

1	Policy/CoP title: Anti-Fraud and Bribery Policy
2	Summary description This document sets out the University's position on Fraud and Bribery and its framework for addressing the Bribery Act 2010
3	Scope This policy and associated guidance applies throughout the University, and includes majority and wholly owned University subsidiary companies except where alternative policies have been approved. This policy and associated guidance applies to all staff and associated persons acting on behalf of the University in any manner.
4	With effect from 19 November 2015
5	Other related policies/CoPs <ul style="list-style-type: none"> • Financial Regulations, Procedures and Guidance; • Code of Practice on registration of interests. • Gifts and Hospitality Procedure. • Policy and Procedure on disclosures in the public interest (whistle-blowing) • University ethics framework. • Code of Good Research Practice. • Statement of Research Integrity
6	Contact for further information University Registrar and Secretary, Email j.strachan@hull.ac.uk Tel 01482 465302
7	'Alternative format' declaration This document is available in alternative formats from the Governance team.
8	Approved by Endorsed and recommended to Council by Executive in November 2015 Approved by Council on 19 November 2015
9	Next due for review November 2018 (subject to legislative changes)
10	Reference to any superseded policy/amalgamations First version June 2013

11	Relevant legal framework Bribery Act 2010 Charities Act 2006
12	Equality analysis The implementation of this policy is not considered to have a negative impact on protected characteristics
13	Freedom of information This Policy is publicly available through the University's Publication Scheme under the Freedom of Information Act 2000
14	Other professional standards reference points Not applicable

University of Hull

Anti-Fraud and Bribery Policy

SUMMARY

Policy:

The University has no tolerance of bribery and fraud and will take appropriate action to prevent it in respect of its activities.

Bribery and fraud by University employees or student members acting on behalf of the University will be treated as a serious disciplinary offence.

Standards:

Staff and other associated persons who act on behalf of the University are expected to abide by the following standards:

- no financial or other advantage shall be sought through bribery;
- in respect of any activity carried out on behalf of the University, no form of fraud shall be engaged in;
- the payment or acceptance of facilitation payments will not be tolerated;
- University Gifts and Hospitality Procedure must be adhered to at all times;
- any suspicion of bribery or fraud should be reported immediately through the defined channels.

Application:

This policy and associated guidance applies throughout the University, and includes majority and wholly owned University subsidiary companies except where alternative policies have been approved.

This policy and associated guidance applies to all staff and associated persons acting on behalf of the University in any manner.

Risk assessment:

Bribery and fraud risk should be regularly assessed by Faculties, Departments and Committees.

Third parties:

Third parties acting for or providing services to the University are expected not to commit bribery or fraud and are advised to familiarise themselves with the provisions of this policy.

1. Policy

- 1.1 The University is committed to conducting its activities fairly, honestly and openly, in accordance with relevant legislation, and to the highest standards of integrity. The University has no tolerance of bribery or fraud, and believes that action against bribery and fraud is in the broader interests of society. As a charity deriving a proportion of its income from public funds and charitable organisations, the University is particularly concerned to protect its operations and reputation and its funders, donors, staff and students from the detriment associated with bribery and other corrupt activity. It is therefore committed to preventing bribery and fraud by its staff and any third party acting for or on behalf of the University.
- 1.2 The University will take appropriate action to prevent bribery and all forms of fraud in respect of its activities. Where bribery and fraud are shown to have occurred, the University will take firm action, which may include dismissal and legal action. Bribery and fraud by University employees or student members acting on behalf of the University will be treated as a serious disciplinary offence.

2. Standards

- 2.1 Staff and associated persons who act on behalf of or provide services to the University are expected to act at all times in a manner that is fair, impartial, and without favouritism or bias. In order to conduct the activities of the University to the highest standards of integrity, in accordance with relevant legislation, and to ensure that there can be no suspicion or appearance of corruption, they are expected to abide by the following standards:
 - 2.1.1 no member of staff or person acting on behalf of or providing services for the University shall seek a financial or other advantage for the University through bribery; nor shall they offer, promise, give, request, agree to receive or accept a bribe for any purpose;
 - 2.1.2 the University has no tolerance of fraud within its operations and members of staff or persons acting on behalf of or providing services for the University must not engage in any form of fraud in respect of activity carried out on behalf of the University;
 - 2.1.3 Fraud may be financial or property-related (including both tangible and intangible property) and may include, for example, deliberate misrepresentation of research in order to gain a benefit or cause a loss.
 - 2.1.4 the payment or acceptance of facilitation payments is unacceptable and will not be tolerated.
 - 2.1.5 staff and persons acting on behalf of or providing services for the University must abide by the University Policy on Gifts and Hospitality;
 - 2.1.6 any suspicion of bribery or fraud should be reported immediately through the channels defined by this Policy, and the University will consider appropriately all such reported instances.

3. Application

3.1 Definition and scope

- 3.1.1 This policy applies to all staff and associated persons of the University. It shall be made generally available and published publicly via the University web-site at <http://www.hull.ac.uk/policies>
- 3.1.2 Bribery and fraud are complex legal concepts: further definition and explanatory guidance is provided separately in Appendix 1
- 3.1.3 This policy and associated explanatory guidance has been adopted by Council and applies throughout the University. This policy also applies in full to majority and wholly owned University subsidiary companies unless separate policies have been formally approved and adopted by the Boards of those companies and endorsed by Council.

3.2 Responsibilities and reporting

- 3.2.1 The Registrar is responsible for ensuring that this policy is implemented and maintained and that appropriate explanatory guidance is provided. Deans, Heads of Department, and Directors of Professional Services are responsible for ensuring that staff within their faculties or departments (as appropriate), affected students, and other associated persons are made aware of this policy and associated explanatory guidance.
- 3.2.2 The Boards of Directors of majority and wholly owned subsidiary companies of the University are responsible for ensuring that this policy, or an alternate policy that is approved by Council, is implemented and maintained within those companies and that staff and other associated persons are made aware of the policy and associated explanatory guidance.
- 3.2.3 Every member of staff and associated person who acts on behalf of or provides services to the University is responsible for ensuring that they comply at all times with this policy and guard against the commission of bribery or fraud.
- 3.2.4 The Registrar, or a nominated delegate, is responsible for monitoring the effectiveness of this policy, keeping it under regular review, and proposing any amendments in the policy to Council as appropriate and necessary. To this end, he or she will:
 - (a) ensure that appropriate levels of explanatory guidance and training are provided to support this policy and that they are kept up to date;
 - (b) ensure that any standard University documents and procedures (including procurement terms and procedures, fundraising documentation, and terms and conditions of sale, hire and employment) reflect the requirements of this policy;
 - (c) ensure that procedures are in place to deal with suspected instances of bribery and fraud and to coordinate the University's response to any investigation or charge under anti-bribery or fraud legislation;

- (d) ensure that procedures are in place to communicate this policy to all staff and others who act on behalf of or provide services for the University and, where appropriate, to arrange for the provision of further guidance and training;
- (e) compile an annual report for the Audit Committee on the implementation of this policy, including the outcomes of any relevant risk assessments and due diligence and any reported incidents of suspected bribery and fraud.

3.3 Suspected instances of bribery and fraud

3.3.1. Under this policy

- (a) individuals who suspect that bribery or fraud has occurred are required to report their concerns immediately to their line manager, who must alert the Registrar immediately;
- (b) all disclosures are to be made in accordance with the University's Public Interest Disclosure Code of Practice;
- (c) the University will consider and deal appropriately with all reported instances of bribery and fraud;
- (d) the Registrar will ensure that a register of reported incidents of bribery and fraud is maintained.

3.4 Interaction with other policies, procedures and regulation

3.4.1 This policy interacts and overlaps with a number of other University policies and procedures:

- Financial Regulations, Procedures and Guidance;
- Code of Practice on registration of interests;
- Gifts and Hospitality Procedure;
- Policy and Procedure on disclosures in the public interest (whistle-blowing);
- University ethics framework;
- Code of Good Research Practice;
- Statement of Research Integrity.

3.4.2 This policy also takes account of the University's wider legislative obligations and provisions pertaining to bribery, fraud and associated behaviour as set out in but not limited to:

- The Bribery Act, 2010;
- The Fraud Act, 2006;
- The Terrorism Act, 2006;
- The Proceeds of Crime Act, 2002; and
- The Computer Misuse Act, 1990.

4. Risk assessment

- 4.1 Bribery and fraud risk should be regularly assessed as a specific part of the wider risk assessment and management performed by faculties, departments and committees. Significant transactions – those that are of high value, or high risk, or high profile – should always be subject to a specific bribery and fraud risk assessment. Proportionate preventative and detective controls should be identified and implemented, together with regular reviews to determine their efficacy. i.e. significantly increased risk due to the nature of the transaction, third party, territory, opportunity or sector.
- 4.2 Where risk assessments indicate a significant risk that bribery or fraud might occur appropriate due diligence must be conducted prior to proceeding with the relevant transaction.

5. Third parties

- 5.1 The University expects third parties acting for or providing services to the University not to commit bribery or fraud and will take appropriate measures and action should it discover that third parties are engaging in bribery and fraud.
- 5.2 Third parties are advised, therefore, to make themselves fully aware of the provisions of this policy and, in particular, the Standards relating to bribery and fraud. Where appropriate, the University will include contractual obligations in respect of adherence to this policy in its agreements with third parties.

6. Further guidance

Further guidance, including definition of terminology used, as well as examples is provided separately in Appendix 1.

Appendix 1

Definitions

Fraud

The University, in accordance with the HEFCE Audit Code of Practice, defines fraud and corruption to include impropriety, fraud, theft, and loss of charity assets or other irregularity.

The Fraud Act 2006 makes provision for, and in connection with, criminal liability for fraud and obtaining services dishonestly. The Act provides for three different ways of committing the offence, being:

- Fraud by false representation – dishonestly making a false representation, and intention, by making the representation, to make a gain for themselves or another, or to cause loss to another or to expose another to a risk of loss;
- Fraud by failing to disclose information – dishonestly fails to disclose to another person information which they are under a legal duty to disclose, and intends, by failing to disclose the information, to make a gain for themselves or another, or to cause loss to another or expose another to a risk of loss;
- Fraud by abuse of position – occupies a position which they are expected to safeguard, or not to act against, the financial interests of another person, dishonestly abuses that person, and intends, by means of the abuse of that position to make a gain for themselves or another, or to cause loss to another or to expose another to a risk of loss. A person may be regarded as having abused his position even though their conduct consisted of an omission rather than an act.

Bribery

Bribery can be defined 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."*

The Bribery Act 2010 outlaws both giving (active bribery) and receiving bribes (passive bribery) and could extend to cover seeking to influence a decision maker by giving some kind of extra benefit which amounts to more than can legitimately be offered as part of a tender process.

The Act creates four categories of offence that address the following:

- paying or offering a bribe;
- receiving or requesting a bribe;
- bribing a foreign public official;
- the corporate offence of failing to prevent bribery.

Examples of fraud, which are neither exclusive nor exhaustive, include the following:

- Misappropriation of cash e.g. theft of cash from cash boxes, cash registers, and takings from trading outlets, vending machines. Theft of stock; Fraudulent encashment of payable orders or cheques;
- Misappropriation of other assets including information and intellectual property. This would also include theft of stationery for private use, unauthorised use of University property e.g. vehicles, computers, other equipment;
- Purchasing or purchase ledger fraud (e.g. approving/paying for goods not received, approving/paying bogus suppliers, approving/paying inflated prices for goods and services, accepting any bribe);
- Travel and subsistence claims overstated or falsely claimed. This may include advances not recovered or forging of counter-signatories;
- Accepting pay for time not worked (e.g. false claim for hours worked, failing to work full contracted hours by any member of staff, false overtime claims, or falsification of sickness self-certification);
- Computer Fraud (e.g. altering or substituting records, duplicating or creating spurious records, or destroying or suppressing records).

Warning Signs

Whilst by no means being proof on their own, the circumstances below (warning signs) may indicate fraud, and should therefore put managers, staff and students on the alert:

- Altered documents (correcting fluid, different pen or handwriting)
- Claim form details not readily checkable
- Changes in normal patterns, of cash takings or travel claim details (for example)
- Text erratic or difficult to read or with details missing
- Delay in completion or submission of claim forms
- Lack of vouchers or receipts in support of expense claims, etc.
- Staff seemingly living beyond their means
- Staff under constant financial or other stress
- Staff choosing not to take annual leave (and so preventing others becoming involved in their work), especially if solely responsible for a 'risk' area
- Complaints from public or staff
- Always working late
- Refusal of promotion
- Insistence on dealing with a particular individual.