

NCG Anti-Bribery and Corruption Policy (including Gifts and Hospitality)



<u>Policy Title</u>	Anti-Bribery and Corruption Policy (including Gifts and Hospitality)	
<u>Policy Category</u>	Compliant	
<u>Owner</u>	Director of Assurance and Risk	
<u>Group Executive Lead</u>	Executive Director and Secretary to the Board	
<u>Date Written</u>	November 2021	
<u>Considered By</u>	Executive Board	
<u>Approved By</u>	Audit Committee	
<u>Date Approved</u>	February 2022	
<u>Equality Impact Assessment</u>	The implementation of this policy is not considered to have a negative impact on protected characteristics.	
<u>Freedom of Information</u>	This document will be publicly available through the Groups Publication Scheme.	
<u>Review Date</u>	November 2025	
<u>Policy Summary</u>	This policy sets out NCG position on Anti Bribery and Corruption.	
<u>Applicability of Policy</u>	<u>Consultation Undertaken</u>	<u>Applicable To</u>
Newcastle	Yes	Yes
Newcastle Sixth Form	No	Yes
Carlisle	No	Yes
Kidderminster	No	Yes
Lewisham	No	Yes
Southwark	No	Yes
West Lancashire	No	Yes
Group Services	No	Yes
<u>Changes to Earlier Versions</u>		
<u>Previous Approval Date</u>	<u>Summarise Changes Made Here</u>	
	N/A – First version	

<u>Linked Documents</u>	
<u>Document Title</u>	<u>Relevance</u>
Whistle Blowing Policy	Both policies uphold and protect NCG's Students
Financial Regulations	Both policies uphold and protect NCG's Student Sponsor Licence

1. Definitions

Bribery can be defined as the offering, giving, receiving or soliciting of any item of value (money, goods, favours or other forms of recompense) to influence the actions of an official or other person in charge of a public or legal duty.

Corruption can be defined as dishonest or fraudulent conduct, typically involving bribery.

2. Introduction & Scope

2.1 Introduction

NCG is committed to the highest standards of integrity, probity and ethics in all its dealings - wherever they may take place and in whatever context. Bribery is both illegal and unethical and brings with it the potential for criminal liability and severe penalties - at both NCG and individual level. The legislation is extensive and, crucially, NCG's anti-bribery responsibilities do not end at the office door or campus boundary. Those responsibilities potentially extend to any associated person, representative, agent, subsidiary, partnership or body engaged on NCG business, including those within and outside of the UK.

2.2 Approach

NCG has a zero-tolerance approach to bribery and serious action will be taken against anyone found to be involved in bribery, up to and including dismissal under NCG's disciplinary processes. For associated persons, breach of this policy may result in contractual, legal and / or other sanction(s).

2.3 Scope

This policy applies to all NCG staff and students. It also applies to agency and self-employed workers working for NCG, and all other persons associated with and acting for NCG, whether directly or indirectly. This definition includes external members of NCG Committees, representatives, agents, subsidiaries, individuals appointed as directors of any company, consultants, contractors and partners. To the fullest extent permissible by law, this policy shall apply in all jurisdictions in which NCG operates.

2.4 Bribery risks

It should be stressed that, in common with other Education Institutions, NCG faces a range of bribery risks throughout its activities, operations and geographies. These risks include, but are not limited to, bribery in relation to admissions, examinations, awards, procurement, construction and field trips.

3. What is Bribery? The Bribery Act 2010 & other legislation

3.1 The Bribery Act

The Act came into force in July 2011. It is a comprehensive piece of legislation which has extensive scope and geographic reach.

According to the Act, bribery is where someone requires, gives or promises financial (or other) advantage with the intention of inducing or rewarding *improper performance*. Improper performance is a key concept and generally means where an individual does not act in good faith, impartially and / or properly. The test of what is proper is based upon what a person in the UK would reasonably expect.

A typical example of improper performance could involve work being continually directed to a particular construction contractor at the expense of other qualified contractors because of bribery - work that has invariably been overpriced to allow for the bribery payments required.

Under the Act, there are two general forms of bribery where individuals are personally criminally liable:

- Offering, promising or giving of a bribe (either directly or indirectly) with the intent to induce a person to improperly perform a relevant function - known as *active bribery*.
- Requesting, agreeing to receive or accepting a bribe (either directly or indirectly) such that a relevant function is, or will be, improperly performed - known as *passive bribery*.

There are two other related offences:

- Bribing a foreign public official to obtain or retain business or an advantage to the conduct of business.
- Corporate liability where a body, such as NCG, fails to prevent bribery.

It is important to note that:

- So-called 'facilitation payments' - payments typically to government officials to facilitate special treatment, such as prioritisation in an approval process - are also bribes. NCG does not offer or make, and shall not demand or accept, facilitation payments of any kind. Advice should be sought if required to distinguish between properly payable fees and disguised requests for facilitation payments.
- The timing of bribery payments - before, during and / or after a relevant function - does not affect the offence.

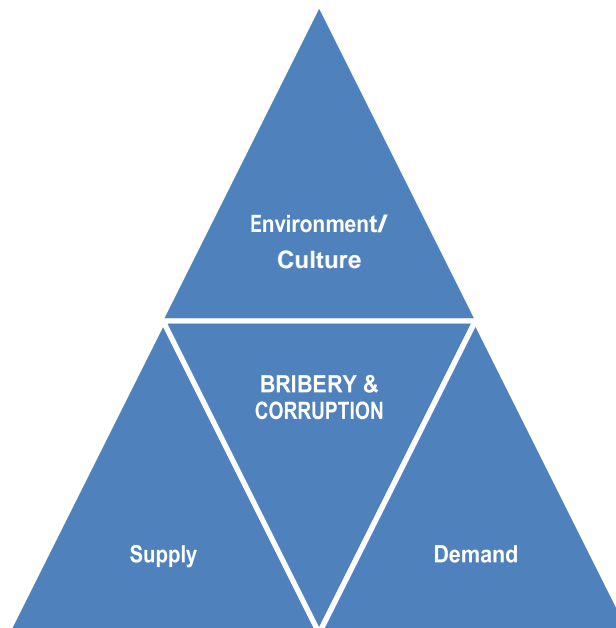
3.2 Overseas reach

The Bribery Act has extensive global reach and holds UK organisations liable for failing to implement *adequate procedures* sufficient to prevent such acts by those working for NCG or on its behalf, no matter where in the world the act takes place.

3.3 Mitigation

There is a statutory defence against the Act if NCG can demonstrate that it had in place appropriate and adequate procedures designed to prevent bribery.

The 'Bribery Triangle', below, shows the three key drivers of bribery and corruption: environment and culture, supply of money, goods, services and favours as the currency of bribery, and demand for that currency:



NCG's anti-bribery and corruption procedures are intended to directly mitigate its risk of bribery and corruption by impacting the three elements of the bribery triangle - by changing the organisational environment and culture, by removing / restricting the supply of money, goods, services and favours and / or reducing the demand for bribery. Reducing the demand for bribery, although clearly challenging, can be achieved in a number of ways including collaboratively creating a 'level playing field' or 'no bribery' approach in the education sector.

4. Identifying the risk of bribery

4.1 Risk Management

Effective risk management lies at the very heart of this policy. Risk management is a crucial element of NCG's overall governance process. It facilitates identification of the specific areas where NCG does, or could, face bribery and corruption risks and allows mitigation plans, actions and protections to be put in place.

Global custom and practice in business can be deeply rooted in the attitudes, cultures and economic prosperity of a particular region, any of which can change at any time. Moreover, UK norms may not be applicable in some parts of the world where NCG has interests; for example, the definition of 'foreign public official' may be technically significantly different in those countries where there is extensive nationalisation.

4.2 Areas of Risk

Whilst NCG's high risks will undoubtedly change over time, the areas of continuing bribery high risk that will require enhanced levels of due diligence and caution will almost certainly include:

- Agents and Intermediaries, particularly those who operate in jurisdictions where bribery is prevalent or endemic.
- Joint Ventures and consultancies, where NCG could be held liable for any bribery or corruption committed by a third party with whom NCG is associated by means of a joint venture or consultancy agreement.
- Contracts, particularly construction contracts where the values involved are likely to be high - and the industry has a perceived propensity for bribery.
- All aspects of procurement of services (particularly) and goods undertaken by NCG.

5. Gifts & Hospitality (UK) / Gifts & Entertainment (US)

5.1 Outline

Gifts, Hospitality and Entertainment is a collective term for the receipt or offer of gifts, meals, travel costs, entertainment, tokens of appreciation and gratitude, or invitations to events, functions, or other social gatherings, in connection with matters related to NCG. It should be noted, however, that travel costs would only exceptionally be borne by a third party, and that the travel authorisation process is a key element of NCG's overall corporate governance infrastructure and best practice.

5.2 Scope

Normal, reasonable and proportionate hospitality given or received as part of NCG's wider student, commercial, promotional and marketing activities which is genuinely aimed at building a good business relationship or improving the profile of NCG is allowable, within limits (see below).

Hospitality must not be accepted by employees of NCG in circumstances that may allow the employee to appear to be unduly influenced in favour of the provider of that hospitality. Those circumstances might, for example, include the proximity of the hospitality to the award of a contract. The gift or receipt of hospitality which is aimed at securing an improper business or other advantage, or which may affect the recipient's independence is obviously not permissible.

Clearly, hospitality can amount to real or perceived bribery, and caution should always be exercised. If there is any doubt about the propriety of hospitality, it should not be accepted or offered.

Unfortunately, policy and real events can be different, and it is not unknown for a purported 'quick bite' with a supplier to be turned into a lavish five-star lunch, with all its potential connotations. In general, the simple 'acid' test for hospitality can be phrased as *'Is it reasonable, and could I reciprocate?'*

5.3 Register and Declarations

NCG maintains a gift register process, for both inbound and outbound gifts and hospitality, and it is essential that each occurrence is accurately recorded.

Staff must declare all gifts valued in excess of £50 to the Executive Director & Secretary to the Board who will maintain the central register. **Gifts valued in excess of £100 should be declined.** The Executive Director & Secretary to the Board is the final arbiter on the advisability of accepting / refusing gifts and hospitality and should be approached for guidance in any circumstances where the decision based on this document is not clear or where the action prescribed is likely to cause offence.

Under no circumstances must any gift of money be made or received by an employee or official of NCG.

6. Policy statement

6.1 NCG values its reputation for ethical behaviour and recognises that any involvement in bribery is illegal and will reflect adversely on its hard-earned image and reputation.

6.2 NCG prohibits the offering, giving, soliciting or the acceptance of any bribe in whatever form to, or from, any person or company (public or private) by anyone associated with NCG.



6.3 NCG expects any person or company (public or private) associated with NCG to act with integrity and without any actions that may be considered an offence within the meaning of the Bribery Act 2010.

6.4 NCG requires any potential breaches of this policy and bribery offers to be reported under NCG reporting processes (see 9, below).

6.5 The prevention, detection and reporting of bribery is the responsibility of everyone associated with NCG.

7. Communication

It is the responsibility of all staff to ensure that this policy is fully and regularly communicated to those involved with NCG business within their area. Crucially, this will include communication not only to staff but other external agencies e.g. agents, representatives and contractors.

8. Monitoring & Review

This policy will be reviewed by the Audit Committee. Any incidents of bribery and corruption reported to, and recorded by, the Executive Director and Secretary to the Board will be incorporated into that review.

9. Reporting Concerns

9.1 All employees and others associated with NCG are encouraged to report any concerns that they may have regarding potential breaches of this policy, including incidents relating to external agencies and third parties. This includes any instances where you may be the victim of attempted bribery.

Concerns should be raised with:

Name	Title/Role	E-mail	Postal Address
David Balme	Executive Director & Secretary to the Board	David.balme@ncgrp.co.uk	NCG Rye Hill House Newcastle Upon Tyne NE4 7SA
Liz Bromley	CEO	Liz.bromley@ncgrp.co.uk	NCG Rye Hill House Newcastle Upon Tyne NE4 7SA



- 9.2** NCG has a comprehensive Whistle-blowing Policy that is an integral, but physically separate, part of this document.
- 9.3** NCG is fully committed to ensuring that there is a safe and confidential method of reporting any suspected wrongdoing to nominated officers. NCG's Whistle-blowing Policy also permits employees, and anyone contractually associated with NCG, to raise concerns of malpractice in NCG, and those involving partners or competitors.
- 9.4** Any allegations of misconduct under this policy within the jurisdiction will be taken very seriously. If appropriate, action may be taken under NCG's disciplinary processes. Attempted bribery or acceptance of a bribe may be considered as gross misconduct and, where it is considered that a criminal offence has occurred, the police may be informed.