Anti-Corruption Policy

1. St. George's, University of London ("the University" or "SGUL") does not condone bribery or tax evasion of any kind. It is University policy to conduct its business in an open and honest manner, without engaging in corrupt practices to obtain an unfair advantage. In order to support staff, and in order to comply with The Bribery Act 2010 (the "BA") and the Criminal Finances Act 2017 (the "CA"), the University has produced this policy.

Definition

2. Bribery can be defined very generally as giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly, or rewarding that person for having already done so. Under the BA, there are 4 main offences:

   a) Active Bribery (offering to bribe another)
   b) Passive Bribery (accepting/requesting a bribe)
   c) Bribery of a foreign public official
   d) Failure to prevent Bribery (committed by an organisation that fails to prevent bribery by any 'person' associated with it).

3. Tax evasion is the illegal non-payment or under-payment of taxes. It is usually perpetrated by falsely declaring or not declaring taxes due to the relevant tax authority. Tax evasion is a criminal offence. It can be committed by an individual, eg in relation to income tax or VAT, or a legal entity, eg in relation to corporation tax. The CA came into force on 30 September 2017. It introduces a corporate offence of failure to prevent the criminal facilitation of tax evasion.

Consequences for the University

4. If the University or any of its staff are found to have committed an offence under the BA or CA the potential consequences include:

   a) Up to 10 years imprisonment for the individuals involved
   b) Unlimited fines, typically 400% of the value of the contract
   c) Repayment of any moneys earned or obtained under contract
   d) A ban from bidding for future research and other public contracts
   e) Damage to reputation and loss of public trust and confidence
   f) Potential loss of UKVI 'highly trusted' status
   g) Regulatory issues (HEFCE)

Risk Assessment:

5. We aim to ensure our anti-corruption procedures are proportionate to the risks we face.
6. We have performed an assessment of the risk of our organisation being exposed to tax evasion facilitation or bribery. This policy has been developed in response to the results of that risk assessment. Where necessary, we will review our risk assessment and make appropriate changes to this policy.
7. We have identified certain aspects of our activities that present a higher risk than others of involvement in tax evasion facilitation or bribery. These include:

a) Hospitality – which could be construed as bribery if not transparent, auditable & proportionate
b) Donations – which all need scrutiny
c) Activities in countries which are perceived as having high levels of corruption (particularly where acting by an intermediary or in-country representative)
d) Activities in sectors which are perceived as having increased levels of corruption (for example construction)
e) Subsidiary companies
f) Domestic/international collaborations eg Institutional Agreements, franchising, student exchanges, work placement schemes.
g) Engaging contractors to provide services in such a way as to deliver an unlawful tax advantage to that supplier

Hospitality

8. Genuine and proportionate hospitality or expenditure, which seeks to improve SGUL's image, or better present its services, or establish good relations, continues to be acceptable. For more detailed information see the Financial Regulations.

High Risk Jurisdictions & Sectors

9. It is not a defence to an accusation of bribery or tax evasion to say that bribes or tax evasion are the accepted practice in another jurisdiction or sector within which you are doing business. Facilitation payments are illegal. For assistance in identifying those jurisdictions/sectors which may pose a high risk see:

Transparency International Corruptions Perception Index
Bribe Payers Index
World Bank - Ease of Doing Business Rankings

Adequate Procedures

10. In some circumstances it will be a defence for the University to show that it has adequate procedures in place. The University's adequate procedures will include:

a) Setting out a clear anti-corruption policy
b) Training relevant employees so that they can recognise and avoid the use of bribery by themselves and others and prevent the commission of criminal tax evasion
c) Encouraging employees to be vigilant and to report any suspicions of corruption, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately
d) Carrying out due diligence of existing and prospective associated persons (those who perform services on behalf of SGUL University)
e) Avoiding conflict of interests and ensuring transparency of transactions and decision-making (and keeping appropriate records)
f) Implementing appropriate sanctions for those who do not follow this anti-corruption policy
g) Monitoring and reviewing these procedures.

Reporting Incidences

11. If you become aware of any activity or conduct which you suspect may involve a bribe, tax evasion or corruption of some kind, you should report it to your line-manager, or to the Director of Legal Services or Finance Director, or follow the Whistleblowing and Public interest disclosure policy and procedure

Further Information

12.

(a) The BA can be found at: http://www.legislation.gov.uk/ukpga/2010/23/contents and the full guidance to the Act at: http://www.justice.gov.uk/downloads/legislation/bribery-act-2010-guidance.pdf

(b) The CA can be found at http://www.legislation.gov.uk/ukpga/2017/22/contents and the full guidance to the Act at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/642714/Tackling-tax-evasion-corporate-offences.pdf

Appendix A –FAQs based on Quick Start Guidance provided by The Ministry of Justice (for Bribery)

A. When could my organisation be liable?

1. Your organisation could be liable if a very senior person in the organisation (for example, a managing director) commits a bribery offence. This person's activities would then be attributed to the organisation.
2. Your organisation could also be liable where someone who performs services for it – like an employee or agent – pays a bribe specifically to get business, keep business, or gain a business advantage for your organisation. But you will have a full defence for this particular offence, and can avoid prosecution, if you can show you had adequate procedures in place to prevent bribery.

3. It is important to note that no one can be prosecuted in England and Wales unless one of the two most senior prosecutors (the Director of Public Prosecutions or the Director of the Serious Fraud Office/National Crime Agency) is personally satisfied that a conviction is more likely than not, and that prosecution is in the public interest.

B. What do I need to do to rely on the defence?

You will not commit the offence of failing to prevent bribery if you can show that your organisation had 'adequate procedures' in place to prevent bribery. What counts as adequate will depend on the bribery risks you face and the nature, size and complexity of your business. So, a small or medium sized business which faces minimal bribery risks will require relatively minimal procedures to mitigate those risks. The following six principles will help you decide what, if anything, you need to do differently:

1. Proportionality: The action you take should be proportionate to the risks you face and to the size of your business. So you might need to do more to prevent bribery if your organisation is large, or if you are operating in an overseas market where bribery is known to be commonplace, compared to what you might do if your organisation is small, or is operating in markets where bribery is not prevalent.

2 Top Level Commitment: Those at the top of an organisation are in the best position to ensure their organisation conducts business without bribery. If you are running a business, you will want to show that you have been active in making sure that your staff (including any middle management) and the key people who do business with you and for you understand that you do not tolerate bribery. You may also want to get personally involved in taking the necessary proportionate action to address any bribery risks.

3 Risk Assessment: Think about the bribery risks you might face. For example, you might want to do some research into the markets you operate in and the people you deal with, especially if you are entering into new business arrangements and new markets overseas ('How do I assess risk', see page 5).

4 Due Diligence: Knowing exactly who you are dealing with can help to protect your organisation from taking on people who might be less than trustworthy. You may therefore want to ask a few questions and do a few checks before engaging others to represent you in business dealings.

5 Communication: Communicating your policies and procedures to staff and to others who will perform services for you enhances awareness and helps to deter bribery by making clear the basis on which your organisation does business. You may, therefore, want to think about whether additional training or awareness raising would be appropriate or proportionate to the size and type of your business.

6 Monitoring and Review: The risks you face and the effectiveness of your procedures may change over time. You may want, therefore, to keep an eye on the anti-bribery steps you have taken so that they keep pace with any changes in the bribery risks you face when, for example, you enter new markets.

C. How do I assess risk?

Many organisations will face little or no risk of bribery, especially if their business is undertaken primarily in the UK. If you operate overseas, the risks may be higher. Factors such as the particular country you want to do business in, the sector which you are dealing in, the value and duration of your project, the kind of business you want to do and the people you engage to do your business will all be relevant. There are simple practical steps you can take to assess and mitigate risks. These are mostly obvious, and are similar to (or even the same as) those you probably take anyway (for example, to make sure you can trust the people you work with). For example, you might use simple internet searches to find out about the levels of corruption or bribery in the particular country you propose to do business in. You could consult UK diplomatic posts or UK Trade and Investment for advice. You could also consult business representative bodies here and in the relevant country for up to date local knowledge.

D. Do I need to do due diligence on all my suppliers?

You only have to think about doing due diligence on persons who will actually perform services for you, or on your behalf. Someone who simply supplies goods to you is unlikely to do that. It is very unlikely, therefore, that you will need to consider doing due diligence on persons further down a supply chain.

Where you decide to undertake due diligence, how much you need to do will depend on your risk assessment. If you assess the risk as low then all you may need to do is satisfy yourself that people performing services for you (for example, an agent) are genuine and someone you can trust to do your business without bribing. You could do this by making enquiries with business contacts, local chambers of commerce or business associations or via the internet for example.
Where you think the risks are higher, then you may need to do more. You might ask your agent for a CV, financial statements or accounts, and other references. You might then follow those up to ensure they are genuine. The aim is to satisfy yourself that the person that is to represent your organisation can be trusted not to use bribery on your behalf, but this does not necessarily require sophisticated and costly techniques. Personal contact, allowing you to assess the person for yourself, can be very helpful.

E. Can I provide hospitality, promotional or other business expenditure under the Act?

Yes. The Government does not intend that genuine hospitality or similar business expenditure that is reasonable and proportionate be caught by the Act, so you can continue to provide bona fide hospitality, promotional or other business expenditure.

In any case where it was thought the hospitality was really a cover for bribing someone, the authorities would look at such things as the level of hospitality offered, the way in which it was provided and the level of influence the person receiving it had on the business decision in question. But, as a general proposition, hospitality or promotional expenditure which is proportionate and reasonable given the sort of business you do is very unlikely to engage the Act. So you can continue to provide tickets to sporting events, take clients to dinner, offer gifts to clients as a reflection of your good relations, or pay for reasonable travel expenses in order to demonstrate your goods or services to clients if that is reasonable and proportionate for your business.

F. What about facilitation payments?

Facilitation payments, which are payments to induce officials to perform routine functions they are otherwise obligated to perform, are bribes. There was no exemption for such payments under the previous law nor is there under the Bribery Act.
As was the case under the old law, prosecutors will carefully consider all the facts and surrounding circumstances of cases which come to their attention to assess whether a payment amounts to a bribe and, if so, whether a prosecution is in the public interest.
You can continue to pay for legally required administrative fees or fast-track services. These are not facilitation payments.