



Anti-Bribery and Corruption Policy

Summary of policy

The Open University (the University) conducts itself in a legal and ethical manner and is committed to minimising bribery and corruption risk involving employees, post graduate students working for the University (relevant post graduate students) and third parties (including business partners, agents and intermediaries). The University is required to comply with the Bribery Act 2010 (the Act), in particular Section 7 of the Act to have adequate procedures in place to prevent bribery for or on the University's behalf.

This policy documents the University's requirements for establishing, maintaining and operating proportionate and effective measures to mitigate bribery and corruption risk. For specific guidance on this policy staff and/or relevant post graduate students should contact the Director of Treasury Services (DTS).

Bribery is where a financial or other inducement is offered as a reward to another party to persuade them to carry out their work functions improperly. In relation to facilitation payments (see section 9), the inducement will be to speed up a normal work function such as the provision of a visa during entry/exit to/from an overseas jurisdiction or the approval of customs documentation to allow equipment to enter/exit an overseas jurisdiction).

Bribery can be through the offering, promising, giving, demanding or accepting of an advantage such as gifts, hospitality, fees, rewards, jobs, internships, examination grades or favours. Corruption is the misuse of power for personal gain.

Employees and relevant post graduate students should be mindful of the bribery offences set out in the Act (see Appendix 1) and must always act honestly and with integrity. Employees and relevant post graduate research students will not suffer penalty or other adverse consequences for refusing to pay a bribe even if a refusal may result in loss of business or a delay in the completion of research activities.

Risk statement and risks controlled by this policy

Since the University's activities are mainly educational and mainly take place in the UK, the University's bribery and/or corruption risk is low. However, the University does have business relationships and interests outside of the UK and it could become inadvertently embroiled in bribery and/or corrupt activity through the actions of an agent or intermediary. In addition, given the need for University employees and relevant post graduate students to travel to and work in some jurisdictions that pose a greater bribery/corruption risk, it is

Version number: 3.0	Approved by: Audit Committee
Effective from: July 2023	Date for review: July 2026

possible for a person to commit a bribery offence by making a facilitation payment (see section 9).

The main risks are:

- Legal risk - prosecution of the University through failure to have adequate internal controls to mitigate bribery and corruption risk;
- Regulatory risk - regulatory action against the University for failing to mitigate bribery and corruption risk;
- Reputational risk - damage to the University's reputation and regulator loss of confidence/trust due to the association of the University with bribery and corruption;
- Financial risk - consequential loss of income through revenue streams and/or additional costs via fines, legal costs and/or costs of remedial action as a result of the University being involved in bribery and/or corrupt practices.

Risk appetite

The University has no tolerance for any bribery or corrupt activities by any person or organisation working for the University or on its behalf wherever in the world.

Reporting suspected incidents of bribery and /or corruption

Employees and/or post-graduate students (see scope below) are required to report all suspected or actual incidents of bribery and corruption to DTS via email finance-insurance@open.ac.uk. Where employees and/or post graduates feel unable to report in this way, they should report this through The University's whistleblowing arrangements.

Summary of significant changes since last version

The bulk of this policy was contained within the University's Anti Fraud, Bribery and Corruption Policy. This has now been separated from Financial Fraud as part of a substantial re-write on the back of the University's Chief Financial Officer (CFO) taking responsibility for the oversight of mitigation of financial fraud and bribery and corruption risk.

Policies superseded by this document

This policy document was introduced in June 2023 and replaced previous versions of the Anti-Fraud and Anti-Bribery and Corruption Policy (last reviewed for minor housekeeping amendments in March 2019 and 2021).

Scope

This policy applies to Open University officers, employees, relevant post graduate students (see below) and any other associated person acting on The Open University's behalf.

An associated person is someone who provides services to The Open University, or acts on The Open University's behalf and could be an employee of any type, consultants, agents and other forms of intermediaries.

For the purposes of bribery, this policy applies to postgraduate research students in respect of the conduct of research and for activities such as fieldwork. References to "employees and relevant post-graduate students" within this document cover all these categories of individuals.

This policy does not apply to undergraduate and taught postgraduate students unless they are themselves contracted by The Open University to provide a service.

Related Documentation

Refer to the following documentation in conjunction with this document:

- [Whistleblowing Policy](#)
- [Hospitality and Gifts Policy](#)
- [Procurement Policy](#)
- [Guidance on Facilitation Payments \(via Travel Approval Process\)](#)

The Open University Student Charter Values

The Student Charter was developed in partnership by the Open University and the OU Students Association. It sets out our shared values and the commitments we make to each other as a community of staff and students. This document has been developed with the Student Charter values as its foundation.

Alternative format?

If you require this document in an alternative format, please contact Governance-Team@open.ac.uk.

Policy

1. Purpose

This policy documents the University's requirements for establishing, maintaining and operating proportionate and effective measures to mitigate the risk of bribery and/or corruption.

2. Responsibility for Bribery/Corruption Risk Mitigation

The University operates 3 lines of defence in relation to mitigating this risk:

Line 1

Relevant Senior Managers are responsible for implementing controls to mitigate bribery/corruption risks in their departments. Relevant employees are expected to operate

these controls effectively and diligently to help protect the University's reputation.

Line 2

The CFO is responsible for oversight of compliance with this policy. The CFO has set up an internal working group (The Financial Fraud Forum) to assist with the oversight process and any reporting to University Committees. From the policy advisory perspective and the receipt of reports of bribery/corruption, the CFO delegates day to day oversight of this policy to the DTS.

Line 3

The University's Internal Audit function will be responsible for providing assurance that the University's risk mitigation strategy and the implementation of relevant controls are in place and functioning effectively.

3. Identifying and Reporting Bribery/Corruption Risks

The University will document and maintain a risk assessment of its vulnerability to involvement in bribery and corrupt practices. The CFO will provide an annual report to the University's Audit Committee updating them on bribery and corruption risks and incidents.

4. Controls

The University will implement an effective control framework to proportionately manage its identified bribery/corruption risks. This includes preventive controls such as: pre-employment due diligence, proportionate due diligence for contracts with third parties, payments and cash controls including those covering expenses, gifts and corporate hospitality.

5. Bribery/Corruption Internal Reporting and Escalation

All known or suspected incidents of bribery/corruption should be promptly reported to the DTS via email finance-insurance@open.ac.uk. DTS will review the reported incident and take appropriate action to ascertain facts and identify courses of action. The CFO will be notified of all allegations of bribery and/or corruption. If it is considered that the allegation raises a material integrity issue and/or identifies a material bribery/corruption risk not previously identified, the issue will be reported to the University Secretary for determination whether or not the issue is required to be reported to any/all of the University's regulators. The issue will also be reported to the Audit Committee Chair for information and reported to the next available Audit Committee.

6. Investigations

The University will ensure that allegations of bribery/corruption and/or actual events involving the University are investigated thoroughly by appropriately skilled individuals. The University's internal investigative resource sits within Internal Audit. In the event of a bribery and/or corruption incident requiring investigation, the DTS will agree with the Director of Internal Audit (DIA) objectives, parameters and reporting lines for the investigation. If external resource is required, this will be agreed between DTS and DIA.

7. Reporting to Law Enforcement

All proven or suspected cases on bribery and/or corruption will be reported to UK law enforcement. The timing of such a report will depend on issues identified during investigations and will be determined by the CFO. In the unlikely event that the University

appears to be involved in a major bribery/corruption case, the CFO will consider referring the case to the Serious Fraud Office (SFO) in conjunction with external legal advisers.

8. Corporate Hospitality and Gifts

The provision and/or receipt of excessive corporate hospitality or gifts can be interpreted by courts to be offences under the Bribery Act 2010 and these are strictly forbidden by the University. The University's detailed requirements in relation to Corporate Hospitality and Gifts are set out in the University's [Hospitality and Gifts Policy](#). A short summary of these requirements is set out below:

8.1 The University expects employees to exercise the utmost discretion in giving and accepting gifts, hospitality or any other benefit. Employees should not accept any gift or consideration from another organisation, individual or member of the public which might reasonably be thought of as an inducement, or be interpreted as an inducement or reward for doing or refraining from doing anything in their official capacity as a member of the University;

8.2 Any gift, hospitality or other benefit received or given should be made openly, be fully documented and reported appropriately to management. Wherever practically possible appropriate approval should be sought before acceptance. Units within the University are expected to maintain records of all requests for the acceptance of gifts and/or hospitality including decisions made;

8.3 The University conducts business internationally where it is customary in some cultures to offer relatively generous gifts and/or hospitality, and where offence would be given by rejection. In these cases and where an immediate decision is necessary, staff may accept the gift or hospitality. However, this must be declared to the Head of Unit or nominee on return.

9. Facilitation Payments

The University has interests and business relationships outside of the UK and academic research is undertaken overseas under the auspices of the University. Employees and relevant post graduate students may be required to travel to and work in jurisdictions that pose a greater bribery/corruption risk including demands for facilitation payments.

Facilitation payments are unofficial, small financial payments or other inducements made to secure or speed up routine administrative actions – for instance to assist:

- entry/exit at a country's immigration control point,
- the issuance of local permits/licences, and/or
- the release of goods via local Customs officers.

Paying a facilitation payment is an offence under S6 of the UK Bribery Act 2010 and is forbidden by the University with the following very exceptional proviso:

- the University recognises that in very rare circumstances a demand for a small facilitation payment might be made to a employee or relevant post graduate student where refusal might cause immediate personal danger to that individual. In such circumstances, where there is a real and immediate threat to personal safety and/or

liberty, payment is permitted but must be reported, as per section 5 above, either when the event occurs or as soon as safe to do so thereafter. Individuals should never make the first move and offer a payment or inducement.

The University has drafted guidance on this issue and how to avoid making facilitation payments for employees and relevant post graduate students. This is embedded in the University Travel Approvals Process and must be read by all travellers prior to their travel being approved.

10. Anti Bribery/Corruption Contractual Clauses

In most circumstances, the University's contracts with external suppliers and/or service providers will not require specific anti-bribery/corruption clauses. However, where the University is seeking to contract outside of the UK and believes that there is an increased risk of bribery and/or corruption in relation to the business arrangement, the University will consider whether the addition of a specific anti bribery/corruption clause to the contract is appropriate.

11. Due Diligence

As per 9 above, for the bulk of its new and existing business partner and counterparty arrangements, the University will only need to use its normal course of business due diligence procedures (eg to ascertain the partner/counterparty's suitability, capability and financial stability to provide an ongoing service). However, in a limited number of cases where a heightened risk of bribery and corruption is identified in relation to the business relationship in question, additional due diligence in relation to the organisation in question will be undertaken. If this work identifies bribery/corruption concerns, these should be reported to the DTS.

12. Communication

The University will ensure that its approach to mitigation of bribery and corruption risk, including associated policies and procedures, are embedded and understood throughout the organisation. As stated in sections 9 and 10 above, where it is believed that there is a heightened risk of bribery/corruption, Heads of Unit are responsible for communicating the University's zero tolerance for bribery and corruption and its relevant requirements to University business partners and counterparties.

This document will be made publicly available to students and prospective students on The Open University website.

13. Employee Training and Awareness

The University has established the following base standards to ensure that its employees and relevant post graduate students are (and remain) aware of their anti-bribery/corruption responsibilities:

- The University will provide targeted anti-bribery/corruption training to University employees with exposure to bribery and/or corruption risk. Such awareness training will be provided at least every 2 years;

- As per Section 9 above, employees and relevant post graduate students undertaking business travel will be provided with specific facilitation payment guidance as part of the University's Travel Approval Process prior to each journey being approved;
- For the rest of the University bribery and corruption awareness raising will not be required unless:
 - there is a critical integrity issue that needs to be brought to the attention of the University's employees and/or post graduates;
 - There is a specific control issue that has broad ramifications and impacts a significant part of the University;
 - A University employee and or Group has gone beyond regular duty to prevent a bribery issue and this is deemed worth celebrating as part of the University's wider efforts to mark achievements.

14. Independent Assurance

As stated in section 2 above, Internal Audit are responsible for independent assurance regarding the effectiveness of anti-bribery/corruption risk management including the effective operation of relevant controls. In addition to the requirements for escalation in section 5 above, Internal Audit will (as part of its ongoing obligation to provide a regular key risks update to each Audit Committee) inform the Committee regarding ongoing bribery investigations including:

- a description of the incident, including the value of any bribe or inducement involved;
- the measures taken to prevent a recurrence
- any action needed to strengthen future responses to bribery/corruption risk with a follow-up report on whether the actions have been taken.

15. Non-compliance

The Open University will investigate all instances of actual, attempted and suspected bribery and corruption committed by staff, students, consultants, suppliers and other third parties. Where individuals do not comply with this policy, they may face disciplinary action including (note needs to align with (Code of Practice for Student Discipline) risk suspension or loss of employment and may be reported to external agencies such as the Police.

Appendix 1 Bribery Act 2010 Offences

Under The Bribery Act 2010 it is a criminal offence for employees and postgraduate research students to:

- Offer or give any bribe, either in cash or any other form of reward, to any private person, public official, company or other organisation, wherever they are located; (Section 1)
- Solicit or accept any bribe, either in cash or any form of reward from any private person, public official, company or other organisation, wherever they are located; (Section 2)
- Offer or give a bribe to a public official including facilitation payments (Section 6)
- Give or retain any commercial, contractual or regulatory advantage through unethical or illegal means when conducting business on behalf of the University or its subsidiaries.

These offences can be committed by an individual or organisation (this would include the University).

In addition, it is an offence for the University to fail to embed systems and controls ('adequate procedures') to prevent bribery (Section 7). This offence can only be committed by an organisation.

The action or exchange of a bribe does not need to have taken place – promising to give or agreeing to receive a bribe would be considered bribery. Also, an action is still classed as bribery regardless of whether the bribe is given or received directly or through a third party or whether it is for the benefit of the recipient or someone else.

The Bribery Act offences are extra-territorial, thus employees and postgraduate research students must understand and strictly comply with the Act wherever they are working.

External Guidance

- [Bribery Act Guidance](#) (published by UK Ministry of Justice)