

# Policy

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**Title:** ANTI-CORRUPTION, FRAUD & BRIBERY

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## **1. Policy statement**

- 1.1 The University of Southampton is committed to conducting all of its business in an honest and ethical manner, and has a zero tolerance policy towards fraud, bribery and any form of dishonesty in its transactions.
- 1.2 The University will uphold all laws relevant to countering bribery, fraud and corruption in all the jurisdictions in which it operates. However, no matter where the University, its staff, members (including students) or agents operate, it and they must abide by the laws of the UK, including the Bribery Act 2010, in respect of conduct both at home and abroad.
- 1.3 Bribery and corruption are punishable for individuals by up to ten years imprisonment and or an unlimited fine, and if the University is found to have taken part in corruption it could also face a fine and be excluded from tendering for public contracts, as well as suffering damage to its reputation.
- 1.4 The University could also attract liability under the Bribery Act 2010 if a person associated with it is found to have paid a bribe on its behalf, and the University did not have adequate procedures in place to prevent such conduct. The University therefore takes its legal responsibilities very seriously. Likewise fraud may lead to civil and/or criminal proceedings.
- 1.5 Any allegation that a member of the University has acted in a manner that is illegal or inconsistent with this Policy will be treated seriously, regardless of the seniority of those involved. Disciplinary action up to and including dismissal or expulsion may result. Where it is believed that a criminal offence may have been committed, the police and other relevant bodies may be informed.

## **2. Objectives of the policy**

- 2.1 The aims of this Policy are to:
  - a. promote a culture of honesty, integrity and professionalism;
  - b. set out the University's responsibilities, and of those working for or on behalf of the University, in observing and upholding the University's position on bribery, fraud and corruption; and
  - c. provide information and guidance to those working for the University on how to recognise and address bribery, fraud and corruption issues.

## **3. Application of the policy**

- 3.1 This Policy applies to the conduct of all members of the University and any third party acting on its behalf, a non-exhaustive list of which includes permanent and fixed term staff, students, consultants, contractors, trainees, seconded staff, homeworkers, casual workers, agency staff, volunteers, interns, agents, sponsors, agents or any other person associated with the University, any of its subsidiaries or their employees, wherever they may be located (collectively referred to as 'members') in this Policy.
- 3.2 The University will draw this Policy to the attention of consultants and contractors through its procurement processes, and to its agents where involved.
- 3.3 This Policy should be read in conjunction with other University of Southampton Policies, Procedures and Regulations such as the:
  - a. University Financial Regulations;
  - b. Conflict of Interest Regulations;
  - c. Consultancy Policy;
  - d. Whistleblowing Policy; and
  - e. Disciplinary Procedures.

The policies at (a) to (e) above will not apply to external agents, contractors or consultants; however external suppliers of services to the University must still comply with this policy.

#### **4. Bribery**

4.1 A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. The advantage sought or the inducement offered does not have to be financial or remunerative in nature, and may take the form of improper performance of an activity or function.

#### **5. Gifts & hospitality**

5.1 The University Financial Regulations explain the University's policy towards gifts and hospitality (<http://www.soton.ac.uk/finance/central/fnregs.pdf>). In either the giving or receiving of gifts or hospitality, there must be no explicit or implicit attempt to influence third parties or be influenced by third parties in relations with the University.

#### **6. What is not acceptable?**

- 6.1 It is not acceptable for any member of the University (or someone on their behalf) to:
- 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;
  - 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;
  - accept payment from a third party that they know or suspect is offered with the expectation that it will obtain a business advantage for them;
  - accept a gift or hospitality from a third party if they know or suspect that it is offered or provided with an expectation that a business advantage will be provided by the University in return;
  - threaten another member of the University who has refused to commit a bribery offence or who has raised concerns under this policy; or
  - engage in any activity that might lead to a breach of this policy.
- 6.2 Notwithstanding the University's zero tolerance approach to bribery, the welfare of its staff and students is the University's primary concern, and the University does not require its members to do anything which might jeopardise their health and or safety. In the event that members of the University are threatened or coerced into engaging in conduct which might amount to breach of this Policy, they must act in a way which will safeguard their health and safety. In these circumstances the University will not take action against the member concerned, who should report these events in accordance with section 10 below.
- 6.3 The University only makes charitable donations that are legal and ethical under local laws and practices. No donations of any kind must be offered or made without the prior approval of the Chief Operating Officer.

#### **7. Fraud**

- 7.1 There is no precise legal definition of fraud. It is generally taken to involve theft – the removal of cash or assets to which the fraudster is not entitled – or false accounting – the falsification or alteration of accounting records or other documents. The University is potentially exposed Inter alia to:
- 7.1.2 External fraud, perpetuated by individuals outside the organisation;
  - 7.1.3 Internal fraud, perpetuated by management or other employees; and
  - 7.1.4 Collusion – either within the University or between University staff and outsiders.
- 7.2 The University seeks to apply its funds to its strategic aims. Any loss through fraud will reduce the effectiveness of the University's teaching, research and enterprise missions, and fraud or attempted fraud will be seen as a very serious matter, and will lead to disciplinary action being taken against employees, potentially leading to dismissal, and possibly to legal action against all individuals or corporate entities involved in the fraud or potential fraud.
- 7.3 The University will investigate all reports of fraud or potential fraud. These should be reported in the first instance to the Director of Finance, who will determine, in conjunction with the Chief Operating Officer, whether there is sufficient evidence or threat to the University to justify further investigation. The investigation will be conducted either by appropriate staff in the Finance Department or by the internal auditors. The Chair of Audit Committee will be informed of the start of any investigation, and Audit

Committee will be informed of the outcome of the investigation. It may be necessary to preserve confidentiality during investigations and any disciplinary procedures following from the investigation. Where there is any report of fraud against the Vice-Chancellor, the Chair of Council will be informed immediately. If there is an allegation of fraud against the Director of Finance or the Chief Operating Officer, this should be reported to the Vice-Chancellor.

- 7.4 As appropriate, the University will report fraud or attempted fraud to the police and to HEFCE (consistent with the requirements of the Financial Memorandum). The University will give full assistance to the police in any enquiries.
- 7.5 The University will seek to restore its assets, or recover financial losses against fraudsters.

## **8. Responsibilities**

- 8.1 Ultimate responsibility for this Policy rests with the University Council, however, Council will require the Vice-Chancellor to ensure that this Policy is applied effectively.
- 8.2 The Vice-Chancellor will delegate responsibility for the application of this Policy to Provost, Registrar and Chief Operating Officer and their senior staff.
- 8.3 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the University or under its control. All Members of the University are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 8.4 Any member of the University who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct in the case of an employee, or expulsion from the University for students and visiting academics. The University reserves the right to terminate any contractual relationship with contractors, agents or consultants 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 All University staff must declare and keep a written record of all hospitality or gifts in accordance with the University's Financial Regulations.
- 9.3 All expenses claims relating to hospitality, gifts or expenses incurred to third parties must be submitted in accordance with the University Financial Regulations 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**

- 10.1 All Members of the University are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If an individual is unsure whether a particular act constitutes bribery or corruption, or if they have any other queries, these should be raised with their line manager. Concerns should be reported by following the procedure set out in the University Whistleblowing Policy which is available at <http://www.soton.ac.uk/hr/working/policies/whistleblowing.html>, and the University will take all reasonable steps in accordance with that Policy to protect the confidentiality of those raising concerns.

## **11. Protection**

- 11.1 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 any member of the University believes that they have suffered any such treatment, they should inform their line manager immediately. If the matter is not remedied it may be raised formally using the University Grievance Procedure (where the individual concerned is an Employee), or through the Student Complaints Procedures, which can be found at <http://www.calendar.soton.ac.uk/sectionIII/ordinances-part3-grievance.html> and <http://www.calendar.soton.ac.uk/sectionIV/student-complaints.html> respectively.

## **12. Monitoring & review**

- 12.1 The Chief Operating Officer 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.
- 12.2 This Policy does not form part of any employee's contract of employment and it may be amended at any time.