

COUNCIL

Title of paper: Counter-Fraud, Anti-Corruption and Anti-Bribery Policy

Main purpose of the paper: For decision

Presenter(s): Andrea Wright-Watkinson, Director of Legal Services

Date of paper: 27 November 2024

Purpose of the paper

The Counter-Fraud, Anti-Corruption and Anti-Bribery Policy has been extensively redrafted since the 2017 policy and now also include the previous Gifts and Hospitality policy. We have considered sector best practice and consulted the BUFDG Counter-Fraud Toolkit.

The main substantive changes are found in Appendix A.

A new training programme for relevant colleagues is being provided, we recommend that this will be a short e-learn module, which all colleagues are required to complete when they join as part of the broader set of mandatory training.

Recommendations:

Endorsement of the policy for onward consideration and approval by Council. Approval to add the Counter Fraud e-learn to the broader set of mandatory training.

Consultation to date (including any previous committee consideration and its outcome):

Executive Board; Audit, Risk and Assurance Committee

Appendix A – Key policy changes

1. Obligations of our overseas subsidiaries to comply with UK bribery and fraud legislation are included.
2. Clarifications around colleague and student requirements have been included.
3. The new offence of failure of a large organisation to prevent fraud is included.
4. Roles and responsibilities have been updated, specifically to identify the Director of Legal Services and Director of Financial Control as joint authors of the Policy and jointly responsible for training content in the area.
5. Introduction of Fraud, Corruption and Bribery Response Group and clarification on the Fraud, Corruption and Bribery Response Plan.
6. A definitions section has been added at Appendix 1.
7. Additional guidance is provided at Appendix 2 which includes guidance on gifts and hospitality.
8. The level of gifts or hospitality that require disclosure have been updated. The approval for gifts and hospitality can be approved at a local level by either the Director of Faculty Operations or Head of Unit rather than automatically being escalated to the Registrar. Escalation to the Registrar is only need if the gift/hospitality exceeds £400.
9. A new training programme for relevant colleagues is being provided, we recommend that this will be a short e-learn module, which all colleagues are required to complete when they join as part of the broader set of mandatory training.



Counter-Fraud, Anti-Corruption and Anti-Bribery Policy

Effective from January 2025

1. Purpose

The University is committed to conducting its activities with honesty and transparency. Action against Fraud, Corruption and Bribery is of vital importance to the broader social, economic and political interests of society. This policy is to help prevent Fraud, Corruption and Bribery and to develop a Counter-Fraud, Anti-Corruption and Anti-Bribery culture by highlighting how to act if you suspect or detect Fraud, or an act of Corruption or Bribery.

The University is committed to ensuring that high standards of integrity and good governance apply in all of its areas of operation and that all its activity is conducted in accordance with relevant legislation and in an honest and transparent manner. This includes:

- ensuring the proper use of funds, both public and private.
- taking all practicable steps to prevent Fraud, Corruption and Bribery.

It is essential that everyone associated with the University is aware of the risk of Fraud, Corruption, Bribery, theft and other dishonest activity, in all of its forms, and their duty to report any concerns.

This policy lays out measures which the University has in place to deter Fraud, Corruption and Bribery, and to encourage prevention, detection and reporting. The policy includes guidance on the giving and acceptance of gifts and hospitality. The policy also covers the University Fraud, Corruption and Bribery Response Plan in cases of suspected Fraud, Corruption or Bribery.

A glossary of capitalised terms is provided at Appendix 1.

2. Who does the policy apply to?ⁱ

This policy applies to all Colleagues and Associated Persons involved with the University. It applies to any actual or suspected Fraud, Corruption or Bribery. It applies to **all University activities** and exists for the protection of Colleagues, Associated Persons and the University. This policy also applies to the University's campuses in Singapore and Malaysia, where local laws also apply.

This policy does not apply to students unless they are acting as Associated Persons. The Student Charter covers such conduct matters for students.

3. What is covered by the policy?

Fraud

Fraud is a broad term used to describe any intentional representation, including failure to declare information or abuse of position that is carried out to make financial gain, cause financial loss or expose others to the risk of loss of money or other property including intellectual property. It does not matter whether a gain was made or a loss caused, but rather that there was an intent to make such a gain or cause such a loss. The Fraud Act 2006 ("Fraud Act") defines three classes of Fraud and the Economic Crime and Criminal Transparency Act 2023 adds a fourth class of Fraud. The specific types of Fraud are:

- Fraud by false representation. The representation must be made dishonestly, and is made with the intention of making a gain or causing a loss or risk of loss to another. A representation is defined as false if it is untrue or misleading, and the person making it knows that it is, or might be untrue or misleading.

Representation can be stated in words or communicated by conduct.

- Fraud by failing to disclose information where there is a legal duty to disclose. That is, if a person is known to act dishonestly and intends to make a gain for themselves, cause a loss to another or expose another to a risk of loss, and this is not appropriately reported.
- Fraud by abuse of position. Fraud by abuse of position requires a person who is in a privileged position to act dishonestly by abusing the position held, and by doing so, fails to disclose to another person, information which they are legally required to disclose. The dishonest act must be with the intention of making a gain for themselves or another. Alternatively it may be with the intention of causing a loss or risk of loss to another. The offence may be committed by omitting to make a declaration as well as by an act.
- Failure of a large organisation (including a University) to prevent Fraud. A large organisation that fails to prevent Fraud by an Associated Person would commit an offence provided the Fraud was committed with the intention of benefitting the organisation or those to whom it provides services. The new offence has extra-territorial effect. For example, an offence will occur if an organisation fails to stop a non-UK associated party from committing Fraud abroad, providing some harm is felt in the UK or some other essential element of the Fraud offence occurs in the UK.

Bribery and Corruption

Bribery is defined by the UK Bribery Act 2010 (“Bribery Act”) as giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so. Corruption is defined as a misuse of power for personal gain, dishonest or fraudulent conduct typically involving Bribery.

Under the Bribery Act it is an offence:

- To offer, promise, give, request, agree to receive or accept a financial or other advantage with the intention to induce or reward Improper Performance. A Bribe can be in any form, size or value that would provide the intended recipient with some form of benefit or advantage. Bribes can be money, discounts, vouchers, loans, gifts, hospitality, accommodation, use of assets, preferential treatment, business advantage, employment opportunities etc.
- To offer, promise, give or agree to Bribe a Foreign Public Official in order to obtain or retain business, an advantage in the conduct of business, except where this is specifically permitted by law. The only exception is the payment of Facilitation Payments where not to do so would place any individual in imminent personal danger. Further guidance on Facilitation Payments is provided at Appendix 3.
- For commercial organisations (which may include Universities) to fail to prevent Bribery intended to give the organisation a business advantage by persons associated with them, including Colleagues and Associated Persons working on behalf of the organisation anywhere in the world.

The Bribery Act has extra-territorial reach, so the Bribery does not have to take place in the UK. Further if senior officers consent to the organisational failures that enable Bribery, they too could be liable for an offence under the Bribery Act as individuals.

As an institution it is therefore essential that we have a robust Counter-Fraud, Anti-Corruption and Anti-Bribery policy and appropriate training provided to relevant Colleagues.

Higher risks of Corruption and Bribery arise in certain overseas jurisdictions and due diligence should be undertaken on overseas jurisdictions prior to undertaking activity in those jurisdictions. Guidance can be found on the due diligence required when entering collaborative or partnership type activity with an external party in the Due Diligence Framework for External University Activity (see Executive and Governance Office - Due Diligence).

Academic misconduct

Academic misconduct is not within the scope of this policy. This is covered through separate policies, the key policies being:

(i) Policy for Investigating Allegations of Research Misconduct – this covers research misconduct, for example plagiarism, falsification, misrepresentation). The implementation of this policy is overseen by the University Research and Innovation Committee.

(ii) The Student Academic Misconduct Procedure – this covers student academic misconduct (for example plagiarism and breach of University Examination rules). The University Education Committee, a sub-committee of Senate, has overall responsibility for the quality management, policy and procedures necessary to maintain academic standards.

Investigation of any reports of non-academic misconduct made against a student including ‘acts of dishonesty, including theft, deceit or deception’ is carried out under the Student Disciplinary Procedure, by the Student Progress Service. Any reports relating to allegations of non-academic Fraud, Bribery or Corruption should be escalated by the Student Progress Service to the Registrar immediately upon receipt of the report to enable oversight by the Fraud, Bribery and Corruption Response Group.

4. Roles and responsibilities

Role	Responsibility
Colleagues and Associated Members	<ul style="list-style-type: none"> To raise any concerns they may have about suspected Fraud, Corruption or Bribery.
Council	<ul style="list-style-type: none"> Management and control of the University’s finances and property and for approving the University policy to combat Fraud, Corruption and Bribery. Responsible to the Office for Students for meeting its conditions of registration, which include comprehensive corporate risk management and control arrangements.
Registrar	<ul style="list-style-type: none"> Owner of this policy with global responsibility for ensuring that this policy is implemented and maintained. Receiving and responding to reports of suspected Fraud, Corruption or Bribery activities and initiating the Fraud, Corruption and Bribery Response Plan as required, including the commissioning of any investigations by the Financial Control and/or Internal Audit Team. Chair of the Fraud, Corruption and Bribery Response Group.
Chief Financial Officer	<ul style="list-style-type: none"> Responsible for ensuring strong financial controls across the University, including the implementation and maintenance of fraud risk assessment and associated internal controls.
Director of Legal Services	<ul style="list-style-type: none"> Joint author of the Counter-Fraud, Anti-Corruption and Anti-Bribery Policy. Jointly responsible for training content in the area, and for providing guidance on how to determine which Colleagues the training is relevant to Member of the Fraud, Corruption and Bribery Response Group. Involvement in Investigations where required.
Director of Financial Control	<ul style="list-style-type: none"> Joint author of the Counter-Fraud, Anti-Corruption and Anti-Bribery Policy. Jointly responsible for training content in the area, and for providing guidance on how to determine which Colleagues the training is relevant to Member of the Fraud, Corruption and Bribery Response Group. Involvement in Investigations.
Audit, Risk and Assurance Committee (ARAC)	<ul style="list-style-type: none"> To oversee, and report back to Council, on the effectiveness of the University’s policies related to ethical and other behaviours, including whistleblowing, Fraud, Corruption or Bribery, material adverse or reportable events, irregularity etc. including being notified of any action taken under these policies.
Head of Internal Audit	<ul style="list-style-type: none"> Alternate channel for the reporting of suspected cases of Fraud, Corruption or Bribery, in instances where the reporter would prefer to report to the Head of Internal Audit rather than the Registrar.

	<ul style="list-style-type: none"> • Member of Fraud, Corruption and Bribery Response Group. Involvement in investigations where required. • Provide independent assurance to ARAC over the University’s Counter-Fraud, Anti-Corruption and Anti-Bribery arrangements. Provide reporting to ARAC in respect of significant/material suspected cases, or where there are increases in the number of suspected cases or concerning trends/patterns which warrant the attention of ARAC.
Heads of Academic /Service Units	<ul style="list-style-type: none"> • Responsible for ensuring that all relevant Colleagues complete the appropriate training.
Board of Directors of wholly owned/controlled Subsidiaries	<ul style="list-style-type: none"> • Responsible for ensuring that this policy, or an alternate policy that is endorsed by the University is complied with, and that their colleagues and other associated persons are familiar with the policy, associated guidance and undertake the required training.
Board of Directors majority/equal or minority owned/controlled Subsidiaries or Joint Ventures	<ul style="list-style-type: none"> • To act in accordance with this policy or equivalent policies.

Executive Director of People Services, Risk Manager and/or other relevant post holders may be invited to join the Fraud, Corruption and Bribery Response Group as relevant.

5. Policy

The University is committed to the highest standards of honesty, accountability, probity and openness in its governance and expects the highest standards of conduct; the University will not tolerate Fraud, Corruption, Bribery or financial misconduct. The overriding objective of the University’s Counter-Fraud and Anti-Bribery/Corruption activity is to ensure that:

- Fraud, Bribery and Corruption are seen as unacceptable by each stakeholder; and
- Deterrence, prevention and detection activities have the engagement of the University as a whole.

5.1 Objectives of the Policy

The seven key objectives of the policy in respect of Counter-Fraud, Anti-Corruption and Anti-Bribery are:

1. Maximum deterrence, including appropriate culture and tone from the top.
2. Effective and timely risk-assessment, to ensure that proportionate controls and safeguards are in place.
3. Active and successful prevention, including appropriate due diligence.
4. Rapid detection.
5. Professional investigation, conducted without regard to factors such as position, title or length of service.
6. Effective internal and external actions and sanctions, including legal action for criminal offences and effective methods of seeking redress.
7. Effective communication, training and learning.

The University will seek to create an environment under which the opportunity for Fraud, Corruption and Bribery is minimised, for example via the publication of appropriate policies and codes of conduct, the implementation of effective managerial and financial controls, Colleague awareness and training, the work of internal and external audit and learnings from incidents to further improve internal controls.

5.2 Examples of Fraud, Bribery and Corruption and further guidance

Further Guidance of what might constitute Fraud, Corruption or Bribery is provided at Appendix 2 along with guidance on Gifts and Hospitality. This Guidance may be updated by the Director of Legal Services/ Director of

Financial Control from time to time without affecting this policy.

5.3 Requirements of Colleagues and Associated Persons

5.3.1. All Colleagues and Associated Persons:

- must avoid all activities which could constitute Fraud, Corruption or Bribery. No Colleague or Associated Persons shall seek a financial or other advantage for themselves or the University through Fraud, Corruption or Bribery.
- must not offer any Gift or Hospitality to someone (or favour them in any other way) if they know that this will involve someone in misuse of their position (or them performing their functions improperly).
- must not misuse their position (or perform their functions improperly) in connection with receiving any Gift or Hospitality or other payment or advantage (or other favours) for themselves or others.
- must not offer any Gift or Hospitality or other payment or advantage to any Foreign Public Officials (or favour them in any way) with an intention of influencing them so that the University may win or retain business or any kind of business advantage.

5.3.2. Additional Requirements of Colleagues are:

- To discharge duties in accordance with their employment obligations and with due regard to University policies and procedures;
- To always comply with the University's Financial Regulations and other managerial and internal control procedures.
- To undertake all training, as required by their line manager, associated with this policy;
- To ensure that decisions are taken solely in the University's interest. Where Colleagues are or perceive that their objectivity may be compromised by personal relationships, friendships, family links or personal advantage, they must (in line with the Personal Relationships at Work Policy take effective steps to communicate these concerns to their line manager and withdraw from any decision-making process.
- To disclose any interest or external activities as required by the University Policy on Declarations of External Interest.
- To follow the University's guidance around the offer and acceptance of Gifts and Hospitality, as outlined in Appendix 2.
- To protect the assets of the University. University assets should not be used for personal business, except as may be agreed from time to time in specific circumstances appropriately authorised by Head of Academic or Service Unit or member of Executive Board.
- To remain vigilant and report to the appropriate person concerns related to suspected Fraud, Corruption or Bribery or other corrupt behaviour.
- To co-operate fully with any internal or external investigations carried out into reported concerns.
- To maintain confidentiality about any suspected or actual incidents involving the University

5.4 Reporting Fraud, Corruption or Bribery

Colleagues are encouraged to raise any concerns they may have about suspected Fraud, Corruption or Bribery. Such concerns will be treated in confidence and in accordance with the Public Interest Disclosure Act 1998. The

University Whistleblowing (Public Interest Disclosure) Policy provides further information.

Instances of suspected Fraud, Corruption or Bribery should be promptly reported to the Registrar or the Head of Internal Audit. Suspected Fraud, Corruption or Bribery can be reported anonymously, but it is helpful for investigators if concerns are raised openly. If it is helpful, you should discuss the suspected Fraud, Corruption or Bribery with your line manager or local People Services adviser prior to reporting. You should not attempt to discuss the matter with the individual/s you suspect of committing the Fraud, Corruption or Bribery, and you should not attempt to investigate the matter yourself.

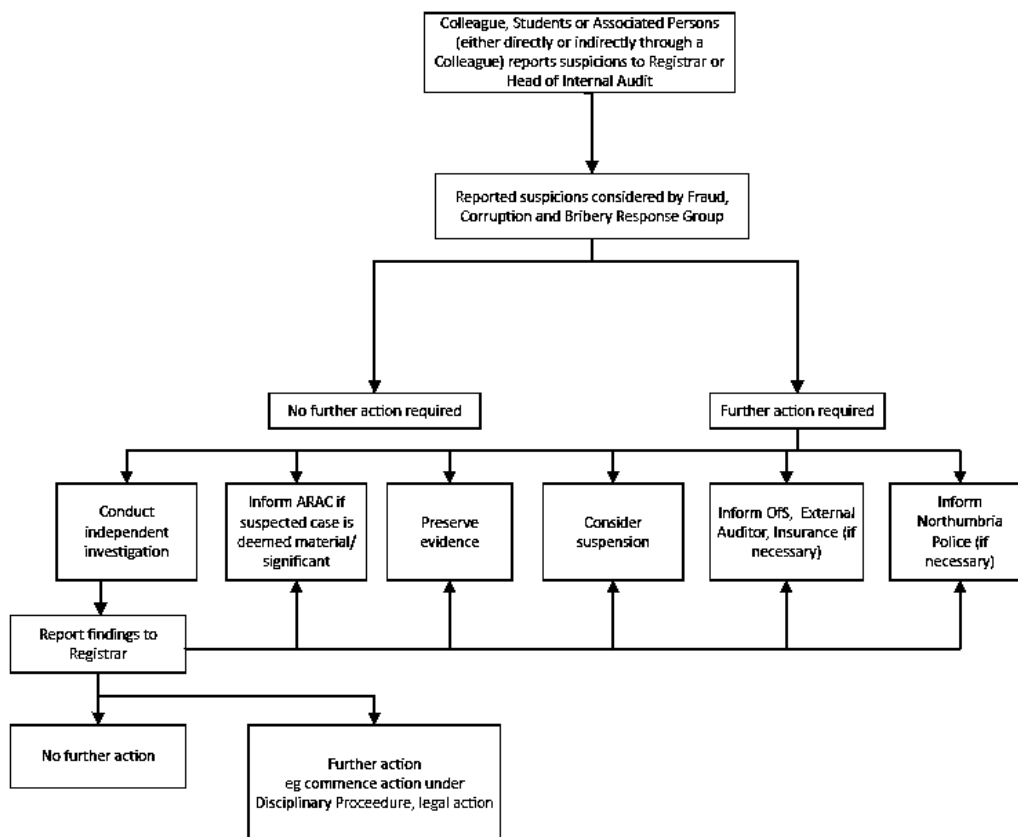
6. Related regulations, statutes, and policies

This policy interacts with and overlaps with many other University policies and procedures. Colleagues and Associated Persons should ensure that they familiarise themselves with all those applicable to their role and activities. These policies include:

- Policy and Procedures on Public Interest Disclosure (Whistleblowing)
- Policy on Declarations of External Interests
- Colleague disciplinary policy and procedure
- Financial Regulations
- Code of Good Practice in Research
- Travel and Expenses policy
- Student Disciplinary Procedure
- Anti-Facilitation of Tax Avoidance Policy
- Student Admissions policies and procedures
- Information Security policy

7. Procedure to implement the policy

The University has in place a Fraud, Corruption and Bribery Response Plan that sets out the steps to follow when Fraud, Corruption or Bribery are either suspected or found to have taken place ("Plan"), which is illustrated by the diagram below.



Any allegations of Fraud, Corruption or Bribery will be properly and promptly investigated in accordance with the Plan. The Plan may be updated from time to time without changing this policy. Any substantial variation of the Plan requires the approval of the Registrar or the Chief Financial Officer. Any minor variation of the Plan requires the approval of the Director of Financial Control or the Director of Legal Services.

Upon receipt of an allegation, the Registrar will convene the Fraud, Corruption and Bribery Response Group. The Fraud, Corruption and Bribery Response Group will determine whether an investigation into the allegation is required. Where an investigation is required, an independent Investigating Manager will be appointed by the Fraud, Corruption and Bribery Response Group; this will usually be a colleague from either the Finance or Legal Services teams, who will be assisted by a colleague from People Services. Where necessary, due to factors such as the potential financial impact, complexity of the allegation/case or a lack of availability of resource within the Finance or Legal Services teams, a member of the Internal Audit team or an external specialist may be appointed as the Investigating Manager.

An initial fact-finding investigation will usually be conducted by the Investigating Manager in the first instance (focussing on a desk-based review of the available evidence), the findings of which will be reported back to the Fraud, Corruption and Bribery Response Group before determining whether to conduct a full investigation in accordance with the relevant disciplinary policy and procedure. Investigations are targeted to be completed within 60 calendar days of an allegation being raised, although some circumstances may require a longer period of investigation and determination, for example if allegations are particularly complex or if there is a large volume of evidence to review.

8. Monitoring and reporting on compliance

8.1 This policy will be reviewed by the Director of Legal Services and the Director of Financial Control at least every three years.

8.2 Suspected cases of Fraud, Corruption or Bribery should be reported and investigated as detailed in the Plan.

9. Failure to comply

Where any act of Fraud, Corruption and Bribery is proven, the University will make every endeavour to ensure that the perpetrator(s) are dealt with the full extent of the law and University Disciplinary Policy/contractual processes/Student regulations, resulting, potentially, in dismissal (Colleagues), expulsion (students) and legal action (criminal prosecution and/or civil action for the recovery of misappropriated monies). The University will take every step to recover all losses in full.

10. Penalties

Penalties for Associated Persons that breach the Policy may result in contractual, legal or other sanctions.

Individuals found guilty of an offence under the Fraud Act or the Bribery Act can face an unlimited fine and /or prison sentence of up to ten years.

The University may face an unlimited fine if it is found to have failed to prevent Fraud or failed to prevent Bribes being made or received by Colleagues or Associated Persons. The University may also find itself excluded from certain public contracts or research income. It could also face significant reputational damage.

Individuals who refuse to take part in Fraud, Corruption or Bribery, or who report concerns under this policy in good faith, will be protected from detrimental treatment or retaliation. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

Malicious or vexatious complaints may result in disciplinary action.

Appendix 1: Definitions

Associated Persons:	include, but not limited to:
(i)	any individual or organisation acting (whether directly or indirectly) on behalf of the University, including collaborators, consultants, agents, Subsidiaries, recipients of grants, Joint Ventures, suppliers, distributors, advisors, government and public bodies, or any other person associated with the University wherever located;
(ii)	external members of Council and University committees, panels on boards if they perform services for or on behalf of the University;
(iii)	researchers and academic visitors whether self-funded or employed by other entities (such as funders, universities or colleges), and retired members of staff, if they perform services for or on behalf of the University;
(iv)	University Subsidiary and Joint Venture entities where the University wholly owns or controls the entity unless separate policies have been formally agreed and adopted by the Boards of those companies and endorsed by Executive Director of Finance]. This covers Joint Venture partners and, where applicable, those companies conducting services on behalf of the Joint Venture.
(v)	Students (i.e anyone who has a contract of study with the University) when employed by or otherwise acting on behalf of the University, e.g as a member of a committee or when representing the University in sports or other competitions.
Bribery:	See definition in paragraph 3(ii) of the policy.
Colleagues:	includes employees (whether permanent or temporary), seconded employees, employees in subsidiary companies, trainees, agency employees, voluntary workers, apprentices or interns.
Conflict of Interest:	where the commitments and obligations owed by a Colleague or student to the University or to other bodies compete, or are perceived to compete, with the personal interests or duties to other people or organisations (see also the University's "Policy on Declarations of External Interests").
Corruption:	See definition in paragraph 3 (ii) of the policy.
Donation:	a voluntary monetary or non-monetary contribution for which no return services or payment is expected to be made. The University does not permit donations to political parties or politicians.
Facilitation payments:	additional payments - often to Public Officials - to facilitate the proper performance of a job, i.e to secure or expedite a routine service to which you are already entitled. Any payment (or offer to pay) that is not legally and ethically justifiable may constitute a bribe and must not be paid. The exception is where you have no alternative but to make a payment to protect against loss of life, limb or liberty.
Foreign Public Official:	includes a wide range of people who have influence over the conduct of state institutions or the management of state assets, as well as the management of international institutions. The definition is sufficiently wide to include persons who have influence over the conduct of state-owned entities (such as higher education funding or grant giving bodies

	outside of the UK or an overseas University.
Fraud:	see definition in paragraph 3(i) of the policy.
Fraud, Corruption and Bribery Response Group:	the body responsible for ensuring compliance with the policy whose membership is detailed in the policy.
Gifts:	includes any token of gratitude and appreciation, gift vouchers, cash, or other items of value such as sports or theatre tickets.
Hospitality:	includes any attendance at social events, conferences, functions, or other occasions, business lunches and drinks and any travel or accommodation provided in connection with Hospitality.
Improper Performance:	means where the person concerned (i) fails to perform a Relevant Function or activity in good faith, impartially or in accordance with a position of trust; or (ii) fails to 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 explicitly permitted or required by the written law of the country in which it is performed.
Joint Venture:	a commercial arrangement between two or more participants who agree to cooperate to achieve a particular objective. Includes a wide range of collaborative business arrangements with differing degrees of integration, of fixed or indefinite duration.
Politically Exposed Person (PEP):	someone who has previously been entrusted with public functions in government or a public international organisation, including former head of state; senior politicians; senior government, judicial or military officials; senior executives of state-owned corporations; important political party officials; or senior members of public international organisations or their boards;
Public Official:	officials or employees of a government or other public body, agency or legal entity, including government ministers and civil servants; local government members and officials; political party officials and candidates for office; the police and other security agencies, such as immigration and border control; the armed forces; and officers, employees and representatives of public international organisations such as the UN, EU and World Bank. The employees of private or commercial bodies, including universities and research institutes in countries where these are considered to be state bodies (e.g. China), may also be public officials.
Relevant Function or activity:	any function of a public nature; any activity connected with a business; any activity performed during a person's employment; any activity performed by or on behalf of a body of persons (whether corporate or incorporate). A function or activity is relevant even if it has no connection with the UK and is performed in a country or territory outside the UK.
Subsidiaries:	a company is a 'subsidiary' of another company if that other company (a) holds a majority of voting rights in it, or (b) is a member of it and has the right to appoint or remove a majority of its board of directors or (c)

is a member of it and controls a majority of the voting rights in it, or if it is a subsidiary of a company that is itself a subsidiary of that other company.

Tax evasion: a deliberate effort not to pay tax, and the deliberate and dishonest facilitation of the commission of tax evasion by another person.

Third Party: includes actual and potential customers, suppliers, business contacts, agents, government and public bodies, including their advisors, representatives and officials, politicians and political parties.

University: the University of Newcastle upon Tyne.

APPENDIX 2

Guidance Notes on the University Counter-Fraud, Anti- Corruption and Anti-Bribery Policy

These Guidance Notes supplement the University's Counter-Fraud, Anti-Corruption and Anti-Bribery Policy. They aim to assist colleagues on the practical application of the policy. In addition, they include important obligations on specific areas, which Colleagues must comply with.

1. When might Fraud occur in a University context?

Examples of Fraud in a University context include, but are not limited to:

- Undertaking consultancy in a personal capacity without University permission.
- Fraud involving cash or physical assets.
- Fraud involving confidential information.
- Procurement and payment Fraud.
- Payroll Fraud.
- Fraudulent expense claims.
- Fraudulent financial reporting (i.e revenue recognition, asset valuation etc).
- Fraudulent regulatory and non-financial reporting.
- Facilitation of Tax Evasion.
- Academic Fraud including admissions, examinations, awards and research.
- Reference and qualification Fraud.
- Immigration Fraud.
- Recruitment, appointment and employment Fraud.
- Anti-competitive behaviour.
- Accommodation related Fraud, including preference and payment.

2. When might Bribery or Corruption occur in a University context?

Areas where there is a high risk of bribery occurring in a University context include (but are not limited to):

- Negotiating contracts and commissions.
- Procurement and tendering exercises.
- Relationships involving estates and property management.
- Failing to exercise adequate oversight over the operation of Subsidiaries and Joint Ventures.
- Relationships with other academic institutions, regulatory or funding bodies.
- Interacting with Public Officials and Politically Exposed Persons (PEPS).
- Gifts and donations to or from Colleagues.
- Handling confidential personal and research data.
- Dealing with agents, consultants, associates, intermediaries and partners in the UK or overseas who perform services on behalf of the University.
- Receiving and making donations and sponsorships.
- Admitting undergraduate, postgraduate and visiting students.
- Recruiting staff, interns, volunteers and work experience candidates.
- Selecting recipients for scholarships, bursaries and awards.
- Marking and assessment.
- Obtaining visas, permits and licences.

- Travelling overseas, for field trips or overseas research especially to countries where there are perceived higher levels of public sector corruption.
- Providing references and peer reviews.

All Colleagues and Associated Persons involved in these activities have a particular responsibility to make sure they are familiar with this policy.

3. Guidance on Gifts and Hospitality

3.1. Gifts and Hospitality can be used as a means of inducing Improper Performance, as well as for reasonable and legitimate business purposes, and may only be accepted or given when they meet the criteria set out in this Guidance, policy, the Finance Regulations and the Travel and Expenses Policy.

3.2. All Colleagues should ensure that they:

- Do not offer, promise or give a Gift or Hospitality where this may be interpreted as a Bribe or otherwise be improper.
- Do not request, agree to or accept a Gift or Hospitality where this may be interpreted as a Bribe or otherwise be improper.
- Do not offer, promise or give a Gift or Hospitality to a Public Official where this may be interpreted as a Bribe or any attempt to influence a Public Official in their capacity as such.

It applies to all Gifts and Hospitality that Colleagues give or receive in the context of their activities for the University. In cases where a Colleague pays for a Gift or Hospitality, but it is not reimbursed by the University, this Guidance Note remains applicable in this context.

3.3 Gifts and Hospitality (whether given or received), must:

- Have received approval in advance and be recorded in a Gifts and Hospitality Register, if it falls above certain limits (see 3.5 below for details).
- Be proportionate and reasonable having regard to the recipient and not give rise to ethical concerns.
- Not be lavish or excessive.
- Comply with all applicable local laws in addition to the Bribery Act (if given or received outside the UK).
- Not be offered or received at an inappropriate time (such as during a procurement or tender process, or in advance of a business decision involving the recipient or provider of the Gift or Hospitality); which may be seen as improperly influencing the University's activities or decisions.
- Never include cash or cash equivalents such as vouchers.
- Be given transparently, not secretly, and properly documented in the University's records.

3.4 Gifts to Colleagues

Gifts to Colleagues should not be made from University funds, other than in exceptional circumstances, such as bereavement or serious illness when provision of flowers may be appropriate. In other circumstances, such as retirement, leaving, etc gifts must not be made from University funds. Personal gifts to Colleagues or students may be paid for via the collection of donations from Colleagues/students.

3.5 Approval and Limits

3.5.1 For Gifts or Hospitality (given or received), approval is required for cases except:

- Offering any Gift or Hospitality under the value of £200, as long as the budget holder has approved; or

- Accepting a Gift or Hospitality under the value of £200; or
- Giving or receiving symbolic corporate memorabilia of low financial value.

3.5.2 In circumstances where there are multiple instances of Gifts or Hospitality being offered which individually fall below the threshold stipulated in 3.5 (i) but which accumulatively have a value above £350 then approval is required in accordance with the provisions of 3.5.3.

3.5.3 For Gifts or Hospitality offered or received over the value stipulated in paragraph 3.5.1 and 3.5.2 but under the value of £400 approval can be given by the Director of Faculty Operations for Faculty Colleagues and the Head of Unit for Professional Services Colleagues.

3.5.4 For Gifts or Hospitality offered or received, or which have an accumulative value, in excess of £400, approval must be sought from the Registrar.

3.5.5 All Gifts and Hospitality which require approval as detailed above must be recorded in either a Faculty or Central Professional Services Gifts and Hospitality Register. Details of Gifts and Hospitality offered to Colleagues of the University but refused must also be recorded in the Gifts and Hospitality Register along with the reason for their refusal.

3.6 Foreign Public Officials

3.6.1 Under the Bribery Act, there are special rules regarding Bribery of a Foreign Public Official, which require the exercise of particular caution when dealing with public officials.

3.6.2 To risk constituting a Bribe, a Gift, or Hospitality need only to be given to a Foreign Public Official with the intention of influencing the official in his/her capacity in return for business or a business advantage.

3.6.3 In respect of Gifts, or Hospitality any person working for the University must exercise additional caution when dealing with individuals who may be classed as Foreign Public Officials.

3.7 Political Donations by the University

The University does not in any circumstances make donations to political parties.

3.8 Philanthropic Giving

All donations made to the University by benefactors or others wishing to support the University's activities must be considered in the light of the Bribery Act. Charitable and philanthropic Gifts or donations must confirm to the principles set out in this Policy but are the responsibility of NU Advancement and subject to separate procedures, as set out in section 4.6 Finance Regulations for the receipt of donations.

3.9 Academic Activities (Admissions and Awards)

It is not permitted to accept any Gift or Hospitality from a Third Party who is concerned with or has an interest in the recruitment or admission of a Student or Students to the University; or the grading or awarding of any academic qualification, by the University, of a Student. This includes an offer by the Student themselves, or a relative or a recruitment agent. Non-monetary gifts from Students, given purely as a token of appreciation and unconnected to commissions or awards, and which would not otherwise give rise to a suggestion of impropriety, are permitted.

3.10 Agents, Other Third Parties, and Joint Ventures

3.10.1 In some parts of the University's activities, the University needs to engage agents and other

intermediaries. All appointments of agents and other parties who provide the University with services must follow risk-based due diligence procedures. This includes where the University enters any form of partnership with another organisation or a Joint Venture arrangement.

- 3.10.2 For the appointment of any overseas agents, a high level of due diligence is required.
- 3.10.3 Equivalent due diligence steps to those taken for overseas agents should be taken in relation to all Joint Venture partners outside the UK.
- 3.10.4 All appointments of agents and Joint Venture partners must be monitored and reviewed on a periodic basis and ongoing due diligence procedures adopted, proportionate to any corruption risks that have been identified.
- 3.10.5 Agents or other parties who are performing services for, or on behalf of the University, will be expected to agree to a contractual clause which confirms that they will comply with the University's Anti-Fraud, Corruption and Bribery Policy or adhere to an equivalent policy, standard or other procedures they may have in place to prevent Bribery. This clause will confirm that any breach of these anti-corruption obligations can lead to the termination of the contractual relationship.

3.11 Facilitation Payments

- 3.11.1 The University does not make, and will not accept, Facilitation Payments of any kind.
- 3.11.2 Examples of when such payments may be requested include to:
- Obtain a permit, licence or other official document or approval;
 - Facilitate provision of utilities, such as connecting water, electricity, gas or telephone services;
 - Allow safe or prompt entry or exit from a jurisdiction at border controls or crossings;
 - Avoid unwarranted delays when goods are held by a customs official; and
 - Ensure personal security or preservation of property from law enforcement officials.
- 3.11.3 Facilitation Payments differ from official, lawful payments (typically to an organisation rather than an individual) to expedite certain functions (e.g. where there is an official system to choose a fast-track service to obtain a passport). Identifying when a payment is a lawful, official payment and when it is a Facilitation Payment, and a bribe is not always straightforward. If Colleagues are not sure whether they are being asked to make a Facilitation Payment is important that they seek confirmation wherever possible, from an independent source as to whether the payment from an independent source. Services
- 3.11.4 If it is not possible to secure confirmation from an independent source that a requested payment is legitimate and a Colleague is unsure as to the validity of an official's request for a payment, they should follow the steps below, as far as it is possible to do so:

The Colleague should:

- Contact their line manager
- Ask the official for proof of the validity of the fee;
- Request that a receipt be provided confirming the validity of the payment;
- If no proof of validity will be provided, politely decline to make the payment and explain they cannot make the payment because of the University's policy and anti-bribery laws.
- If possible, ask to see the official's supervisor;
- Make a full note of the request, the circumstances and the parties involved; and
- At all times remain calm, respectful and polite.

If a Colleague is at risk of losing their liberty or in fear of their safety, they should not refuse the demand for a payment. In all circumstances Colleagues must report any demand for Facilitation

Payments immediately to their line manager who in return should refer the matter to Legal Services for expert advice or guidance where appropriate.

3.12 How to deal with demands for Facilitation Payments

It is important that if your work for the University takes place outside the UK that you research and understand the local laws in relation to the activity that you will be undertaking and that you understand the official requirements and administrative requirements involved. This will help provide clarity as to what is an official (and legitimate) demand and what may be unofficial (and illegitimate) demand from a Public Official for a payment.

For example, ensure you know in advance what permits and licences are needed for an activity from a government body or any Public Official in the jurisdiction where you will be travelling or working. If possible, obtain prior official confirmation that your documentation and any required permits and licences are in order to 'avoid' last minute demands for payments that may be unofficial.

Document control information		
Does this replace another policy? Yes		
Fraud, Corruption, Bribery and Financial Misconduct Policy and Procedure, and Policy on Gifts and Hospitality		
Approval		
Approved by: <i>TBC - Council</i>	Date: TBC	
Effective from: January 2025		
Review due – Every three years – December 2027		
Responsibilities		
Executive sponsor:	Colin Campbell, Registrar	
Policy owner:	Colin Campbell, Registrar	
Person(s) responsible for compliance:	Fraud, Corruption and Bribery Response Group – membership as detailed in the policy	
Consultation		
Version	Body consulted	Date
	Executive Board	27 September 2024
Equality, Diversity and Inclusion Analysis:		
Does the policy have the potential to impact on people in a different way because of their protected characteristics? No		
Initial assessment by: Anna Munro, Director of Financial Control Andrea Wright-Watkinson, Director of Legal Services	Date: September 2024	
Document location		
<i>(eg www.ncl.ac.uk/XXXXX etc)</i>		