



St Michael's Prep School

Anti-bribery and anti-corruption policy (Including statement regarding money laundering)

Date of Last Review:	6.6.2019	Review Period:	Every 2 years
Date of Next Review:	6.6.2021	Owner:	DBI
Type of Policy:	Compliance with Bribery Act 2010 Proceeds of Crime Act 2002 Money Laundering Regulations 2007	Governors Approval	6.6.2019

ANTI-CORRUPTION AND BRIBERY POLICY (INCLUDING STATEMENT ABOUT MONEY LAUNDERING)

1. Introduction

1.1 Commitment: St Michael's Prep School is committed to implementing effective measures to prevent, monitor and eliminate the risks of bribery and enforcing effective systems to counter bribery.

1.2 Application: This policy applies to all staff working in the School, whether paid or unpaid, whatever their position, role or responsibilities and Staff includes employees, governors, contractors, and volunteers. It also applies to any person or body, acting on its behalf and any third party.

1.3 Conduct: The School conducts its business activities in the UK in an honest and ethical manner. The School will not tolerate any form of bribery, corruption or inducement by, or of directed towards its Staff.

2. Purpose

The purpose of this policy is to:

- set out the School's responsibilities, and of those working for the School, in observing and upholding its position on bribery and corruption; and
- provide information and guidance to those working for the School on how to recognise and deal with bribery and corruption issues.

3. Definition of a bribe

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

4. Definition of a third party

Third party means any individual or organisation you meet during the course of your work for the School. This includes parents, carers or guardians of current or prospective pupils, suppliers, distributors, business contacts, agents, advisers, government and public bodies, including their advisors, representatives and officials, politicians and political parties.

5. Gifts and hospitality

5.1 Hospitality: This policy does not prohibit the School's normal and appropriate hospitality (given and received) to or from third parties.

6. Prohibited gifts

The School prohibits the accepting of gifts from, or the giving of gifts to, a third party in the following circumstances:

6.1 If it is made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits

6.2 If it contravenes the law

6.3 If it is given in your name, not in the name of the School

6.4 If it includes cash or a cash equivalent such as gift certificates or vouchers (other than as permitted under the Code of Conduct)

6.5 If taking into account the reason for the gift, it is of an inappropriate type and value

6.6 If it is given secretly

6.7 Gifts should never be offered to, or accepted from, government officials or representatives, or politicians or political parties

7. Unacceptable behaviour

It is not acceptable for you (or someone on your behalf) to:

7.1 give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business or educational advantage will be received, or to reward a business advantage already given

7.2 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

7.3 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

7.4 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 the School in return

7.5 threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy

7.6 engage in any activity that might lead to a breach of this policy.

8. Donations

The School only makes charitable donations that are legal and ethical under UK law. No donation may be offered or made in the School's name or on behalf of the School without the prior approval of the Director of Finance & Operations (DFO) or the Headteacher.

9. Reporting

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. Concerns should be reported to the DFO, the Headteacher or Chair of Governors.

Reporting: If you encounter any of acts of corruption or bribery, if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity, you must report them promptly.

Examples of reportable situations: If you encounter any of the following situations while working at the School, you should report them promptly referring to the school's Whistleblowing Policy. If you are uncomfortable about making a report, the Whistleblowing Policy sets out the protections afforded to you:

9.1 if you become aware that a third party engages in, or has been accused of engaging in, improper business practices

9.2 if a third party insists on receiving a commission or fee payment before committing to sign up to a contract with the School, or carrying out a government function or process for the School

9.3 if a third party requests payment in cash and / or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made

9.4 if a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business

9.5 if a third party requests an unexpected additional fee or commission to "facilitate" a service

9.6 if a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services

9.7 if you are offered an unusually generous gift or offered lavish hospitality by a third party

9.8 if a third party requests that a payment is made to "overlook" potential legal violations

9.9 if a third party requests that you provide employment or some other advantage to a friend or relative

9.10 if you receive an invoice from a third party that appears to be non-standard or customised

9.11 if a third party insists on the use of side letters or refuses to put terms agreed in writing

9.12 if you notice that the School has been invoiced for a commission or fee payment that appears large given the service stated to have been provided

9.13 if a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to the School.

10. Prevention, detection and reporting

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the School or under the School's control. All staff are required to avoid any activity that might lead to, or suggest, a breach of this policy.

11. Records

The School's obligations: keeps financial records and has appropriate internal controls in a place, which will evidence the business reason for making payments to third parties.

Your obligations: All Employees must make their Line Manager aware and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.

School's expenses policy: You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the School's expenses policy and specifically record the reason for the expenditure.

Records: All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

12. Detriment

The School is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future.

Detrimental treatment; this includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Headteacher/DFO immediately. If the matter is not remedied, and you are an employee, you should raise it using the School's Grievance Procedure.

13. Consequences of breaching this policy

Breach: Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. Anyone else who provides services to the School and is found to be in breach of this policy, will have their contract terminated.

Sanction: For individuals, bribery and corruption are punishable by up to ten years' imprisonment and if we are found to have taken part in corruption the School could face an unlimited fine, be at risk of losing our charitable status and face damage to our reputation. We therefore take our legal responsibilities very seriously.

St Michael's Prep School

Money Laundering Statement

We do not accept cash payments for the payment of termly school fees.

In reaching this position, three factors have been examined:

a. **The Proceeds of Crime Act 2002.** Under this Act it is an offence to enter into an arrangement which you know or suspect facilitates (by whatever means) the acquisition, retention, use or control of criminal property by or on behalf of another person. Payments by cash could well be in order to avoid the payment of tax and, if a school retains or uses such money then it would be committing an offence. The Act can apply to acts which take place overseas if they would be considered a crime if they took place in the UK.

b. **The Money Laundering Regulations 2007.** The Money Laundering Regulations themselves do not apply to schools as they are not a "relevant business" and thus is not in the regulated sector for the purposes of this legislation. However, due to the scope of the Proceeds of Crime Act, we are aware of the possibility that school fees could be used as a vehicle for money laundering by parents.

c. **Child Safety.** The practice of children carrying large sums of money puts children at risk and is actively discouraged. As from 15th June 2007, anyone travelling to this country from outside the EU carrying in excess of 10,000 euros (or more or the equivalent amount in another currency), banker's drafts or cheques has been required to complete a Cash Declaration Form on arrival. If the child does not complete the form, or completes it incorrectly then they may be subject to financial penalties. In addition, if HMRC have any suspicions about the source of, or purpose, of the money they have the power to seize it upon arrival.

The authorities do not regard it as normal practice for people to pay large bills, and they would include a school fee invoice in this category, by cash. Should a school suspect that potential cash payments derive from criminal conduct they must either:

d. Make an 'authorised disclosure' to the police or a customs officer **or**

e. Report the incident directly to the Serious Organised Crime Agency by completing a Suspicious Activity Report (SAR).

For further details see: <http://www.soca.gov.uk/financialIntel/suspectActivity.html>