loddon Homes has a commitment to carry out business fairly, honestly and openly by its suppliers, tenants, employees and Board members. Loddon Homes will not tolerate fraud carried out by its suppliers, tenants, employees or Board members. The Company will not tolerate bribery carried out by an employee or any other person carrying out services on its behalf. All allegations of fraud will be investigated thoroughly and appropriate action will be taken if an allegation is substantiated. The form of action that is taken will depend on the level of fraud and the circumstances in each case. In most instances, however, the action considered will involve disciplinary action (against employees), prosecution and/or recovery of the Company's assets and funds.

6.3 Culture

The Company's culture is intended to foster honesty and integrity. Both Board members and employees are expected to lead by example in adhering to regulations, procedures and practices.

Equally, members of the public, clients and external organisations (such as suppliers and contractors) are expected to act with integrity and without intent to commit fraud against the Company in any dealings they may have with the Company. The Company has the same stance towards attempted or actual fraud or bribery. As part of the culture the Company will provide clear routes by which concerns can be raised by both members and employees, and by those outside the service. The Whistleblowing Policy is available to all employees, suppliers and other third parties.

Senior management are expected to deal promptly, firmly and fairly with suspicions and allegations of fraud, corrupt practice or bribery.

The detection, prevention and reporting of fraud or bribery is the responsibility of all Board members and employees of Loddon Homes. The Company expects the following of members and employees:

- To act with honesty and integrity at all times;
- To comply with Standing Orders and Financial Regulations; and
- To raise concerns as soon as any impropriety is suspected.

6.4 Raising Concerns

Board members, employees and the general public are encouraged to raise any concerns they have as they are an important element in the Company's stance on fraud, corruption and bribery. A number of different channels for communication are available, including line managers, auditors, senior officers, and Board members.

It is important that all employees are able to report their concerns without fear of reprisal or victimisation and are aware of the means to do so. The Company's Whistleblowing Policy gives further guidance on how to raise concerns and the support and safeguards available to those who do so.

Members of the public may also use the Company's complaints procedure for this purpose where appropriate. Line managers and Directors are responsible for following-up any allegations of irregularity; it is their responsibility to inform the Managing Director immediately of such allegations and the results of their investigations.

The Company and its senior management are committed by this policy to deal firmly with any proven financial malpractice. Where, after a proper audit investigation carried out by or on behalf of the Managing Director, there is evidence that financial impropriety has occurred, the Company will normally expect the circumstances to be referred to the Police for advice, further investigation, and prosecution of the offender if considered appropriate by the Crown Prosecution Service.

Where the outcome of an investigation indicates improper conduct by an employee, the Company's Disciplinary Procedures will normally be applied by the senior managers of the service concerned. The recovery of defrauded funds,

use of Company monies to give bribes, or the financial loss to the Company as a result of bribery is an essential part of the Company's strategy.

When it is found that fraud, corruption or bribery has occurred due to a breakdown in the Company's systems or procedures, Directors, in consultation with the Managing Director, are responsible for ensuring that appropriate improvements in systems of control are implemented in accordance with any audit recommendations or outcomes from a relevant investigation.

It is the responsibility of all employees to report immediately any act of attempted or detected fraud. The employee must report the matter to their line Manager, or if inappropriate, to the Finance Director. (If the latter is inappropriate, the matter should be referred to the Managing Director, and if this is inappropriate, the Chair of the Audit Committee, or, failing that, the Chair of the Board). All notifications must initially be either in person or in writing.

6.5 Detection and Investigation

The operation of preventive systems, particularly internal control systems within the Company, help to deter any fraudulent activity and the risk of bribery. However, such activity may nevertheless occur. It is often the alertness of the Board, employees and the general public to the possibility of fraud and corruption that leads to detection of financial irregularity. In such a situation the Company has in place arrangements to enable any such information to be properly dealt with, investigation and detection to occur, and appropriate action to be taken.

The Financial Regulations (Regulation X) require that the Finance Director be notified as soon as possible of all financial or accounting irregularities or suspected irregularities or of any circumstances which may suggest the possibility of irregularities including those affecting cash, stores, property, remuneration or allowances. Reporting of suspected irregularities is essential as it facilitates a proper investigation by experienced employees, and ensures the consistent treatment of information regarding fraud and corruption.

When so notified, the Finance Director or Managing Director will instigate an investigation. The designated officer, auditor or other advisor will:

- deal promptly with the matter
- record evidence received
- ensure the security and confidentiality of evidence
- work closely with senior managers of the company and other agencies, such as the Police and Courts to ensure that all issues are properly investigated and reported upon
- ensure maximum recoveries are made on behalf of the Company, and
- assist the service managers to implement Company disciplinary procedures where considered appropriate (referral to the Police will not prohibit or restrict action under the Disciplinary Procedure).

Each incident, proven or otherwise, will be recorded in the Fraud Register.. The register shall be reviewed at each Board meeting. Fraud or attempted fraud will also be reported at the Audit & Risk Committee..

The Managing Director is responsible for informing the Company's internal and external auditors, insurers and the Police as appropriate. The Police and external auditors will be informed once there is clear prima facie evidence of fraud.

The Company will take appropriate action against employees or members who perpetrate fraud and bribery and any person whose conduct allows fraud and bribery to be committed. The Company will also take action to recover any money that has been lost. The actions taken will be reported to and reviewed by the Audit and Risk Committee.

6.6 Training

An important contribution to the continuing success of an anti-fraud and anti bribery policy and its general credibility lies in the effectiveness of programmed training throughout the organisation.

This will be achieved through the development of both induction and refresher training for all personnel involved in internal control systems to ensure that their responsibilities and duties in this respect are regularly highlighted and reinforced.

The investigation of fraud, corruption and bribery rests with the Managing Director and the Internal Auditor. It is essential that there are an adequate number of trained employees able to undertake this work, and this requirement is reflected in the contractual arrangements for the provision of Internal Audit services.

6.7 Declaration of Interest, Gifts and Hospitality

Board members and employees must have, and be seen to have, high standards of honesty, propriety and personal integrity. Employees are required to report any potential conflict of interest to their Line Manager and the Managing Director. Employees should not accept gifts, hospitality or benefits of any kind from a third party which might be seen to compromise their personal judgment and integrity.

Further guidance on all aspects of personal conduct and the acceptance of gifts and hospitality is contained in current procedures and, specifically for staff in the "Gifts and Hospitality, Policy".

6.8 Reporting Responsibilities

All frauds and bribery, and attempted frauds and bribery will be reported to the Board and the Audit and Risk Committee, at the earliest opportunity.

Reports of significant fraud will be made at the earliest reasonable opportunity to the HCA when:

- any incident individually involving amounts over £25,000 or equivalent in value;
- any incident involving or implicating Board members, irrespective of the monetary or equivalent value; or
- any incident involving or implicating senior management, again irrespective of the monetary or equivalent value.

The HCA may require the Company to commission an investigation into a committed fraud, usually by independent consultants, which should conclude with recommendations for any necessary improvements in internal controls, reporting or delegated authorities.

The annual fraud return to the HCA will list details of all frauds that have taken place in the year, not just those of material value.

6.9 Implementation

The Board and the Executive Team are responsible for ensuring that this policy is communicated and implemented.

The Audit and Risk Committee and the Finance Director are responsible for monitoring and review of this policy.

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7. Equality Impact Assessment

7.1 Who has been consulted in developing the Policy?

Date	Consultation methodology	Challenge/impact/result
11 August 2011	Line Managers Meeting	Discussion on provisions of the Bribery Act 2010 Executive Team and Line Managers completed 'Bribery Risk Assessments

7.2 Identify potential impact on each of the diversity "groups"

Strand	No impact	Negative impact	Positive impact	Comments/evidence
Race	✓			This Policy is applicable to all Strands.
Disability	✓			
Gender	✓			
Gender Reassignment	✓			
Sexual orientation	✓			
Religion or belief	✓			
Age	✓			
Rural issues	✓			
Social Inclusion issues	✓			
Pregnancy and maternity	✓			
Marriage and civil partnership	✓			

7.3 Does the Policy promote equality of opportunity?

N/A

7.4 If "adverse impact" identified in the table above, please state how this policy addresses this.

N/A

7.5 A full EIA is not required for this policy.

Approved: March 2017	
Next review date	
Every four years Next review date: November 2021	
Author	Related Documents
Name: Karen Howick Email: karen.howick@wokingham.gov.uk Tel: 01189 746952	Financial Regulations Standing Orders Integrity at Work Policy Gifts and Hospitality Interest Whistleblowing Policy Disciplinary Policy

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