

BRIBERY POLICY

1.0 Introduction

- 1.1 The Bribery act 2010 came into force on **July 2011**.
- 1.2 It updates very old fragmented laws contained within the prevention of corruption acts 1889 - 1916 and the common law.
- 1.3 By creating a single piece of legislation to tackle the issue of bribery with regard to the environment companies operate in, it will allow the police, prosecutors and the courts to tackle bribery crimes effectively whether committed at home or abroad. It also places the UK at the forefront of the fight against bribery as this legislation will be one of the toughest in the world.
- 1.4 The act will prevent the use of improper inducements including cash of corporate hospitality in exchange for gaining a business advantage.

1.5 Key areas in the Act:

- 1.5.1 Provides a revised framework to combat bribery in the public or private sectors, removing the need to prove acts were done corruptly or dishonestly;
- 1.5.2 Creates two general offences of bribing another person (“active bribery”) (s1) and being bribed (“passive bribery”) (s2);
- 1.5.3 Creates a discrete offence of bribery of a foreign public official (s6);
- 1.5.4 Creates a new offence of failure of ******commercial organisations to prevent bribery by persons associated with them (s7);
- 1.5.5 Provides a maximum penalty of 10 years’ imprisonment or an unlimited fine only for all the offences for individuals, and an unlimited fine only for commercial organisations (s11);
- 1.5.6 Provides jurisdiction to prosecute bribery committed abroad by any person (individual or corporate) who has a ‘close connection’ with the UK (s12)

******A commercial organisation is defined as any partnership or body incorporated in the UK carrying on business in the UK or abroad and any foreign partnership or incorporated body carrying on business in the UK.

1.5.7 Provides that senior officers of a body corporate may be prosecuted if an offence is proved to have been committed by a corporate body with their consent or connivance (s14);

1.6 Impact on the Industry (housing sector)

1.6.1 The housing sector, though in transition regarding regulatory matters, is still heavily regulated.

1.6.2 It already has a bribery prevention framework in place. This includes the following:

- **Under the housing and regeneration Act 2008, it is a legal requirement for all English registered providers to adopt “probity” policies.**
- **Registered providers (RPs) are also required to safe guard taxpayers’ interests and the reputation of the sector.**
- **Part of the legacy of the old requirements of schedule 1 of the Housing Act 1996 still exists.**
- **In addition. NHF code, ‘Excellence in standards of conduct code for members’ also sets out expectations in relation to non-contractual payments and benefits to board members, employees and connected persons.**

1.6.3 This policy seeks to consolidate existing practices, to bring them in line with the bribery Act 2010 and also to demonstrate compliance with the Act.

1.6.4 This policy will be in accordance with the guidance issued by the secretary of state about the procedures that organisations can put in place to prevent bribery by persons associated with them.

1.6.5 This guidance as issued by the secretary of state does not prescribe any specific additional measures to be adopted and there will be no compliance monitoring process. It allows an organisation to adopt a proportionate approach, based on the inherent risks in its activities.

2.0 Legal Framework

2.1 The Bribery Act 2010 and guidance

2.2 The Housing and Regeneration Act 2008

2.3 The Housing Sector Regulatory Code and Guidance

2.4 The NHF code, ‘Excellence in standards of conduct – code for members’

3.0 Policy

3.1 Policy Statement

3.2 The purpose of this policy statement is to set out the organisation's responsibilities regarding the prevention of bribery and to demonstrate through its adoption of the 6 prescribed principles as contained in the guidance to the 2010 Bribery Act issued by the secretary of state, that adequate systems and procedures are in place to prevent bribery.

3.3 The 6 principles to be adopted for bribery prevention are:

1. **Proportionate procedures**
2. **Top level commitment**
3. **Risk assessment**
4. **Due diligence**
5. **Communication of policies internally and externally**
6. **Monitoring and review**

3.4 Karin is dedicated to ensuring full compliance with all anti-bribery and corruption laws and regulations. Karin understands the importance of eliminating bribery and corruption around the world, and the role that discouraging bribery and corruption plays in creating a safer, more stable political and business environment.

3.5 Karin operates a zero tolerance policy on bribery and consequently all cases of bribery will be thoroughly and promptly investigated and where appropriate, robust action will be taken, including prosecution and/or disciplinary action.

3.6 Karin will provide full cooperation/assistance on bribery offences and crimes; to the police, prosecutors, the courts and any relevant authority.

3.7 Karin will ensure that its bribery prevention policy is proportionate to the risks it faces and that procedures are embedded and understood throughout the organization through internal and external communication, including training.

3.8 Karin will establish and promote effective practices aimed at the prevention of Bribery. It will seek to increase and disseminate knowledge about the prevention of Bribery.

3.9 Karin will evaluate internal systems and procedures with a view to determining their adequacy to prevent bribery occurrence. This will include an assessment of the nature and extent of its exposure to potential external risks of bribery on its part by persons associated with it. The assessment will be annual and documented.

- 3.10 No Board member, officer, employee and or agent may offer payments/inducements (or anything else in value) to another organisation and or persons to make them act in a manner that will assist the organisation in obtaining or retaining business or securing any improper business advantage.
- 3.11 Karin encourages its Board members, officers, employees and agents to report any suspicious activity that may violate this policy. Karin will also encourage its: contactors, suppliers, residents and the public to report their suspicions. There is a confidential and discrete way to report any violations or suspicious activity. Staff will be encouraged to report suspicions of bribery, knowing they are protected under the Whistle Blowing Policy. An employee's failure to report known or suspected violations may lead to disciplinary action.
- 3.12 Karin will disqualify persons/organizations convicted of the crimes of bribery/corruption from competing for contacts.
- 3.13 Karin will aim to work with 3rd parties that are Bribery Act compliant. Karin will ensure that when working with 3rd party organisations additional control systems are in place to detect and prevent bribery or corruption and mitigate the risks of inadvertently associating with an organisation with questionable integrity in this regard.
- 3.14 Karin will address with immediate effect control weaknesses identified as a result of reported instances.

4.0 Definition

- 4.1 Bribery is defined in the policy as the offering, giving, soliciting, or acceptance, of financial or other advantage which may influence the action/function of any person or to secure any improper business advantage and or any other definition as prescribed by the law.
- 4.2 An offence can be perpetrated either internally by persons within direct employment of Karin, temporary staff, independent contractors, service providers and external 3rd parties (this is not an exhaustive list).

5.0 Internal Contacts

- 5.1 Specific responsibilities for the management of systems of bribery detection/control are as follows:

5.2 The Board retains the overall responsibility for all aspects of bribery prevention; comprising of, compliance to the Bribery Act 2010, detection and investigation of suspected breaches, the communication and the enforcement of its code of practice.

5.3 Ibrahim Ali will be designated “Compliance Officer” and is responsible for overseeing bribery prevention systems, procedures/processes. This includes regular risk assessments, review of the adequacy of existing internal systems and processes in place to prevent bribery and reporting this to the Board on an annual basis.

5.4 It is the responsibility of all staff to report suspected, actual or attempted bribery.

6.0 Implication

6.1 Will demonstrate the Board’s compliance with regulation.

7.0 Responsibility

7.1 It is the responsibility of the Chief Executive to ensure that this policy is enforced.

8.0 Consultation

8.1 n/a

9.0 Review and Board Approval

9.1 This policy will be reviewed at least once every 3 years taking account of any changes to legislation that may occur.

Person responsible for the review of this policy:	Ibrahim Ali
Date of this review:	March 2012
Date of Board Approval:	May 2012
Date the next review is due:	March 2015