



Northern Ireland Audit Office

# Managing the Risk of Bribery and Corruption

## Self-assessment Checklists



# Checklists

## Organisations

The following checklists have been drawn together from a range of sources<sup>1</sup> and are designed to help NI public sector organisations identify and address any bribery and corruption risks they may face. The checklists have been kept reasonably brief and high level for the purposes of the Good Practice Guide<sup>2</sup> in which they appear, but organisations with significant bribery and corruption risks can access the more detailed checklists from which these have been compiled (see source details at Appendix 3 of the Good Practice Guide). The checklists are based on the six key principles as described in Part 3 of the Guide.

**The checklists are provided as aide-memoires only and should not be used as a substitute for an open, honest and ethical culture.**

When considering bribery and corruption risk and using the checklists, organisations should ensure that they adhere to the principle of **proportionality**.

## Individuals

The checklist on page 11 will help individual public officials determine whether they are familiar with, and adhere to, all relevant policies and procedures.

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1 *The Bribery Act 2010: Guidance*, Ministry of Justice, February 2012, *Countering Small Bribes*, Transparency International, June 2014, *The 2010 UK Bribery Act Adequate Procedures Checklist*, Transparency International and *Bribery and Corruption Assessment Template*, Home Office, December 2016

2 *Managing the Risk of Bribery and Corruption: a Good Practice Guide for the NI Public Sector*, NIAO, November 2017

## Proportionate Procedures

Procedures adopted by an organisation to counter bribery and corruption risk should be proportionate to its level of risk. Procedures may be either stand-alone or part of wider guidance, for example on procurement, and should include measures already in place to strengthen governance and accountability and address wider fraud risks.

Yes  No

Good Practice	Y/N	Action Required
This organisation has a formal policy which highlights a zero tolerance of bribery and corruption.		
This organisation has anti-bribery and corruption procedures which are proportionate to the risks identified and the size and complexity of the organisation.		
This organisation has procedures in place for raising and reinforcing awareness, particularly with those open to greater risk of bribery and corruption.		
This organisation has sound system controls in place which will help reduce the risk of bribery and corruption, such as separation of duties and delegated authority levels.		
This organisation has sound financial controls in place which will help reduce the risk of bribery and corruption, such as transparent accounting records and a requirement for full supporting documentation for all transactions.		
This organisation seeks to minimise or avoid the use of cash payments.		
This organisation has strong internal and external audit functions and an effective audit committee.		
This organisation has a comprehensive set of policies in place which address possible bribery and corruption risks, for example conflicts of interest, gifts and hospitality and anti-fraud policies.		
This organisation has clear and effective procedures in place for those wishing to raise concerns about actual or potential bribery or corruption.		
This organisation has effective procedures in place for dealing with any bribery or corruption detected, e.g. a fraud or bribery response plan.		

## Top Level Commitment

Those at the top of an organisation are best placed to ensure that it conducts its business in a fair, honest and open way. Clear and visible commitment from senior management is an essential element of an ethical culture.

Good Practice	Y/N	Action Required
This organisation has formally committed to business integrity and ethics.		
This organisation has a Code of Conduct or similar document which includes a clear anti-bribery and corruption statement.		
The Chair, Board and senior management of this organisation provide a 'tone from the top' which enhances a culture of integrity and supports an anti-bribery and corruption stance.		
The Chair, Board and senior management of this organisation have clearly assigned responsibility and authority for implementing anti-bribery and corruption arrangements.		
The Board or equivalent body considers bribery and corruption risks as part of wider discussion of fraud and whistleblowing concerns at its meetings.		

## Risk Assessment

A risk assessment is key to establishing the bribery and corruption risk faced by an organisation. It will also inform the proportionality of the controls introduced to mitigate risks identified.

Good Practice	Y/N	Action Required
The Board or equivalent body has oversight of the risk assessment process.		
The risk assessment process includes consideration of bribery and corruption risk.		
The risk assessment is documented and periodically reviewed.		
The process for identifying bribery and corruption risk ensures that all key risks will be identified (for example, by consulting with staff across all business functions, and particularly those in higher risk areas).		
The business functions at particular risk from bribery and corruption have been identified.		
The employees most likely to be exposed to bribery and corruption risk have been identified by, for example, reviewing the register of interests.		
Assessment of bribery and corruption risk has been used to inform relevant policies and procedures.		
Bribery and corruption risks have been evaluated and prioritised so that mitigating controls can be properly targeted.		

## Due Diligence

Due diligence is an accepted element of wider good governance within an organisation. The application of due diligence in relation to the bribery and corruption risk posed by associated persons should be proportionate and risk-based. Due diligence can be applied both to third party associates and internal members of staff.

Good Practice	Y/N	Action Required
<b>Due Diligence – Third Parties</b>		
Risk-based due diligence is carried out on contractors, suppliers and other associates before appointment and periodically thereafter.		
Contractors, suppliers and other associates are made aware of this organisation’s ethical position in relation to bribery and corruption and are expected to act accordingly.		
Where there is a higher risk level, associates are contractually required to comply with our anti-bribery and corruption policy and procedures.		
Where there is a higher risk level, there is contractual provision for access to the associate’s records for inspection purposes.		
Where there is a higher risk level, there is provision for termination of the contract where bribery or corruption by the associate is suspected or proven.		
There are procedures for the application of sanctions to third party associates when incidents of bribery or corruption occur.		

Good Practice	Y/N	Action Required
<b>Due Diligence – Employees and other Officials</b>		
This organisation’s recruitment process includes procedures to ensure that it is fair, transparent and free from bribery and corruption.		
This organisation carries out appropriate due diligence when recruiting Board members.		
This organisation carries out appropriate due diligence when recruiting employees, particularly to positions with a higher risk of bribery and corruption or positions of trust.		
Employees must sign up to a Code of Conduct (which should include a clear anti-bribery and corruption statement) when they join this organisation and must continue to be made aware of its provisions.		
Board members and Councillors are required to sign up annually to a Code of Conduct or equivalent statement.		
Employees and other officials (e.g. Board members and Councillors) receive training on bribery and corruption awareness and countering bribery and corruption risk.		

## Communication and Training

Communication promotes awareness and understanding of the organisation’s policies and procedures in relation to bribery and corruption and provides a deterrent to acts of bribery or corruption by internal or external associated persons or agents. Training may range from raising awareness of the risks with new employees as part of induction arrangements, to specialised training for those in key posts.

Good Practice	Y/N	Action Required
<b>Internal Communication</b>		
This organisation has a clear anti-bribery and corruption policy and procedures which are communicated in an accessible way to all employees. (Depending on the level of risk, provisions in relation to bribery and corruption may be included in the anti-fraud policy or may be in a stand-alone policy.)		
This organisation provides a secure, confidential and accessible means by which employees can raise concerns or seek advice in relation to bribery and corruption risk, without fear of reprisal.		
<b>External Communication</b>		
This organisation’s anti-bribery and corruption stance is clearly stated and communicated to all third party associates. (This may be, for example, by way of a policy statement and/or code of conduct on the organisation’s website.)		
Every opportunity is taken in external communications to emphasise this organisation’s commitment to fairness, openness and honesty, as a deterrent to improper behaviour.		



Good Practice	Y/N	Action Required
<b>Training</b>		
Bribery and corruption awareness training is given to all staff. (This may be as part of general fraud awareness training.)		
Those employees at a higher risk of bribery and corruption (e.g. those who work within procurement, planning or regulatory functions) are given more detailed, tailored anti-bribery and corruption training.		
Where appropriate, third party associates are included in tailored anti-bribery and corruption training.		
Training is provided to all staff on how they can raise concerns about bribery and corruption risks, or seek advice.		
Training is provided to staff who may receive reports of concerns, so they have the confidence to deal appropriately with concerns raised.		

## Monitoring and Review

An organisation's bribery and corruption risks can change over time, for example if it assumes new functions. There is a need to periodically monitor and review anti-bribery and corruption arrangements to ensure they remain adequate and fit for purpose.

Good Practice	Y/N	Action Required
Internal financial control systems are subject to periodic review and audit to ensure they remain effective in countering bribery and corruption risk.		
There is periodic review of high risk transactions, for example large scale procurements or significant planning decisions, to ensure compliance with anti-bribery and corruption procedures and controls.		
There is periodic review of fraud and whistleblowing caseload within the organisation, to determine whether the cases highlight any new bribery and corruption risks.		
There is periodic review of the register of interests to determine whether any new conflicts of interest may have arisen which could leave an employee more susceptible to the risk of bribery and corruption.		
Employees, particularly those in high risk functions, are required to confirm periodically that they comply with anti-bribery and corruption arrangements, for example by signing up to a Code of Conduct which includes anti-bribery and corruption provisions.		
The Audit Committee or Board periodically reviews anti-bribery and corruption procedures and controls, and challenges where necessary.		
The results of review activities feed into systems controls reviews and the strengthening of controls where necessary.		

## Checklist for Individual Public Officials

Bribery and corruption risk can affect individual public officials. Officials need to be aware of the risks they face and how they can minimise those risks.

Good Practice	Y/N	Action Required
I am aware of the ethical standards required of me in my role as a public official.		
I am aware of, and abide by, the provisions of my organisation's Code of Conduct.		
I am aware of my organisation's policies on: <ul style="list-style-type: none"> <li>• fraud and corruption</li> <li>• bribery</li> <li>• gifts and hospitality</li> <li>• conflicts of interest; and</li> <li>• whistleblowing.</li> </ul>		
I know where to access these policies.		
I am aware of the need to declare any actual or potential conflicts of interest.		
I have declared any such conflicts of interest.		
I am familiar with my organisation's policy on gifts and hospitality.		
I fully comply with the gifts and hospitality policy.		
I am aware of the potential bribery and corruption risks I may face as a public official.		
I am aware that the risks are more significant if my responsibilities relate to high risk areas such as procurement, planning or regulation.		
I avoid over familiarity with contractors and suppliers and act in an appropriate way to avoid any sense of obligation.		
I am familiar with the procedures to follow if I need to raise a concern about actual or potential bribery or corruption.		



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