

# PRESTON CITY COUNCIL

## ANTI BRIBERY POLICY

### 1.0 Introduction

- 1.1 This policy has been produced in response to the Bribery Act 2010 which came into force on 1<sup>st</sup> July 2011.
- 1.2 Bribery is a criminal offence. The Council does not, and will not, pay bribes or offer improper inducements to anyone for any purpose, nor does it or will it accept bribes or improper inducements.
- 1.3 To use a third party as a means to channel bribes to others is a criminal offence. The Council does not, and will not, engage indirectly in or otherwise encourage bribery. It is committed to the prevention, deterrence and detection of bribery and has a zero tolerance towards bribery. The Council aims to maintain anti-bribery compliance "business as usual", rather than as a one-off exercise.

### 2.0 Objective of this policy

- 2.1 The aims of this policy are :-
  - To provide a coherent and consistent framework to enable staff and members to comply with the law.
  - To enable employees to identify and effectively report a potential breach.
- 2.2 The Council requires that all its employees, members and those with whom it deals:-
  - act honestly and with integrity at all times and to safeguard the organisation's resources
  - comply with the spirit, as well as the letter, of the law in all areas that the council operates.

### 3.0 Scope of this policy

- Applies to all of the Council's activities.
- Covers all:-
  - employees (permanent and temporary)
  - contractors
  - suppliers
  - non-executives

- agents
  - partners
  - members (including independent members),
  - volunteers
  - consultants
- The Council will seek to encourage all external partners with whom it deals to adopt the same principles and approach towards bribery as set out in this policy.
- Responsibility to control the risk of bribery occurring resides at all levels throughout the Council.

#### **4.0 Preston City Council's commitment to action**

##### 4.1 The Council commits to:

- Setting out a clear anti-bribery policy and keeping it up to date
- Making all employees aware of their responsibilities to adhere strictly to this policy at all times
- Training all employees so that they can recognise and avoid the use of bribery by themselves and others
- Encouraging its employees to be vigilant and to report any suspicions of bribery
- Rigorously investigating instances of alleged bribery and assisting police and other appropriate authorities in any resultant prosecution
- Taking firm and vigorous action against any individual(s) involved in bribery
- Including appropriate clauses in contracts to prevent bribery.

#### **5.0 Bribery - definition**

5.1 Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage.

#### **6.0 The Bribery Act**

6.1 There are four key offences under the Act:

- Bribery of another person (section 1)
- Accepting a bribe (section 2)
- Bribing a foreign official (section 6)
- Failing to prevent bribery (section 7)

6.2 The Bribery Act 2010 makes it an offence to offer, promise or give a bribe (Section 1). It also makes it an offence to request, agree to receive, or accept a bribe (Section 2). Section 6 of the Act creates a separate offence of bribing a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business. There is also a corporate offence under Section 7 of failure by a commercial organisation to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business, for the organisation. An organisation will have a defence to this corporate offence if it can show that it had in place adequate procedures designed to prevent bribery by or of persons associated with the organisation.

## **7.0 Are we a “commercial organisation”?**

7.1 The guidance states that a “commercial organisation” is any body formed in the United Kingdom and “...it does not matter if it pursues primarily charitable or educational aims or purely public functions. It will be caught if it engages in commercial activities, irrespective of the purpose for which profits are made.”

## **8.0 What are “adequate procedures”?**

8.1 Whether the procedures are adequate will ultimately be a matter for the courts to decide on a case-by-case basis. Adequate procedures need to be applied proportionately, based on the level of risk of bribery in the organisation. It is for individual organisations to determine proportionate procedures in the recommended areas of six principles. These principles are not prescriptive. They are intended to be flexible and outcome focused, allowing for the different circumstances of organisations. Small organisations will, for example, face different challenges to those faced by large multi-national enterprises. The detail of how organisations apply these principles will vary, but the outcome should always be robust and effective anti-bribery procedures.

- ***Proportionate procedures***

The Council’s procedures to prevent bribery by persons associated with it are proportionate to the bribery risks it faces and to the nature, scale and complexity of the organisation’s activities. They are also clear, practical, accessible, effectively implemented and enforced.

- ***Top level commitment***

The Council is committed to preventing bribery by persons associated with it. They foster a culture within the organisation in which bribery is never acceptable.

- ***Risk Assessment***

The Council assesses the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it. The assessment is periodic, informed and documented. It includes financial risks but also other risks such as reputational damage.

- ***Due diligence***

The Council applies due diligence procedures, taking a proportionate and risk based approach, in respect of persons who perform or will perform services for or on behalf of the organisation, in order to mitigate identified bribery risks.

- ***Communication (including training)***

The Council seeks to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal and external communication, including training that is proportionate to the risks it faces.

- ***Monitoring and review***

The Council monitors and reviews procedures designed to prevent bribery by persons associated with it and makes improvements where necessary.

**Preston City Council is committed to proportional implementation of these principles.**

## **9.0 Penalties**

9.1 An individual guilty of an offence under sections 1, 2 or 6 is liable:

- On conviction in a magistrates court, to imprisonment for a maximum term of 12 months (six months in Northern Ireland), or to a fine not exceeding £5,000, or to both
- On conviction in a crown court, to imprisonment for a maximum term of ten years, or to an unlimited fine, or both

9.2 Organisations are liable for these fines and if guilty of an offence under section 7 are liable to an unlimited fine.

## **10.0 Bribery is not tolerated – DO NOT ATTEMPT IT**

10.1 It is unacceptable 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 you 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 you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return
- retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy

- engage in activity in breach of this policy.

### **11.0 Facilitation payments**

- 11.1 Facilitation payments are not tolerated and are illegal. Facilitation payments are unofficial payments made to public officials in order to secure or expedite actions.

### **12.0 Gifts and hospitality**

- 12.1 This policy is not meant to change the requirements of our gifts and hospitality policy. This makes it clear that:

- reasonable, proportionate gifts and hospitality made in good faith and that are not lavish are acceptable.

**(See Employee Code of Conduct for further details)**

### **13.0 Public contracts and failure to prevent bribery**

- 13.1 Under the Public Contracts Regulations 2006 (which gives effect to EU law in the UK), a company is automatically and perpetually debarred from competing for public contracts where it is convicted of a corruption offence. There are no plans to amend the 2006 Regulations for this to include the crime of failure to prevent bribery. Organisations that are convicted of failing to prevent bribery are not automatically barred from participating in tenders for public contracts. This organisation has the discretion to exclude organisations convicted of this offence.

### **14.0 Staff and Member responsibilities**

- 14.1 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the organisation or under its control. All staff and Members are required to avoid activity that breaches this policy.

- 14.2 You must:

- ensure that you read, understand and comply with this policy
- raise concerns as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future.

- 14.3 As well as the possibility of civil and criminal prosecution, staff that breach this policy will face disciplinary action, which could result in dismissal for gross misconduct.

## **15.0 Raising a concern**

15.1 The Council is committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity. We want each and every member of staff to know how they can raise concerns.

15.2 We all have a responsibility to help detect, prevent and report instances of bribery. If you have a concern regarding a suspected instance of bribery or corruption, please speak up – your information and assistance will help. The sooner you act, the sooner it can be resolved.

### **HELP STAMP IT OUT !**

15.3 There are a number of channels to help you raise concerns. Please refer to the Whistleblowing Policy and determine your preferred course of action.

15.4 Within the Council, concerns can be raised with the following officers:-

- Chief Executive
- Director of Corporate Services
- Monitoring Officer
- Chief Internal Auditor

If your concern relates to a Member of the Council, in the first place, the matter should be raised with the Monitoring Officer.

15.5 Preferably the disclosure will be made and resolved internally (e.g. to one of the above named officers. If you believe that internal disclosure is not appropriate, concerns can be raised with the external auditor or Public Concern at Work. (See Whistleblowing Policy for contact details).

15.6 Concerns can be anonymous. In the event that an incident of bribery, corruption, or wrongdoing is reported, we will act as soon as possible to evaluate the situation. We have clearly defined procedures for investigating fraud, misconduct and non-compliance issues and these will be followed in any investigation of this kind. This is easier and quicker if concerns raised are not anonymous.

15.7 Staff who refuse to accept or offer a bribe, or those who raise concerns or report wrongdoing can understandably be worried about the repercussions. We aim to encourage openness and will support anyone who raises a genuine concern in good faith under this policy, even if they turn out to be mistaken.

15.8 The Council is committed to ensuring nobody suffers detrimental treatment through refusing to take part in bribery or corruption, or because of reporting a concern in good faith.

### **IF IN DOUBT, REPORT IT**

If you have any questions about this policy, please contact the Monitoring Officer or the Chief Internal Auditor.