

POLICY AGAINST BRIBERY AND CORRUPTION

Introductory Guidance

This policy has been introduced in response to [the Bribery Act 2010](#) (“the Act”)

The Act creates four key offences:-

- Active bribery (the offence of offering to bribe another)
- Passive bribery (the offence of accepting or requesting a bribe)
- Bribery of a foreign public official
- Failing to prevent bribery (the offence by a commercial organisation, including potentially a university, of failure to prevent bribery by any person associated with it)

The maximum sentence is 10 years for individuals who commit such offences. Organisations are liable to an unlimited fine. It is expected that fines are likely to be defined with reference to an organisation's annual turnover, a method used when punishing anti-competitive conduct by organisations.

Failing to prevent bribery

The first three offences are not unexpected, and apply to individuals as opposed to organisations. What is new is the strict liability offence of failing to prevent bribery. The University can be liable for the actions of any person carrying out services on its behalf, in whatever capacity. This could include any contractors, agents or subsidiary companies.

The Act has **extra-territorial reach**, so the bribery does not need to take place on UK soil. Further, if organisational failures occur with the consent or connivance of any senior officers, they too could be liable for an offence under the Act as individuals.

The only defence the University would have if charged with failing to prevent bribery is the defence of '**Adequate Procedures**'. In summary, this means that the University can escape or mitigate liability if it can show that it had sufficient safeguards in place throughout the institution to prevent persons associated with it from undertaking acts of bribery.

It is this element of the legislation that has the greatest potential impact. As an institution it is essential that a robust Anti-Bribery and Corruption Policy and appropriate training are put in place.

POLICY AGAINST BRIBERY AND CORRUPTION

A. Background and Purpose

1. The University is committed to ensuring that high standards of integrity apply in all of its areas of operation and that all of its business is conducted in an honest and transparent manner. As an educational establishment and a charity deriving a significant proportion of its income from public funds, benefactions and charitable organisations, the University is concerned to protect itself and its funders, donors, employees and students from the detriment associated with **bribery** and other corrupt activity. It is therefore committed to preventing **bribery** and **fraud** by staff and any third party performing services for or on behalf of the University.
2. The University recognises that the risk of **bribery** and **fraud** will arise in various contexts and will seek to advise, inform and/or train its employees appropriately to assess the risk of **bribery** and **fraud** being practised and implement practices which reduce the risk of it occurring or being undetected where existing processes are not already in place.
3. The Registry shall oversee the implementation of this policy, provide advice as necessary, and monitor and report to the Audit Committee on breaches of policy, and the general application of the Policy.
4. The purpose of this policy is to assist those working for or on behalf of the University by:
 - (a) setting out their responsibilities in observing and upholding the University's position on **bribery** and **fraud**; and
 - (b) providing information and guidance on how to recognise and deal with **bribery** and **fraud** issues.
5. **Bribery** and **fraud** are punishable for individuals by up to ten years' imprisonment. If the University is found to have taken part in corruption it could face an unlimited fine, be excluded from tendering for public contracts or research funding and face damage to its reputation. The University therefore takes its legal responsibilities very seriously.
6. This Policy has been adopted by the University Council and applies throughout the University apart from Cambridge University Press and Cambridge Assessment, which have their own complementary policies and procedures. It does not apply to the Colleges.
7. Words or phrases that appear in bold are defined in Schedule 1, which includes detailed definitions of **bribery** and **fraud**.

B. Application of the Policy

8. This policy applies to all "**staff**", meaning all individuals working within the University at all levels and grades, including officers, employees (whether permanent, fixed term or temporary), workers, trainees, seconded staff, agency staff, volunteers, interns or any other person working in any context within the institution.

9. This policy also applies to “**associated persons**”, meaning any individual or organisation performing services for and on behalf of the University, which may include the University’s subsidiaries, recipients of grants, partners in collaborative working arrangements and joint ventures, suppliers, distributors, business contacts, agents, advisers, and government and public bodies.

C. Statement of Policy

10. The University will take appropriate action to prevent **bribery** and all forms of **fraud** in the University.
11. No member of **staff** or **associated person** shall seek a financial or other advantage for the University through **bribery**.
12. No member of **staff** or **associated person** shall offer, promise, give, request, agree to receive or accept a **bribe** for any purpose.
13. The University prohibits any form of **fraud** within its operations, and no University **staff** or **associated persons** may engage in any form of **fraud** with regard to activity carried out within or on behalf of the University.
14. University **staff** who suspect that **bribery** or **fraud** has occurred are required to report such instances to the Registry and the Director of Finance in accordance with Schedule 2. The matter will be appropriately investigated, recorded, and reported in accordance with the Financial Regulations and/or the Whistle-blowing procedures. Notwithstanding the provisions of Regulation 20 of the Financial Regulations, the Registry shall be responsible under this Policy for monitoring and recording instances of bribery or fraud and reporting to the Audit Committee in accordance with Section E below.
15. **Bribery** and **fraud** by **staff** will be treated as a serious disciplinary offence resulting, potentially, in dismissal and legal action.
16. Schedule 3 contains more detailed guidance in relation to the Financial Regulations and areas of activity where it is considered that the risk of **bribery** and **fraud** is particularly high, namely:-
- Donations
 - Hospitality and Entertainment
 - Facilitation payments

D. Implementation

17. Responsibility for implementation of this policy lies with the Audit Committee, supported by the Registry.
18. The commitment by the University to preventing **bribery** and **fraud** shall be clearly and regularly communicated to **staff** and associated persons through processes to be instituted by the Registry.
19. The nature and extent of the risks relating to **bribery** and **fraud** to which the University is exposed shall be assessed by the Audit Committee at least

annually and appropriate changes to this or other policies shall be implemented to reflect the outcomes of such risk assessments.

20. **Staff** and **associated persons** are encouraged to undertake risk assessments where they consider that there is a risk that **bribery** and/or **fraud** might occur in relation to a particular transaction, third party or territory and to undertake appropriate due diligence prior to proceeding.
21. This Policy shall be available to every member of **staff** and the University shall arrange specific training for those deemed most likely to encounter bribery and fraud. The University's prohibition of **bribery** and **fraud** shall be communicated to all suppliers, contractors and business partners at the outset of any business relationship with them and as appropriate thereafter.
22. The University's procedures to prevent **bribery** and **fraud** through this and other policies shall be monitored and reviewed by the Audit Committee at least every three years to assess their suitability, adequacy and effectiveness. This Policy may be amended from time to time to reflect legal requirements or best practice recommendations and in the light of any instances of **bribery** and **fraud**.

E. Responsibilities of the Registry

23. The Registry shall have the following responsibilities:
 - 23.1 to maintain a register of the incidents of **bribery** and **fraud** that are reported to him or her in accordance with this Policy;
 - 23.2 to compile an annual report for the Audit Committee on the implementation of this Policy including the outcomes of any relevant risk assessments and due diligence and any incidents of reported **bribery** and **fraud**, thereby contributing to the monitoring and review of this Policy; and to recommend any changes to this Policy which, may from time to time, become appropriate;
 - 23.3 to ensure that any standard University documents and procedures (including procurement terms and procedures, fundraising documentation, and terms and conditions of employment) reflect the requirements of this Policy;
 - 23.4 to coordinate the University's response to any investigation or charge under anti-bribery or fraud legislation;
 - 23.5 to ensure that procedures are in place to communicate the Policy to all **staff** and any relevant **associated persons** and to deliver appropriate training to **staff**;
 - 23.6 to oversee the compilation of specific **bribery** and **fraud** risk assessments and the conduct of appropriate due diligence into significant areas of activity with a view to assessing **bribery** and **fraud** risks and taking appropriate action to mitigate them.

The Registry may delegate these responsibilities to named individuals as he or she sees fit.

F. Interaction with other policies

24. The University already has guidance, policies and procedures which include provisions to combat fraudulent or corrupt practices and these remain in full force and effect. This Policy should therefore be read together with :-

- Financial Regulations
<http://www.admin.cam.ac.uk/offices/finance/regulations/index.shtml>
- Financial Procedures Manual
<http://www.admin.cam.ac.uk/offices/finance/procedures/>
- Statement on Corporate Governance
<http://raven.intranet.admin.cam.ac.uk/committee/council/governance.aspx>
- Human Resources Staff Guide
<http://www.admin.cam.ac.uk/offices/hr/staff/guide/>
- Human Resources Policies and Procedures
<http://www.admin.cam.ac.uk/offices/hr/policy/>
- Undergraduate Admissions Handbook 2010-11
<http://www.admin.cam.ac.uk/offices/admissions/handbook/>
- Guidelines on Good Research Practice
http://www.admin.cam.ac.uk/offices/research/documents/research/good_research_practice.pdf
- Misconduct in Research
http://www.admin.cam.ac.uk/offices/research/documents/research/misconduct_in_research.pdf
- Establishing and working with embedded companies
<http://www.admin.cam.ac.uk/offices/research/research/companies.aspx>
- Ethical Guidelines for the Acceptance of Benefactions within the University
<http://www.admin.cam.ac.uk/univ/so/2011/chapter13-section1.html#foot-backref-3109-1>

Adopted by Council on 23rd April 2012

Schedule 1 – Interpretation

- Associated person** any individual or organisation performing services for and on behalf of the University, which may include the University's subsidiaries, recipients of grants, partners in collaborative working arrangements and joint ventures, suppliers, distributors, business contacts, agents, advisers, and government and public bodies.
- Bribery**
- (a) offering, promising, giving, requesting, or accepting a financial or other advantage in circumstances occurring inside or outside the UK which are intended to induce or reward **improper** performance of a function or activity that
- is of a public nature, performed in the course of a person's employment, connected with a business or trade, or performed on behalf of a body of people; and
 - a reasonable person in the UK would expect to be performed in good faith, impartially or in accordance with a position of trust;
- (b) offering, promising or giving a financial or other advantage to a public official outside the UK (or somebody else nominated by that official) intending to influence the official in the performance of their official functions in order to obtain or retain business or a business advantage.
- Fraud**
- an act or omission, made with the intent of making a financial gain, or causing a financial loss, or exposing another to the risk of a financial loss, in which a person:
- dishonestly makes a false representation; or
 - dishonestly fails to disclose information which he or she is under a legal duty to disclose; or
 - occupies a position in which he or she is expected to safeguard, or not act against, the interests of another person and;
 - dishonestly abuses that position; and
 - intends, by means of that abuse of that position to make a gain for himself or herself or another, or to cause loss to another or to expose another to the risk of loss.
- Improper**
- means where the person concerned
- (a) fails to perform a function or activity in good faith, impartially or in accordance with a position of trust; or

(b) does not perform the function at all.

In deciding whether a function or activity has been performed **improperly** outside the UK, any local custom or practice must be disregarded unless it is permitted or required by the written law of the country in which it is performed.

Public official

someone who holds a legislative, administrative or judicial position of any kind, whether appointed or elected; someone who exercises a "public function" for any country or territory (or any subdivision of such a country or territory); or an official of or agent of a public international organisation (eg UN; EU)

Staff

all individuals working within the University at all levels and grades, including officers, employees (whether permanent, fixed term or temporary), workers, trainees, seconded staff, agency staff, volunteers, interns or any other person working in any context within the institution.

Schedule 2

Any report of suspected **bribery** or **fraud** in breach of this Policy shall be made to the Registry and the Director of Finance and thereafter shall be treated as a report made by a Head of Department or an individual pursuant to Regulation 20 of the University Financial Regulations.

<http://www.admin.cam.ac.uk/offices/finance/regulations/finregs/fraud.html>

Schedule 3

Specific guidance

The University has policies and procedures which include provisions to combat fraudulent or corrupt practices with which employees are expected to comply with for all aspects of University business, as set out in paragraph 23 of this Policy. There are also specific areas where it is considered advisable to provide more specific guidance.

(a) **The Financial Regulations**

The Financial Regulations not only govern in detail the required financial practice within the University, but establish ethical considerations for the conduct of all University business and clarify individual responsibility. In addition, the Financial Procedures Manual provides greater detail on day to day administration of University finances and clarity in certain areas such as business and staff entertainment, research funding and income and procurement of goods and services.

(b) **Donations**

The University does not make political donations, and only makes and receives charitable donations in accordance with the Financial Regulations of the University. Any charitable donations received by the University must be requested and received for exclusively charitable purposes and shall not **improperly** influence any decisions made by or on behalf of the University. Acceptance of donations must be made in accordance with the Ethical Guidelines for the Acceptance of Benefactions within the University <http://www.admin.cam.ac.uk/univ/so/2011/chapter13-section1.html#foot-backref-3109-1>

(c) **Hospitality and entertainment**

Excessive or lavish gifts or hospitality in relation to business transactions or arrangements with donors might constitute **bribery**.

Acceptance of gifts or hospitality

No University employee or **associated person** may receive gifts or hospitality in connection with University business otherwise than in accordance with and subject to the limits contained in Reg 2 of the Financial Regulations.

No gift or hospitality should be accepted from a third party where there is or could be any expectation that it will lead to a business advantage for them whether or not provided directly by the University.

Provision of gifts and hospitality

Where a gift or hospitality is being provided by or on behalf of the University

- It must not exceed normal business courtesy.
- It must not be made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;

- It must comply with local law(s);
- It should be given in the name of the University and not in an individual's name;
- It should be appropriate in the circumstances, of an appropriate type and value and given at an appropriate time;
- It should be given openly, not secretly;
- Gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Registry.

(d) Facilitation Payments and Kickbacks

The University will not make any unlawful facilitation payments. Facilitation payments are payments intended to secure or expedite routine or necessary Government action by a **public official**. A facilitation payment includes a payment to a public official to do their job properly as well as payment to do their job improperly.