

## Ethical Conduct Policy

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### 1 Introduction

The Student's Union has to operate in accordance with the legal requirement of the UK and expects its staff, volunteers and trustees to conduct their working lives professionally and lawfully. This policy outlines the expected code of behaviour regarding financial procedures, fraud, bribery, gifts and hospitality, conduct on SU business and political activity. The SU expects all employees, volunteers and Trustees to:

- Act honestly, responsibly and with integrity.
- Safeguard and uphold the SU's core values by operating in an ethical, professional and lawful manner at all times.
- Abide by the law.

If you need clarification or further information on the detail of this policy, contact the Chief Executive or the Head of Finance. Standards for dealing with conflicts of interest and managing confidentiality are in separate policies. Breaches of this policy will be dealt with through the disciplinary procedure.

### 2 Financial Procedures

The Finance Department has produced a manual of financial procedures and controls which sets out the standards required in financial management in the SU. The procedures set out in these manuals must be complied with at all times.

### 3 Fraud

Fraud includes deception, theft, misappropriation of funds, falsification of timesheets, forgery, false accounting, knowingly generating false expenses claims, payroll or invoices, wilful destruction of the SU's company records and dishonest conduct.

The SU has in place procedures to aid in the minimising of fraud. All employees must comply with:

- Proper authorisation and procedures for transactions
- An adequate separation of duties
- Cash handling procedures
- Independent monitoring and checking of procedures
- Rigorous tendering processes for suppliers

The SU expects all employees to be honest and truthful and follow all internal and financial procedures diligently. It also expects employees to be vigilant and alert at all times in order to prevent and detect any potential fraud.

If you identify a fraud (actual or potential) then you should immediately report it to your line manager.

If you suspect your own line manager of fraud, you should report this to the Head of Finance or Chief Executive for investigation. The matter will be handled in an appropriate manner to protect you from reprisal, under the SU's Whistleblowing policy.

## **4 Bribery**

### **4.1 Legal obligations**

The UK legislation on which this policy is based is the Bribery Act 2010 and it applies to the SU's conduct in the UK. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. This can either be for personal gain or the SU's gain. It is an offence in the UK to:

- Offer, promise or give a financial or other advantage to another person (i.e. bribe a person) with the intention of inducing or rewarding improper conduct
- Request, agree to receive or accept a financial or other advantage (i.e. receive a bribe) for or in relation to improper conduct.
- Bribe a foreign public official.

You can be held personally liable for any such offence.

It is also an offence in the UK for an employee or an associated person to bribe another person in the course of doing business intending either to obtain or retain business, or to obtain or retain an advantage in the conduct of business, for the SU. The SU can be liable for this offence where it has failed to prevent such bribery by associated persons. As well as an unlimited fine, it could suffer substantial reputational damage.

#### Meaning of associated person

An Associated Person in law is a person who performs services for or on behalf of the SU. It may be for example, an agent, or consultant performing services on behalf of the SU.

In addition all employees and associated persons are required to:

- Comply with any anti-bribery and anti-corruption legislation that applies in any jurisdiction in any part of the world in which they might be expected to conduct business, which exceed the UK requirements.

Caution should be exercised to ensure that no member of staff or Trustees or any grant or loan funding given by the SU could be used in such a way as to constitute bribery.

Appropriate due diligence is built into all of the SU's grant making and grant management procedures and is also considered in SU's annual review of risk.

### **4.2 Conduct Expected**

Bribery of any kind is strictly prohibited. Under no circumstances should any provision be made, money set aside or accounts created for the purposes of facilitating the payment or receipt of a bribe. The SU recognises that practices may vary from country to country or from culture to culture. What is considered unacceptable in one place may be normal or usual practice in another. Nevertheless, a strict adherence to the guidelines set out in this Policy is expected of all employees, volunteers, Trustees and any associated consultants at all times. If in doubt as to what might amount to

bribery or what might constitute a breach of this policy, please refer to the Head of Finance.

You must immediately disclose to the Head of Finance or Chief Executive any knowledge or suspicion you may have that you, or any other employee or associated person, has plans to offer, promise or give a bribe or to request, agree to receive or accept a bribe in connection with the work of SU. For the avoidance of doubt, this includes reporting your own wrongdoing.

The duty to prevent, detect and report any incident of bribery and any potential risks rests not only with the Directors of SU but equally to all employees, volunteers and associated persons.

## **5 ANTI-MONEY LAUNDERING POLICY**

The SU's policy is to comply fully with applicable provisions of the Proceeds of Crime Act 2002, Terrorism Act 2000 and the Money Laundering Regulations 2007 and all amending legislation.

Money laundering is the practice of cleaning up money that has, for some reason, been obtained illegally. Often there is a complex trail involved so that the practice cannot be easily identified or traced. Money laundering can occur in many ways. It may happen by dispersing money through many different bank accounts (to hide its origins) but can also occur when the charity is used unwittingly as a "trading partner". This could be directed at SU.

### **5.1 Procedures**

The Head of Finance has been appointed as Money Laundering Reporting Officer (MLRO) to receive disclosures from anyone involved in SU of any suspected money laundering activities.

SU will carry out procedures that help it identify donors before accepting or entering into a relationship or transaction with them. SU will where applicable:

- Identify the donor and verify their identity;
- Take adequate measures where some donors need or want their privacy intact;
- Accept that in some cases, the identity of the donor may not be easy to verify, in which case other measures need to be developed;
- Continuously monitor the situation; and
- Maintain proper records of all checks made.

### **5.2 Disclosure**

If anyone knows, suspects or has reasonable grounds for thinking or suspecting that a person is engaged in money laundering or terrorist financing, they must report such matters to the MLRO immediately. Disclosure should be made on a standard form available from the MLRO, which requires:

- Details of the people involved;
- Type of transaction;
- The relevant dates;
- Why there is suspicion;

- When and how activity is undertaken;
- Likely amounts, etc.

The MLRO will acknowledge receipt of the disclosure within an agreed response period. The MLRO will consider the report and any other available information. Once the MLRO has evaluated the disclosure or other information, they will determine if:

- There are reasonable grounds for suspecting money laundering and the steps to be taken; or
- There is actual money laundering or terrorist financing; and
- Whether they need to report the matter to the Serious Organised Crime Agency (SOCA)

All disclosure reports referred to the MLRO and reports made by them to SOCA will be retained for a minimum of five years.

## **6 Gifts and Hospitality**

You should be aware that it is a serious offence for you corruptly to receive or give any gift, loan, fee, reward or advantage for doing or not doing anything, or showing favour or disfavour to any person in your official capacity. If an allegation of this nature is made, it is for you to prove that any such rewards have not been corruptly obtained.

### **6.1 Being Offered Gifts or Hospitality**

If you are offered hospitality, gifts or personal services either free or at less than market price as an enticement you should ensure that this cannot compromise your integrity. The difference between corporate entertainment and “inducements” is often one of degree, and if in doubt you should seek advice from your line manager.

The general rule is that gifts should be refused. Gifts delivered should be returned to the sender with a diplomatically worded letter explaining why it cannot be accepted. The staff member's line manager should be informed and the incident recorded.

Staff are occasionally offered minor articles, often by way of trade advertisements, which will be used for SU business, e.g. diaries, calendars, office items etc. and these will not be regarded as the acceptance of a gift. Occasionally also staff may be invited to a promotional event arranged by a supplier, which can be accepted after checking with your line manager. If there is any doubt about the propriety of accepting anything, the gift should be refused.

### **6.2 Giving Gifts or Hospitality**

Employees are not allowed to provide gifts or to confer benefits on any person who carries on a business, project or activity of interest to the SU if the benefit is of such value or frequency as might reasonably be expected to induce the recipient to act in a manner that could cause a conflict with the recipient's duties.

The SU expects all staff and Trustees to adopt an approach to hospitality and entertainment which is legitimate and proportionate. The criteria set out below may help to determine if gifts, hospitality or reimbursed expenses comply with this policy.

- **Made for the right reason:** the gift or hospitality should not be given in an attempt to unfairly influence any decision or outcome as it relates to grant making or business dealings.
- **No obligation:** the gift, hospitality or reimbursement of expenses does not place the recipient under any obligation.
- **No expectations:** the gift, hospitality or reimbursement of expenses does not create expectations in the giver or any person associated with the giver or have a higher importance attached to it by the giver than the recipient would place on such a matter.
- **Made openly:** if made secretly, then the purpose of giving or receiving the gift, hospitality or reimbursement of expenses could be suspect.
- **Reasonable value:** the size of the gift should be small and any hospitality or reimbursed expense should accord with general business practice.
- **Appropriate:** the nature of the gift, hospitality or reimbursed expense should be appropriate to the relationship between the giver and recipient.
- **Legality:** the gift or hospitality should be legal and conform to the laws of the country in which they are made.
- **Conformity:** the gift, hospitality or reimbursement of expenses must be within the rules or code of conduct of the receiving or giving organisation.
- **Infrequent:** such giving or receiving should not be a regular occurrence between the giver and the recipient.
- **At the right time:** timing may be important when giving or receiving hospitality or gifts as, in determining the appropriateness of the gift or hospitality, the underlying purpose of the gift or hospitality will be highly relevant; for example, generous hospitality given in the middle of an important tender process or during the grant assessment process could appear to be inappropriate.
- **Approved:** it is approved in advance by an SU Director

In summary, it is not acceptable to give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business or other advantage will be received, or to reward a business advantage already given, or to accept a payment, gift or hospitality from a third party that you know or suspect is offered or provided with the expectation that it will obtain a business or grant-making advantage for them.

Any payment or gift to a public official or other person to secure or accelerate the prompt or proper performance of a routine government procedure or process, otherwise known as a "facilitation payment", is also strictly prohibited.

## 7 Conduct Whilst on SU Business

As a general rule, what employees do after normal working hours and off SU premises is a personal matter and does not directly concern SU. However, there are some exceptions to this rule. SU will become involved where incidents occur:

- At office parties, office drinks events or other work-related social occasions or gatherings, whether organised by SU or by employees themselves.
- At social occasions, lunches or gatherings organised by SU's customers or clients where the employee has been invited in their capacity as an employee of SU.

- At work-related conferences and training courses.
- Whilst the employee is working away on business on behalf of SU.

On these occasions, employees are required to keep to the following rules:

- Alcohol should be consumed only in moderation, regardless of whether SU has provided or paid for the drinks.
- It is strictly forbidden for any employee to use illegal drugs.
- Employees should behave in an appropriate, mature and responsible manner, taking into account that they are representing SU.
- Employees should not use abusive, offensive or inappropriate language.
- Employees should not behave in any way that could bring SU's name into disrepute.
- Employees must take specific action to ensure they are well within the legal limits if they are driving and if driving a company vehicle, employees must not drink and drive at all.

The provisions of SU's equal opportunities and dignity at work policy continue to apply at work-related events.

SU has zero tolerance of improper conduct or other unacceptable behaviour and will treat it as a serious disciplinary matter. This includes excessive drunkenness, the use of illegal drugs, unlawful or inappropriate discrimination or harassment, violence such as aggressive behaviour and serious verbal abuse or the use of other offensive or inappropriate language. Any employee who is found to have breached these rules, or who otherwise brings the reputation of SU into disrepute at such an event will be subject to disciplinary action under SU's disciplinary procedure.

Where the employee's off-duty conduct seriously undermines the trust and confidence that SU has in the employee, whether at a work-related social occasion or otherwise, under SU's disciplinary procedure this could result in the employee's dismissal. For example, if the employee commits a criminal offence outside employment, SU will examine whether there is an adverse connection between the criminal offence and the employee's employment.

SU will then consider whether the offence is one that makes the employee unsuitable for this type of work or unacceptable to other employees, taking into account length of service, status, relations with fellow workers and the effect on SU's activities and reputation subsequent to a charge or conviction.

## **8 Political Activity**

The SU accepts that it is the right of every employee to hold political views and opinions and to take part in political activity in their own time. However, it is SU's policy that employees may not take part in any party political activity at work nor may they express their views to stakeholders, supporters or donors. Expressing strong or extreme political views in the workplace may also break SU's dignity at work policy.

### **8.1 Conduct during working time**

During working time we expect you not to:

- Take part in any form of political campaigning

- Hand out written political material such as election leaflets, or display political material on any of SU noticeboards
- Send political material to anyone using SU's email system
- Use SU's equipment to aid political activity
- Attempt to coerce another employee into holding any particular political opinion or try and persuade them to take part in political activity
- Bully or harass other employees because of their personal political opinions
- Express political views to SU's stakeholders or partners, supporters or donors
- Wear or display political symbols such as badges, rosettes or clothing bearing political slogans
- Do or say anything that suggests or implies that SU supports a particular political party.

## 8.2 Conduct outside of working time

You are free to engage in political activity outside of working time and away from the workplace, but it is also important that you conduct yourself carefully and with regard to SU's reputation. You are required to ensure your political activity outside work does not:

- Refer to your employment at SU, or suggest that SU supports a particular political party
- Bring or risk bringing SU's name into disrepute
- Interfere with SU's work

## 9 Responsibilities and reporting procedure

It is the contractual duty and responsibility of all employees, volunteers and any consultants associated with SU to take whatever reasonable steps are necessary to **ensure compliance** with this policy and to prevent, detect **and report** any suspected malpractice, fraud, bribery, corruption or breach of this policy, including issues of conduct discussed above.