



## **ANTI-BRIBERY PROCEDURE**

**(covering all employees)**

### DOCUMENT VERSION CONTROL

<b>Date</b>	<b>Author</b>	<b>Version</b>	<b>Status</b>	<b>Reason for Change</b>
Aug 2012	SEStran	1.0	FINAL	Policy adopted
Oct 2017	SEStran	1.2	FINAL	Adoption of version control

## Contents

1. Introduction
2. The Bribery Act 2010
3. Step 1 – Establish responsibility for bribery prevention measures
4. Step 2 – Carry out a risk assessment
5. Step 3 – Put in place proportionate bribery prevention measures
6. Step 4 – Review due diligence measures
7. Step 5 – Communication and training
8. Step 5 – Monitoring and review

## **1 Introduction**

- 1.1 This Procedure should be read in conjunction with SEStran's Anti Bribery Policy and Anti-Fraud and Corruption Policy.
- 1.2 This procedure is intended to provide a tool for assessing and mitigating risk of bribery.

## **2 The Bribery Act 2010**

- 2.1 The Act came into force on 1 July 2011.
- 2.2 Under the Act SEStran must ensure that we have put in place adequate procedures designed to prevent bribery by or of persons associated with the organisation. This includes anyone who performs services for or on behalf of SEStran.
- 2.3 Failure to do so could result in liability for both individuals and SEStran as a whole, and could result in custodial sentences and / or severe fines.
- 2.4 The government has commented that such procedures should be informed by six principles:
  - Top Level Commitment
  - Risk Assessment
  - Proportionate procedures
  - Due Diligence
  - Communications
  - Monitoring and Review

The following procedural steps embody these six principles:

## **3 Step 1 – Establish responsibility for bribery prevention measures**

- 3.1 SEStran's Monitoring Officer has overall corporate responsibility for ensuring that SEStran complies with the Act.

## **4 Step 2 – Carry out a Risk Assessment**

- 4.1 A risk assessment must be carried out to understand the level of risk attributable to bribery. This should highlight areas where effort needs to be focused and ensure that procedures are proportionate to the risks faced.
- 4.2 The risk assessment must be carried out on an annual basis.
- 4.3 The list below provides the basis of a generic assessment that may highlight areas where further enquiries are necessary to identify exposure to risk:
- Transactions
    - are there any significant / high value transactions that SEStran enters into on a regular / irregular basis?
    - Do any transactions involve third parties or associated persons?
    - Who approves these transactions, and are adequate control procedures in place?
  - Business areas
    - Does SEStran undertake business in business areas known to have general or specific Bribery risks?
    - What (if anything) has been done to mitigate these risks?
  - Contractors / Suppliers / Partner organisations
    - Does SEStran carry out business in conjunction with contractors / suppliers / partner organisations?
    - Who can approve the creation of such business arrangements, and are adequate control procedures in place?
    - What (if any) due diligence has been undertaken into any such partner organisations?
    - Are any partner organisations required to “sign up” to equivalent anti-bribery policies / procedures?
    - What are the sanctions (if any) that can be taken against a partner for a breach of the bribery Act?
  - Known Bribery Risks
    - Has SEStran faced any bribery incidents in the past?
    - What has been done to prevent such incidents happening again, and has this been successful?
  - Financial Controls

- Are financial controls in place that adequately audit / check for unusual / suspicious transactions?
- What financial controls are imposed on expenses / hospitality / regular and irregular payments?
- What financial controls are in place to review approval of new business arrangements / payments?
- Procurement
  - Are adequate controls in place within procurement arrangements, and are staff adequately trained in following procurement procedures?
  - Are procurement transactions subject to regular audit / spot checks to identify unusual / suspicious transactions?
- Training
  - Are adequate controls in place within operational systems, and are staff adequately trained in operating these systems and associated procedures?
  - What recent training has been given to staff on bribery? Is this ongoing / repeated on a regular basis?
- Recruitment
  - Are adequate proportionate recruitment checks carried out to ensure the risk of bribery is minimised?
  - Is a clear position on bribery and the consequences of bribery written into contractual documentation?
  - Do current induction procedures adequately state the organisation's position on bribery and how to report it?
- Staff Performance Review & Development
  - Are employees reminded annually of their responsibilities regarding bribery as part of the PRD process?

## 5 Step 3 – Put in place proportionate bribery prevention measures

- 5.1 Having identified the relevant areas of risk, SEStran must put in place adequate measures and controls that address the potential areas of bribery. These need to be applied **proportionately**, based on the level of risk.
- 5.2 These should be reviewed on a regular basis to ensure they are effective, especially if new practices or business arrangements are put in place.

## **6 Step 4 – Review Due Diligence measures**

- 6.1 Due diligence involves assessing a proposed or existing business relationship or transaction, and ensuring any risk is mitigated by putting in place appropriate procedures and checks.
- 6.2 It involves checking the businesses or people with whom we work to ensure they are trustworthy, solvent and have a good reputation for doing business.
- 6.3 Where a process is already in place to do this (e.g. tendering processes) managers and employees must ensure that all steps outlined in the process are followed correctly and completed fully.
- 6.4 SEStran should carry out and fully document thorough due diligence checks to satisfy themselves that any risk is mitigated.

## **7 Step 5 – Communication and Training**

- 7.1 The Monitoring Officer should ensure that SEStran’s position on bribery is clearly communicated both internally and externally.
- 7.2 SEStran may wish to consider briefing employees on the policy and procedure through a variety of means. Possible methods include Team Briefings, emails / letters from the Partnership Director and can range to specific training for staff in identified high risk areas.
- 7.3 SEStran may also wish to consider how they communicate the policy and procedures, and any measures to be imposed on third parties, to those partner organisations.

## **8 Monitoring and Review**

- 8.1 The procedure and associated policy will be reviewed by the Partnership Director periodically, to reflect organisational changes, best practice, operational experience and legislative updates, in order to maintain its effectiveness.