

**Anti-Bribery and Corruption Policy**

1. **Purpose and scope**

**Anti-Bribery and Corruption statement:**

The University of Reading (‘the University’) is dedicated to conducting all its academic, administrative and commercial operations in a law-abiding, honest and ethical manner and will not tolerate acts of bribery or corruption by staff or its associates in any jurisdiction. It is not acceptable for staff or associates to give or receive a gift with the intent of influencing, or being influenced in, the performing of functions. The University commits to acting professionally, fairly and with integrity in all its business dealings and relationships, and to implement and enforce effective systems to counter bribery and corruption.

The University takes its legal responsibilities very seriously and will uphold all laws relevant to countering bribery and corruption in any jurisdiction in which it operates. However, it remains bound by UK laws, including the Bribery Act 2010, in respect of its conduct both at home and abroad. University staff and associates should therefore ensure that when outside of the UK, they abide by both the local laws of that jurisdiction and the provisions of the Bribery Act 2010 where appropriate. Abiding only with the relevant international standard may not be sufficient where its requirements fall below those imposed by the Bribery Act 2010.

In light of this, the University offers training through UoR Learn as part of its mandatory induction process for all University staff and provides regular additional training to appropriate members of staff as required.

The purpose of this policy is:

* To set out the responsibilities of the University, and of those working for the University, in observing and upholding the University’s position on bribery and corruption; and
* To provide information and guidance to those working for the University on how to recognise and deal with bribery and corruption issues.

This policy applies alongside the University’s:

* Corporate Social Responsibility and Business Conduct Policy,
* Expenses, Benefits, Hospitality and Gifts Policy; and
* Financial Regulations.

The annexes to this policy provide illustrative guidance and information to assist individuals in applying this policy. The annexes cover:

* Annex 1: Definitions
* Annex 2: Areas of Particular Risk
* Annex 3: Due Diligence
* Annex 4: Red Flags

The University’s Council, acting through the Audit Committee, has overall responsibility for the effective implementation of this policy, and for reviewing the effectiveness of actions taken in response to concerns raised under this policy. Responsibility for overseeing its implementation has been delegated to the University Secretary.

The University Secretary has day-to-day operational responsibility for this policy and must ensure that relevant staff receive regular and appropriate training. Any questions about this policy, along with any suggestions for change, should be referred to the University Secretary in the first instance, who will involve the University’s Council / Legal Services where appropriate.

The policy and annexes will be reviewed every three years and may be updated from time to time in light of developing best practice guidance or case law in the area.

1. **The Bribery Act 2010**

The University, its employees and associates are subject to the Bribery Act 2010 ("the Act"). The Act creates four criminal offences:

* + Promising or offering a bribe;
  + Requesting, agreeing to receive or accepting a bribe;
  + Bribing a “foreign public official”; and
  + A corporate offence of failing to prevent bribery by persons associated with a commercial organisation.

The first three are offences which may be committed by an individual. Individuals found guilty can be punished by up to ten years' imprisonment and/or an unlimited fine.

The fourth may apply to the University where it has failed to implement adequate procedures to prevent those associated with it, or acting on its behalf, committing the act of bribery. The University, if found guilty, could face an unlimited fine, exclusion from tendering for public contracts, and damage to its reputation.

The University takes its legal responsibilities very seriously. The Act has extra-territorial effect therefore it can apply to offences which take place in other countries as well as the UK.

1. **Scope of Policy**

This policy applies to all persons working for the University (including any of the University’s subsidiary companies/organisations or overseas campuses) or on the University’s behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located ("Staff"). This means that the Policy applies to all overseas campuses and/or subsidiary companies/organisations in any geographic location. The Policy also applies to third party organisations providing services to or conducting business on behalf of the University in any geographical location.

The policy applies to all activities of the University whether related to research, teaching, commercial or other activities.

This policy does not form part of any employee's contract of employment and it may be amended at any time.

1. **Compliance with Policy**

The University expects the highest standards of compliance with this policy from its staff and associated persons. Any breach of this policy will result in disciplinary action which could ultimately result in dismissal for misconduct or gross misconduct. Where a third-party performing services on behalf of the University is found to be in breach of this policy, action may be taken to terminate the relevant contractual relationship.

The University Executive Board, Heads of School and Heads of Directorate must ensure that this policy is enforced across the University.

The University is committed to ensuring that staff and departments understand and document the risks faced in relation to bribery and take appropriate steps to address those risks. This commitment includes training as part of the induction process for all University staff, as well as providing regular training to appropriate members of staff and ensuring this Policy is communicated to all staff by Heads of School and Heads of Directorate.

1. **Protection**

Individuals who refuse to accept or offer a bribe, or who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The University aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

Individuals should be assured that no University employee or associated person will be penalised in the event that the University loses a contract, bid or other interest as a result of compliance with this policy.

The University is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform your line manager immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure, which is available on the University website.

1. **The Policy Requirements**

It is not acceptable for staff and associated persons, or anyone on their behalf, to do any of the following:

* + 1. give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
    2. give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
    3. accept a payment, gift or hospitality from a third party that you know, or suspect is offered with the expectation that it will provide a business advantage for them or anyone else in return;
    4. offer or accept a gift to or from government officials or representatives, or politicians or political parties, without the prior approval of your line manager;
    5. threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy; or
    6. engage in any other activity that might lead to a breach of this policy.

The University aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy. This includes where a University employee suspects they are being blackmailed, extorted or pressured to commit or receive a bribe. All concerns about any issue or suspicion of bribery or corruption should be raised at the earliest possible stage to either the University Secretary or the Chief Legal Officer. Once an issue has been raised an appropriate manager will be appointed to carry out a thorough investigation into the allegations, with appropriate actions to follow where necessary.

Alternatively, malpractice may be reported by following the procedure set out in the University’s Whistleblowing policy.

If you are unsure about whether a particular act constitutes bribery or corruption, you should raise it with your line manager in the first instance.

1. **Record-keeping**

The University must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

You must declare and keep a written record of all hospitality or gifts given or received, which will be subject to managerial review.

You must submit all expenses claims relating to hospitality, gifts or payments to third parties in accordance with the University’s Expenses, Benefits, Hospitality and Gifts Policy and record the reason for expenditure.

All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

1. **Risk Assessment**

Certain areas of the University’s work and business relationships are subject to particular risks and require proportionate vigilance. To address those risks, the University keeps its risk assessment under regular review and will update the policy as necessary. Where necessary the University Secretary may request records from Schools, Directorates or University systems to ensure that this policy and any relevant risk assessment is up to date and being complied with.

The following have been identified as particular risks and are dealt with in further detail in this policy:

* Gifts, Entertainment and Hospitality;
* Facilitation payments; and
* Use of third-party representatives.

These are considered in more detail in **Annex 2**.

Examples of due diligence processes to be followed are set out in **Annex 3** and examples of particular red flags are set out in **Annex 4**. However, all employees must be vigilant concerning the risk of bribery and corruption and if in doubt should seek advice as set out at section 6 of this Policy.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Version | Keeper | Reviewed | Approved by | Approval date |
| V.1 | The University Secretary | Three yearly | Audit Committee | February 2024 |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

# Annex 1: Definitions

**Bribery**

**Bribery** is the offering, promising, giving or accepting any financial or other advantage to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage,

An advantage can include money, gifts, hospitality, expenses, reciprocal favours, political or charitable contributions, for any direct or indirect benefit or consideration. It is not confined to cash. The issuing or receipt of an invoice for a bribe or corrupt payment does not make it legal.

#### Corruption

**Corruption** is the abuse of entrusted power or position for private gain. Some examples include offering a bribe, receiving a bribe or bribing a foreign official.

### Facilitation Payments

### Facilitation payments (also known as “back-handers” or “grease payments”) are typically small, unofficial payments made to secure or expedite a routine or necessary action such as processing a licence or providing government paperwork (for example, by a government official). They are not common in the UK but may be more common in other jurisdictions in which the University operates.

***Example***: You arrange for the University to make an additional payment to a foreign official which will result in them processing a licence request more quickly.

### Kickbacks

### Kickbacks are typically payments made in return for a business favour or advantage.

### Failure of a commercial organisation (such as a University) to prevent bribery

The University commits an offence in relation to its activities if a person associated with the University bribes another person intending to:

* Obtain or retain business for the University; or
* Obtain or retain an advantage in the conduct of business for the University

A person is associated with the University if they perform services for or on behalf of the University.

***Example***: The University uses overseas agents to recruit students for its courses. One of your overseas agents has been offering cash payments to schools for access to their best students.

Despite the fact that the University is not making the cash payment itself, the overseas agent is performing a service on behalf of the University and the University may therefore be liable for the agent’s actions.

### Third Parties and Associated Persons

In this policy a **third party** or **associated person** means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties

This may also include registered students of the University working on University projects or otherwise conducting research or academic work under University supervision. Campus and joint venture partners, overseas agents, and other service providers such as agents who assist with the recruitment and immigration of overseas students are all included in this definition.

# Annex 2: Areas of Particular Risk

Certain areas of the University’s work and business relationships are subject to particular risks and require proportionate vigilance. These are identified in the Policy. These risks include the following:

#### Gifts, Entertainment and Hospitality

Further to S.9.4 of the University’s Financial Regulations, the University’s Scrutiny & Finance Committee have issued an Expenses & Hospitality Policy (published on the Finance pages of the University website) covering expenses, benefits, hospitality and gifts. That policy applies in addition to this Anti-Bribery and Corruption Policy in respect of those matters.

Gifts, entertainment and hospitality include the receipt or offer of gifts, meals or tokens of appreciation or gratitude, or invitations to events, functions, or other social gatherings, in matters connected with University business.

These activities are acceptable providing they are for a genuine purpose, reasonable and proportionate, given in the ordinary course of business and in compliance with the University Expenses and Hospitality policy. Gifts, hospitality and political or charitable donations will be bribes if they are given or received with the intention of influencing business decisions.

Gifts, hospitality and political or charitable donations will be bribes if they are given or received with the intention of influencing business decisions. This will be decided in line with the standards of the Bribery Act 2010, regardless of whether the gift, hospitality or donation occurs abroad, and the laws of that jurisdiction differ. Therefore, staff and associated persons, or anyone on their behalf must not give, promise to give, or offer or accept a gift or entertainment or hospitality:

* + - with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
    - during any negotiations or tender process, if it could be perceived as intended to or likely to influence the outcome;
    - that is unduly lavish or extravagant under the circumstances; or
    - that is from or to a foreign public official, which includes government officials or representatives, members of a public body and politicians.

Additionally, when giving or receiving gifts and hospitality, the following requirements must be met:

* They 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;
* They comply with any local law;
* They do not include cash or a cash equivalent (including gift certificates or vouchers);
* Considering the reason for the gift(s), they are of an appropriate type and value and given at an appropriate time (for example in the UK it is customary for small gifts to be given at Christmas); and
* They are given openly, not in secret.

Promotional gifts of low value such as branded stationary to or from existing customers, suppliers and business partners will usually be acceptable.

Reimbursing a third party’s expenses or accepting an offer to reimburse expenses incurred by the University or a member of its staff (for example, the costs of attending a business meeting) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay) is not acceptable.

The University appreciates that practice varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift, hospitality or payment is reasonable and justifiable. The intention behind it should always be considered.

#### Facilitation Payments and Kickbacks

It is unlawful for the University to offer, make, demand or accept facilitation payments or ‘kickbacks’ of any kind anywhere in the world.

Staff and associated persons, or anyone on their behalf, are prohibited from offering, making, demanding or accepting any facilitation payment. You must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by us or on our behalf, or that might suggest that such a payment will be made or accepted.

Further, staff and associated persons are under an obligation to recognise a facilitation payment. It is necessary to distinguish between properly payable fees and disguised requests for facilitation payments. If you are asked to make a payment on behalf of the University, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with your line manager in the first instance.

It is illegal to make any sort of payment or give anything of value to a foreign public official where this is to obtain or retain business or some other commercial advantage for the University. The offence of bribing a foreign public official is committed as soon as the offer of payment has been made or the request for payment complied with.

Foreign public officials include persons performing functions at state owned or controlled enterprises and agencies and therefore could potentially include those working for public universities outside of the UK.

In some countries, it may be customary for foreign public officials to request facilitation payments. However, facilitation payments made anywhere in the world are prohibited by the University and payment must not be made regardless of local custom.

The University recognises that there may be circumstances in which a person could face a request for such payments in circumstances of duress, including actual or implied threat to their personal safety. Common sense must be used in deciding whether to make a payment in such circumstances. The University will not penalise payments made in such circumstances. Where the circumstances set out in this paragraph apply, members of the University must as soon as possible report the circumstances to the University Secretary and/or the Chief Legal Officer.

#### Use of third-party representatives

In some areas of the University’s activities, it engages with agents and other intermediaries. All such appointments must follow risk-based due diligence procedures (detailed in **Annex 3**). For the appointment of overseas agents, a high level of due diligence is required. The University could be liable for the acts of these third parties which perform services on its behalf.

All arrangements with third parties should be subject to clear contractual terms, including specific terms requiring them to comply with minimum standards and procedures in relation to bribery and corruption. Local management is responsible for conducting appropriate due diligence which should be undertaken before any third parties are engaged.

The University’s zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and other third parties at the outset of any business relationship with them and as appropriate thereafter.

Any person or organisation performing services for the University or on its behalf must comply with the Act and this policy and have adequate procedures in place to prevent bribery and corruption, including relevant staff training, activity risk assessments, due diligence procedures for third parties and escalation routes.

Appropriate contractual provision regarding the Act must be put in place when dealing with third parties, which may include specific zero-tolerance Anti-Bribery and Corruption clauses being enforced, and/or the ability to terminate contracts with third parties who are found to breach bribery and corruption provisions.

Accurate records and financial reporting must be maintained for all activities and for all third-party representatives acting on behalf of the University. All financial transactions must be authorised by appropriate management in accordance with internal control procedures.

# Annex 3: Due Diligence

Appropriate risk-based due diligence must be conducted in relation to any party outside of the University who is performing services for or on its behalf. Enhanced due diligence should be conducted in relation to overseas agents and joint venture partners of the University and should be considered by the University in all appropriate cases.

It is the responsibility of the University to demonstrate that it has acted with due diligence when appointing third parties performing services for or on its behalf. The level of due diligence should include an assessment of factors including the country in which the business is to be conducted. Some guidance on some appropriate types of adequate due diligence is outlined below, but this is not and can never be a comprehensive list, and you should seek advice from your manager, Procurement (for purchasing contracts) or Legal Services if you have any concerns about a third party’s credentials or standing:

* Asking the party/agent to complete a background questionnaire, which might include:
  + details of the party/agent's ownership;
  + details of senior management of the party/agent;
  + a copy of CVs of key personnel performing services for the University;
  + details of referees for the party/agent and key personnel who will be providing services under the proposed agreement;
  + details of other directorships held, existing partnerships, and third-party relationships;
  + any relevant judicial or regulatory findings about the party/agent or key personnel of the party/agent; and
  + details of the jurisdictions in which the agent operates.
* Undertake research on the party/agent and any individuals who have a degree of control over them if the agent is a corporate entity.
* Check independently that the party/agent does not appear on any applicable sanctions list or have outstanding court actions or judgments against it.
* Make enquiries with any relevant authorities, including contacting a commercial attaché at the embassy in the territory where the party/agent operates, to verify information obtained in the questionnaire and seek any independent background information about the party/agent's reputation.
* Take up references and assess responses received, following these up where appropriate.
* Conduct any further enquiries of the party/agent to clarify any matters arising from the questionnaire, including arranging a face-to-face meeting if required. There may also be a need to meet with the party/agent in the territory.
* Request and review copies of the party/agent’s anti-bribery policies and any relevant procedures they operate to prevent bribery and corruption.
* Assess relevant commercial considerations for the University's activities, such as:
  + is the appointment necessary?
  + does the party/agent have the required expertise to provide the services?
  + is the party/agent going to interact with a public official, or are there any other connections between a party/agent and a public official?
  + are the proposed payment terms of the party/agent reasonable and in accordance with the market rate?
  + have appropriate steps been taken to consider alternative appointments/competitors to this party/agent?

# Annex 4: Red flags

The following is a list of possible red flags that may arise during the course of you working for us and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for us, you must report them promptly to Director of Finance, Chief Legal Officer, University Secretary or Director of Internal Audit, or using the procedure set out in the University’s Public Interest Disclosure (‘Whistleblowing’) Policy and Procedures.

* You become aware that a third party engages in, or has been accused of engaging in, improper business practices;
* You learn that a third party has a reputation for paying bribes, or requiting that bribes are paid to them, or has a reputation for having a “special relationship” with foreign government officials;
* Upon checking references, you find that the third party has an unsavoury reputation or is not well known in the sector;
* A third party insists on receiving a commission or fee payment before committing to sign up to a contract with the University, or carrying out a government function or process for it;
* A third-party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
* A third party retained by the University requests that payments be made to an unknown third party, be split upon multiple a accounts, be made to a country or geographic location different from where the third party resides or conducts its business, or any other unusual financial arrangements;
* A third party requests an unexpected additional fee or commission to ‘facilitate’ a service;
* A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
* A third party retained by the University requests that a payment is made to ‘overlook’ potential legal violations;
* A third party that the University seeks to retain lacks qualifications and/or staff to perform the expected service, or requests that you provide employment or some other advantage to a friend or relative;
* A third party relies heavily on political or government contacts instead of technical skills or time invested;
* You receive an invoice from a third party that appears to be non-standard or customised;
* A third party insists on the use of side letters or refuses to put terms agreed in writing;
* You notice that the University has been invoiced for a commission or fee payment that appears large given the service stated to have been provided (or the proposed compensation of a third party retained by the University is unreasonably high compared to the market rate without a reasonable explanation);
* A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us;
* The University or members of University staff are offered an unusually generous gift or offered lavish hospitality by a third party;
* A foreign public official recommends that the University hires a specific third party;
* There is an apparent abuse of decision-making processes or delegated powers;
* A third party which the University seeks to retain will not agree to terms requiring compliance with anti-corruption laws;
* A country in which the University is collaborating is a high-risk location for corruption; or
* The same third party is repeatedly used for business without any reasonable justification for their repeated appointment.