



Anti-Fraud, Bribery and Corruption Policy

Version 3

Approved by: Audit and Risk Committee
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1.0 Introduction

- 1.1 Optivo is committed to the highest ethical standards and good governance and adopts a zero tolerance to fraud, bribery and corruption. The conduct of Board and Committee members, staff, consultants, contractors and suppliers and others involved in delivering Optivo's business, is critical to achieving this.
- 1.2 General rules relating to staff conduct and disciplinary action are contained within employment terms and conditions, Standing Orders and specific policies relating to conduct and probity. Optivo complies with the HCA's requirement to provide an annual report on any losses from fraudulent activity, and the NHF's Codes of Conduct and Governance which require housing associations to adopt and comply with appropriate policies and procedures to prevent bribery and corruption.
- 1.3 This Policy covers all areas of Optivo and subsidiary businesses. To demonstrate our anti-fraud, bribery and corruption approach we will:
 - Develop and maintain effective controls to prevent fraud, bribery and corruption.
 - Take allegations of fraud, bribery and corruption seriously.
 - Investigate all allegations of fraud, bribery and corruption appropriately.
 - Maintain procedures for assessing the risk of and for reporting and investigating fraud, bribery and corruption.
 - Review systems and procedures in the light of experience to prevent the recurrence of fraud, bribery and corruption.
 - Provide and promote an anti-fraud, bribery and corruption working culture.
 - Always prosecute fraud, bribery and corruption and recover assets misappropriated, through the courts.

2.0 Policy statement

- 2.1 This Policy and its associated procedure ensure that all customers, stakeholders, employees, Board and Committee members are aware of the actions that need to be taken in the event of detected or suspected fraud, bribery, corruption or similar impropriety.
- 2.2 Fraud and other irregularities will not be tolerated. Everyone within Optivo must recognise that they have a role in ensuring that it acts with integrity and

ensure that any incidents are responded to swiftly and efficiently.

- 2.3 All Optivo employees are expected to adhere to the Optivo Code of Conduct at all times, and follow the approved procedures for internal control including Standing Orders, Financial Regulations and probity policies which help to minimise the opportunity for fraud.
- 2.4 Optivo requires all third parties involved through its procurement activities to comply with its policies or to have in place similar anti-fraud arrangements.
- 2.5 Optivo will not tolerate fraud, bribery or corruption in any form, including any internal action which gives advantage to any individual, group or organisation, regardless of whether there would be a financial benefit.
- 2.6 Everyone within Optivo is responsible for protecting the organisation against the risk of fraud and should ensure that they report any concerns immediately.

3.0 The Bribery Act 2010

- 3.1 The Bribery Act 2010 applies to conduct both in the UK and abroad. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.
- 3.2 It is an offence in the UK to:
 - Offer, promise or give a financial or other advantage to another person (i.e. bribe a person), whether within the UK or abroad, with the intention of inducing or rewarding improper conduct.
 - Request, agree to receive or accept a financial or other advantage (i.e. receive a bribe) for, or in relation to, improper conduct.
 - Bribe a foreign public official.
- 3.3 It is also an offence in the UK for an employee or an associated person to bribe another person during the course of conducting business, with the intention to either obtain or retain business, or to obtain or retain an advantage in the conduct of business. In such instances, Optivo could be liable for this offence where it has failed to prevent such bribery. As well as an unlimited fine, there could be substantial reputational damage.
- 3.4 In order not to commit the offence of failing to prevent bribery, organisations must be able to demonstrate they have adequate procedures in place to prevent bribery in line with the following six principles:
 1. Proportionality - action taken to prevent bribery should be proportionate to the risks faced and the size of the organisation.
 2. Top level commitment - those at the top are in the best position to ensure the organisation conducts business without bribery.
 3. Risk Assessment - understand the risks that could occur.
 4. Due Diligence - know who we deal with to prevent retaining people/organisations who might be less than trustworthy.

5. Communication - communicate policies, procedures and offer appropriate training to staff and those who work with us to raise awareness and deter bribery.
6. Monitoring and review - the risks Optivo faces and the effectiveness of its procedures may change over time, so it is important they are regularly reviewed to monitor any changes in potential risks (i.e. when entering new markets).

4.0 The Fraud Act 2006

4.1 The Fraud Act 2006 lists three ways in which fraud may be committed:

1. Fraud by false representation – dishonestly making a representation knowing or thinking it untrue or misleading.
2. Fraud by abuse of position – dishonest abuse of a position expected to safeguard the financial interests of another person. A person may be regarded as having abused that position even where their conduct consisted of an omission rather than an act.
3. Fraud by failing to disclose information – where there is a legal obligation to do so.

4.2 Fraud is often divided into three categories:

1. Internal fraud – perpetrated by people within an organisation, most often by those with access to moveable assets such as cash.
2. External fraud – perpetrated by people outside the organisation. It includes theft, deception and computer hacking.
3. Collusion – involves two or more parties who may be within the organisation, external or internal and external parties working together.

4.3 In all types of fraud, an offence must have occurred, the person must have acted dishonestly and acted with the intent of making a gain for themselves or someone else, or inflicting a loss (or a risk of loss) on another.

4.4 The Act also includes two supporting offences being the possession of articles for use in fraud (e.g. using a fake passport to prove identity) and the making or supplying of articles for use in fraud (e.g. supplying a fake passport). The maximum prison sentence for fraud is 10 years.

5.0 Corruption

5.1 Corruption is abusing your position for direct or indirect personal gain by offering, giving, soliciting or accepting inducements designed to influence official action or decision making. These inducements can take many forms including cash, event tickets or meals which are covered in Optivo's Gifts & Hospitality Policy. Corruption refers to two or more people entering into an agreement to pay a financial or other inducement to receive favour in return.

6.0 The Theft Act 1968

6.1 Theft is defined as the taking without consent with the intention of not returning property belonging to Optivo or which has been entrusted to it, including cash, equipment, vehicles, data etc. Theft does not necessarily require fraud to be committed, and can include the taking of property belonging to another member of staff, customers or Board members.

7.0 Criminal Finances Act 2017

7.1 From 30 September 2017, the Criminal Finances Act 2017 makes companies and partnerships criminally liable if they fail to prevent tax evasion by either a member of their staff or an external agent, even where the business was not involved in the act or was unaware of it. Prosecution could potentially lead to both a conviction and unlimited penalties.

8.0 Responsibility and reporting arrangements

8.1 Everyone within Optivo has a general responsibility to immediately report any act of attempted or detected fraud, bribery, corruption or theft. This includes reasonable suspicion of attempted fraud or suspicions of irregularities in any function within Optivo. The process for raising concerns and how they will be dealt with is outlined separately in Appendix A. Concerns must be reported to the Executive Director Governance & Compliance.

8.2 Staff and Board members must:

- Adhere to our Code of Conduct
- Comply with Optivo's Standing Orders, delegations and regulations
- Familiarise themselves with all legislation linked to their roles, particularly those introduced to prevent financial crime
- Ensure (if directors or managers) their service / team procedures adequately protect the organization from fraud, bribery and corruption
- Be alert to the possibility of fraud, bribery and corruption
- Immediately report (to the Executive Director Governance & Compliance) if they suspect a fraud or bribery/corruption has been attempted or committed, or if they see any suspicious acts.

8.3 Executive Director Governance & Compliance is responsible for this Policy and for maintaining the fraud register (which also records attempted and actual bribery and corruption).

8.4 Fraud and Bribery Action Team (FBAT). On receipt of allegations/concerns from staff or others, the Executive Director Governance & Compliance will liaise with the FBAT to agree how to follow up the allegation/concern. The procedure set out in Appendix A will be followed. Membership of the FBAT is:

- Chief Executive.

- Executive Director Finance & Resources.
- Executive Director Governance & Compliance.

8.5 Audit & Risk Committee is responsible for reviewing the Fraud Register on a quarterly basis, and for commissioning special investigations into matters of concern relating to internal control, probity and fraud.

8.6 The Board will receive an annual report from the Audit & Risk Committee to provide assurance of the adequacy and effectiveness of all internal controls, including the Fraud Register.

8.7 Internal Audit – while internal audit’s primary role is not to detect fraud, they are an important player in fraud management. Internal audit’s role includes:

- Giving an independent assurance on adequacy of arrangements for managing fraud and bribery risk.
- Helping the organisation promote an anti-fraud and bribery culture.
- Reviewing and evaluating effectiveness of internal controls.
- Monitoring any control improvements arising from internal investigations to ensure they are implemented.
- Ensuring Optivo reviews our risk exposure and identifies the possibility of fraud and bribery as a business risk.

9.0 Equality, diversity and inclusion

9.1 Optivo promotes equality and diversity and has appropriate policies in place to inform all areas of its operations. Optivo adheres to the Equality Act 2010, is committed to equal and fair treatment for all and is opposed to any form of discrimination.

9.2 All information can be made available in alternative formats, such as large print, audio, Braille and other languages on request to the Governance Team.

10.0 Promoting and anti-fraud and bribery working culture

10.1 Optivo’s expectations around fraud and bribery will be explained to all new staff as part of their induction process.

11.0 Related documents

- Related HR policies including Code of Conduct, Declaration of Interest, Disciplinary Policy and procedure.
- NHF Codes of Conduct and Governance.
- Gifts and Hospitality Policy and procedures.
- Procurement Policy and procedures.
- [Whistleblowing Policy](#) and [Guidance](#)
- [Anti-Money Laundering Policy](#)

- Appendix A – Anti-fraud and bribery action procedure, which sets out:
 - How staff and others should notify Optivo about suspected frauds or bribery
 - How investigations will be conducted
 - How such investigations will work in conjuncture with the staff Disciplinary Policy
 - How investigation outcomes will be reported.

12.0 Review

- 12.1 This Policy will be reviewed as part of the next Governance Review planned to commence in October 2018. If necessary, the Policy will be reviewed sooner to incorporate legislative, regulatory, best practice developments, or address operational issues and any proposed changes will be presented to the Optivo Board for approval.