

UNIVERSITY OF LIVERPOOL

ANTI-CORRUPTION AND BRIBERY POLICY

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1. POLICY STATEMENT

- 1.1 It is University of Liverpool (“University”) policy to conduct all of its affairs in an honest and ethical manner. The University takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all the University business dealings and relationships wherever the University operates and implementing and enforcing effective systems to counter bribery.
- 1.2 The University will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which the University operates. However, the University remain bound by the laws of the UK, including the Bribery Act 2010, in respect of the University’s conduct both at home and abroad.
- 1.3 The purpose of this policy is to:
- (a) set out the University’s responsibilities, and of those working for the University, in observing and upholding the University’s position on bribery and corruption; and
 - (b) provide information and guidance to those working for the University on how to recognise and deal with bribery and corruption issues.
- 1.4 Bribery and corruption are punishable for individuals by up to ten years' imprisonment and if the University is found to have taken part in corruption the University could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation. The University therefore takes its legal responsibilities very seriously.
- 1.5 The University has identified that the following are particular risks for the organisation.
- Recruitment of overseas students via agents
 - Global ambitions – overseas partnerships
 - Financial uncertainty - reduced government funding
 - Receipt of financial donations

To address those risks the University has:-

- Reviewed its governance and risk structures and appointed the University Secretary with overall responsibility for the University's Anti-Bribery programme.
- Reviewed and revised the University's whistleblowing procedure.
- Reviewed the University's gifts and hospitality procedure and established the Gift Oversight Group chaired by the University Secretary.
- Amended the disciplinary and other HR procedures to cover bribery and corruption as gross misconduct.
- Revised the contracts and procedures for overseas agents.
- Reviewed its Fraud Response Policy and Fraud response plan.

2. WHO IS COVERED BY THE POLICY?

This policy applies to all individuals working at all levels and grades, including all academic staff, senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), trustees, consultants, contractors, trainees, seconded staff, casual associated staff and agency staff, volunteers, interns, agents, or any other person associated with the University (collectively referred to as **associated staff** in this policy).

3. WHAT IS BRIBERY?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

Examples:

Offering a bribe

You offer a potential benefactor an honorary title, but only if they agree to make a financial donation to the University.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. The University may also be found to have committed an offence because the offer has been made to obtain business for the University. It may also be an offence for the potential benefactor to accept your offer.

Receiving a bribe

A supplier of the University gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure the University continues to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

Bribing a foreign official

You arrange for the University to pay an additional payment to a foreign official to speed up an administrative process in order that a necessary licence can be obtained to start up a University abroad.

The offence of bribing a foreign public official has been committed as soon as the offer is made. This is because it is made to gain a commercial advantage for the University. The University may also be found to have committed an offence.

4. GIFTS AND HOSPITALITY

- 4.1 This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties.
- 4.2 The giving or receipt of gifts is not prohibited, if the following requirements are met:
- (a) it is not made with the intention of influencing a third party to obtain or retain funding or a business advantage, or to reward the provision or retention of funding or a business advantage, or in explicit or implicit exchange for favours, benefits or funding;
 - (b) it complies with local law;
 - (c) it is given in the name of the University, not in your name;
 - (d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
 - (e) it is appropriate in the circumstances. For example, in the UK it is customary for small gifts to be given at Christmas time;
 - (f) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
 - (g) it is given openly, not secretly; and
 - (h) gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of your line manager and the University Secretary.
- 4.3 The University appreciates that the practice of giving business gifts 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 or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

5. WHAT IS NOT ACCEPTABLE?

It is not acceptable for you (or someone on your behalf) to:

- (a) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a commercial advantage will be received, or to reward a commercial advantage already given;
- (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;
- (c) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a commercial advantage for them;
- (d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a commercial advantage will be provided by the University in return;
- (e) threaten or harass against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (f) engage in any activity that might lead to a breach of this policy.

6. FACILITATION PAYMENTS AND KICKBACKS

6.1 The University does not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in the UK, but are common in some other jurisdictions in which the University operates.

6.2 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 or the University Secretary.

6.3 Kickbacks are typically payments made in return for a commercial favour or advantage. All associated staff must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by the University.

7. DONATIONS

The University only makes charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the University Secretary.

8. YOUR RESPONSIBILITIES

- 8.1 You must ensure that you read, understand and comply with this policy.
- 8.2 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the University or under the University's control. All associated staff are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 8.3 You must notify your line manager or the University Secretary as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a client or potential client offers you something to gain a commercial advantage with the University, or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in the Schedule.
- 8.4 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. The University reserves the right to terminate the University's contractual relationship with other associated staff if they breach this policy.

9. RECORD-KEEPING

- 9.1 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.
- 9.2 You must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.
- 9.3 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the University's expenses policy and specifically record the reason for the expenditure.
- 9.4 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

10. HOW TO RAISE A CONCERN

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with

your line manager or the University Secretary. Concerns should be reported by following the procedure set out in our Public Disclosure Policy (Whistleblowing Policy). A copy of the University's Public Disclosure Policy (Whistleblowing Policy) can be found on the University's intranet at <http://www.liv.ac.uk/hr/policies/index.htm>

11. WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION

It is important that you tell your Line Manager or the University Secretary as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

12. PROTECTION

12.1 Associated staff who refuse to accept or offer a bribe, or those 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.

12.2 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 or the university Secretary immediately. If the matter is not remedied, and you are an employee, you should raise it formally using the University's Grievance Procedure, which can be found at <http://www.liv.ac.uk/hr/conditions/grievance/index.htm>

13. COMMUNICATION

13.1 Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

14. WHO IS RESPONSIBLE FOR THE POLICY?

14.1 Council has ultimate responsibility for ensuring this policy complies with the University's legal and ethical obligations, and that all those under the University's control comply with it. Its Audit committee provides a channel for formal reporting and appraisal of the system of managing corruption and bribery issues.

14.2 The University Secretary reporting to the Vice-Chancellor has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy.

15. MONITORING AND REVIEW

15.1 The University Secretary will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

15.2 All associated staff are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

15.3 Associated staff are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the University Secretary , email kevan.ryan@liverpool.ac.uk

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

15.5 This policy will be reviewed every 3 years.

Schedule Potential risk scenarios: "red flags"

The following is a list of possible red flags that may arise during the course of you working for the University 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 the University, you must report them promptly to your manager or to the University Secretary or using the procedure set out in the Public Interest Disclosure Policy (whistleblowing policy):

- (a) you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (b) you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- (c) 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 the University;
- (d) 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;
- (e) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (f) a third party requests an unexpected additional fee or commission to "facilitate" a service;
- (g) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (h) a third party requests that a payment is made to "overlook" potential legal violations;
- (i) a third party requests that you provide employment or some other advantage to a friend or relative;
- (j) you receive an invoice from a third party that appears to be non-standard or customised;
- (k) a third party insists on the use of side letters or refuses to put terms agreed in writing;
- (l) 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;

- (m) 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 the University; and
- (n) you are offered an unusually generous gift or offered lavish hospitality by a third party.

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Appendix 1

University Code of Conduct relating to Anti-Corruption & Bribery

The University of Liverpool takes a zero-tolerance approach to bribery and corruption. Under the Bribery Act 2010, a bribe is a 'financial or other advantage' offered, promised or given to induce a person to perform a relevant function or activity improperly, or to reward them for doing so. Under the Act, it is a criminal offence to;

- Offer, promise or give a bribe
- Request, agree to receive or accept a bribe
- Bribe a foreign public official to obtain or retain business
- (by an organisation) fail to prevent bribery by those acting on its behalf

In response to the Bribery Act 2010, the University has introduced an Anti-Corruption & Bribery Policy, which sets out in detail the responsibilities of the University and its 'Associated Staff' in relation to the prevention of bribery and corruption.

It is a requirement that all employees and 'associated staff' of the University (as defined by Clause 2 of the Policy) comply fully with the provisions of the Anti-Corruption & Bribery Policy, and any other related policies. Any person who breaches the policy will face disciplinary action, which could result in dismissal for gross misconduct.

Responsibilities of Employees and 'Associated Staff'

The prevention, detection and reporting of bribery and other forms of corruption and improper conduct are the responsibility of all those working for the University or under the University's control ('Associated Staff'). All *associated staff* are required to avoid any activity that might lead to, or suggest, a breach of this policy.

- You must ensure that you read, are familiar with and understand the Anti-Corruption & Bribery Policy and any related policies
- You must ensure that you comply with the provisions of the Anti-Corruption & Bribery Policy and any related policies, including ensuring that;
 - Your actions do not induce or reward someone either to perform a role or function improperly, or to 'facilitate' or expedite a routine procedure (ie, 'facilitation payment'). 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 or the University Secretary.
 - Your actions are not influenced by a benefit received to show favour or disfavour to any person or organisation. You should seek prior approval from your Line Manager and/or the University Secretary before accepting any gift, reward or hospitality that appears inappropriate/disproportionate in the circumstances and/or that you have any concern may be intended to influence you to change your behaviour or act improperly.

- You must not act in such a way as to create conflict between your official duty and private interest, and you must disclose any external interests which might potentially be seen as suggesting a conflict of interests, using the appropriate procedures.
- In no circumstances should gifts be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of your Line Manager and the University Secretary.
- You must seek the prior approval of the University Secretary before making any charitable donation on behalf of the University.
- You must follow the appropriate rules for the reporting and recording of offers/acceptances of gifts and hospitality, and for payments made to 3rd parties, as laid down in the Anti-Corruption & Bribery Policy and other related policies.
- You must follow the appropriate rules for the claiming of expenses as laid down in the applicable policies.
- The University's zero-tolerance approach to bribery and corruption must be communicated by the appropriate people to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.
- You must not threaten, harass or otherwise victimise any individual who has refused to commit a bribery offence or who has raised concerns under the Anti-Corruption & Bribery Policy
- All associated staff have a responsibility to notify their Line Manager and/or the University Secretary as soon as possible if you believe or suspect that a breach of this policy has occurred, or may occur in the future. Concerns should be reported by following the procedure set out in our Public Disclosure Policy (Whistleblowing) Policy; <http://www.liv.ac.uk/hr/policies/index.htm>

In all cases, advice as to whether a particular circumstance could constitute bribery/corruption, or over any other matter contained within the Anti-Corruption & Bribery Policy, is available from your Line Manager or from the University Secretary.