

## **Bribery Act – Overview**

The Bribery Act 2010 comes into force on 1<sup>st</sup> July 2011. Whilst it covers all sizes of businesses, the impact it has and what businesses need to do will vary. If the employer considers there is no risk of bribery, then the employer can decide that there is no need to put any procedures in place

There are two guides from the Ministry of Justice – a Quick Start Guide to the Bribery Act and there is also a more detailed Guidance to the Bribery Act. There are links to these on the NTF website and here <http://www.justice.gov.uk/guidance/making-and-reviewing-the-law/bribery.htm>

The Guidance states that “many organisations will face little or no risk of bribery, especially if their business is undertaken primarily in the UK”.

## **Corporate Hospitality**

The first question many people ask about the Bribery Act is whether they can still offer corporate hospitality.

The brief answer is yes. The Guidance states *“as a general proposition hospitality or promotional expenditure which is proportionate and reasonable given the sort of business you do is very unlikely to engage the Act. So you can continue to provide tickets to sporting events, take clients to dinner, offer gifts to clients as a reflection of your good relations, or pay reasonable travel expenses in order to demonstrate your goods or services to clients if that is reasonable and proportionate for your business”*.

The NTF has prepared a template gifts and corporate hospitality policy should any trainer wish to put such a policy in place and this is on the NTF website.

## **What is bribery?**

Very briefly for the purposes of the act it is giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward a person for already having done so.

## **Suppliers**

Businesses are required to think about the persons – such as agents - who will perform services for them or on their behalf. Very simply businesses need to satisfy themselves if there is any risk and that the person performing the service for them is someone they can trust to do their business without bribery.

## **Penalties**

Offences under the Act are criminal offences punishable either by fine or imprisonment.

## **Defence**

There is a defence if an employer can show that they had adequate procedures in place to prevent bribery

### **Procedures to prevent bribery**

First of all the employer needs to establish if there is any risk. If there is no risk then the employer may decide that there is no need to put any procedures in place.

It may be that even if the employer decides there is a risk, that there are already existing controls in place through management systems and accounting systems that the employer decides nothing further is needed.

If the employer decides that there is a risk of bribery within the business operations, then there are six principles set out in the Act and the Guidance for employers to consider to decide what if anything they need to do. These six principles are Proportionality, Top Level Commitment, Risk Assessment, Due Diligence, Communications and Monitoring and Review. Detailed information about these are not given here but there is a link on the NTF website to the Quick Start Guide to Bribery.

If after having reviewed the six principles in the Guidance any NTF member would like help with preparing a Bribery Act Policy then please contact Dawn Bacchus at the NTF office.