

The UK Bribery Act 2010 and How it Affects You

What is Bribery?

Bribery is generally defined as giving someone a financial or other advantage (not necessarily cash, and not necessarily of significant value) to encourage or influence that person to perform their functions or activities improperly or to reward that person for having already done so. The UK government has recently introduced new legislation to tackle bribery and corruption both in the UK and overseas.

Keneth Clark, the UK Secretary of State for Justice, has explained the need for action on the basis that: *"Bribery blights lives. Its immediate victims include firms that lose out unfairly. The wider victims are government and society, undermined by a weakened rule of law and damaged social and economic development. At stake is the principle of free and fair competition, which stands diminished by each bribe offered or accepted."*

UK Bribery Act 2010

The Bribery Act 2010 ("the Act") came into force on 1 July 2011 and applies to the whole of the UK. The UK courts also have a wide extra-territorial jurisdiction to deal with bribery committed outside the UK by persons and organisations with a close connection to the UK. Corporate bodies, including universities, are also liable to prosecution and may suffer reputational damage if a person/organisation **associated** with them bribes another person/organisation intending to obtain or retain business for them or an advantage in the conduct of business. This is why we need to brief all partners, agents and contacts associated with us about the Act, our expectations of their conduct and the implications if these standards are not met.

Our Approach and Policies

The University is committed to the highest standards of openness, integrity and accountability. It has always been the University's policy to conduct its business in an honest way and to reject the use of corrupt practices or acts of bribery to obtain an unfair advantage. We have an Anti-Bribery Policy and an Anti-Corruption Policy which set out our expectations of our own staff and we also expect all organisations and individuals we work with to abide by the same terms. These policies have recently been refreshed. The University's Anti-Bribery Policy can be found at <http://www.shu.ac.uk/about/legal.html>. Our Fraud and Corruption Response Plan, Whistle-blowing Policy and Anti-Money Laundering Policy also support our commitment. Copies of these are available on request from SHULegal@shu.ac.uk.

The Offences

The Act specifies three criminal offences which can be committed by organisations or individuals:

1. Paying or offering a bribe;
2. Accepting or requesting a bribe; and
3. Bribing a foreign public official.

There is also a fourth offence which can only be committed by an organisation:

4. Failing to prevent bribery by persons associated with the organisation.

The Defence

The Act provides organisations with a defence against a prosecution for the fourth offence if they can demonstrate that they have robust and effective anti bribery systems. We are putting procedures in place, in a risk-based and proportionate manner, to seek to prevent bribery by our own employees and by anyone associated with us.

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Gifts and Hospitality

Normal hospitality which is reasonable and proportionate is not prohibited by the Act, but we are currently reviewing our gifts and corporate entertaining policies to ensure that they are fully compliant with the Act. This may affect what gifts and hospitality we receive from or give to you in the future.

Corruption and bribery are against the law in every country in the world. Please note that it is no defence in UK law to say that a payment or practice is customary in an overseas institution or culture - the Act specifically says that UK standards must be applied.

Penalties and Consequences

The penalty for any organisation found to have committed a bribery offence under UK law is an unlimited fine. Individuals could face a ten year prison sentence and an unlimited fine. The University also risks serious reputational damage if we, any of our staff or any partner, agent or contact we work with were to be accused or found guilty of bribery or corruption.

Our Expectations

We ask that you take reasonable steps to prevent your directors, employees, officers, agents, affiliates or subsidiaries engaging in corrupt practices. We also ask that you please take an appropriate anti-bribery approach with your sub-contractors (usually by including a suitable anti-bribery clause in the contract) and oblige them to adopt the same approach with the next party down the supply chain and so on.

Our Position

You will see from this briefing that Sheffield Hallam University takes the issues of bribery and corruption extremely seriously, and we hope you will share our belief that corrupt practices must be stamped out.

Please note that Sheffield Hallam University will consider any act, offer, acceptance or omission which would constitute a breach of the UK Bribery Act 2010 or of our policies as a ground to terminate our contract with your organisation.

