

## **Annex 1: Corporate policy on positive business, ethics and conduct**

Updated 04 October 2017. Next review by Senior Management team due: May 2018. Next Board Review due: June 2018.

### **Introduction**

#### **Introduction: Why we have a statement on ethics**

CGA's objective, or intended impact, is the alleviation of poverty and promotion of human development, both broadly defined, and focusing on the greatest needs.

To that end, we are committed that our work should deliver for the poor, and for those (donors and others) who wish to support them, that it should provide both groups the best possible value for money, and that we should discharge our fiduciary duty to both groups.

We are committed to run an ethical business, with integrity and transparency. It is logical that we do so since we work to help governments and others organise themselves this way. This commitment ensures that we serve best the interests of our own business, staff, clients, as well as the society and government where we serve.

To that end, CGA is committed to an exemplary standard of Positive Business, Ethics and Conduct, set out in this Corporate Policy, to which all CGA staff and consultants commit to when they sign a contract, and recommit annually, and which is reviewed annually by the CGA Board.

We are required to abide by the latest edition of DFID's Supply Partner Code of Conduct, and DFID's Statement of Priorities and Expectations (SOPE)<sup>1</sup> for all DFID work, and have chosen to make this the baseline for all our work, irrespective of client, and including pro bono. Standing links to the latest edition of these policies are here, and are an integral part of this policy:

<https://www.gov.uk/government/publications/dfid-statement-of-priorities-and-expectations-for-suppliers>

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<sup>1</sup> With the release of the Supply Partner Code of Conduct, DFID has not communicated that it has replaced the SOPE; the Code of Conduct will be referenced as the document that supercedes

This Statement “sets out a single set of expectations that DFID has of external organisations with which it works, alongside standard elements of good practice”, against five key areas. The Statement sets out the ways in which partners are expected to:

1. Act responsibly and with integrity
2. Demonstrate commitment to poverty reduction and DFID priorities<sup>1</sup>, including work in fragile and conflict affected states, recognition of human rights, focus on girls and women, youth engagement, climate change and wealth creation
3. Be transparent and accountable
4. Be accountable
5. Demonstrate commitment to wider HMG priorities; and
6. Seek to improve Value for Money.

CGA staff, associates and sub-contractors will be expected to comply with the most recent version of the Statement at any time, and this ethics policy will be revised in line with any substantive changes to the Statement.

Colleagues are urged to refer to the further training materials available on the G-drive.

### **Positive business, a summary**

This policy is deliberately entitled Positive Business, Ethics and Conduct, because it is intended to set out how we wish to behave, rather than merely a list of prohibitions.

#### *Client service*

- We strive to improve value for money for the poor, and for our clients
- We serve our clients properly, and keep reasonable confidences when requested to do so (except when it is a legal requirement to disclose)
- We would not take a government as a client that HM Government does not regard as friendly
- We disclose, and manage, any perceived or actual conflict of interest as soon as it arises

#### *Clean business*

- We don't pay bribes to win business
- We don't do unusual hospitality or expenses to win business
- We don't pay facilitation fees
- We do occasionally offer proportionate hospitality – e.g. take our share of buying dinner, pay travel and subsistence expenses to government staff when it is necessary and permissible to do so as part of delivering a programme

- We understand the cases in which the Common Law justification of acts to “preserve life and liberty” applies
- We have zero tolerance for behaviour that is fraudulent, corrupt, unethical or otherwise contravenes this policy
- We immediately report any incidents of potential or actual fraud or corruption, and any near-misses, internally, and to the client and/or donor
- We follow up fully on all incidents of fraud or corruption

### *Integrity and transparency*

- We keep honest accounting
- We pay legitimate taxes in the UK and the countries we work in, as applicable
- We are open and transparent
- We have a ‘no blame’ culture where reports are promptly, fully, and honestly made, for both incidents and near-misses

### *How we treat people*

- We work on the basis of performance, and potential, not on the basis of irrelevant matters. This means we do not discriminate against anyone because of age, disability, gender/gender reassignment, marriage/civil partnership, pregnancy and maternity, race, religion and belief, sex, sexual orientation
- We support good labour practice, and responsible supply chain management (including to prevent human trafficking and slavery)
- Every person matters: we take specific care for protection of children and vulnerable adults

## **Structure and application**

### **Structure**

The Positive Business, Ethics and Conduct policy covers six specific areas in turn:

- Conflict of Interest
- Anti-fraud and anti-corruption
- Value for Money
- Equalities
- Protecting children and vulnerable people
- Zero tolerance and Reporting

### **Who this policy applies to**

This policy, and its successors, applies to all CGA staff, associates, and sub-contractors working for CGA in any country of work and on any project; a summary clause is included in all our contracts for this purpose.

### **Policy Awareness**

Staff, associates and sub-contractors will be made aware of standards of behaviour expected of them on any contract. CGA will provide access to the following documents to all our associates:

- Current CGA ethics policy
- Bribery Act 2010
- US Foreign Corrupt Practices Act
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions
- UK Equality Act 2010
- ILO Ethical Trading Initiative Base Code
- UK Modern Slavery Act 2015

Senior Management may approve further language on policies related to ethics, anti-corruption, anti-discrimination, bribery, conflict of interest, and/or child and vulnerable adults' protection (including human slavery and trafficking) as related to specific project and/or clients.

### **Review and updating**

The CGA Board sets this policy and reviews this annually.

## Detail

### **1. Conflict of Interest**

Staff, associates and sub-contractors must disclose, and manage, any known, potential, perceived, reasonably perceivable, or actual conflict of interest in any present or future task as soon as it arises, specifically including:

- Related-party
- Family
- Self-review
- Situations where the company could be considered to have an unfair advantage, or improperly be on 'both sides of a transaction'

A Conflict of Interest (COI) 'register' will be kept by CGA for staff across the company who should disclose in writing to the Country Coordinator if and when potential COI arises. For relevant senior staff with familial relationships that could be perceived as COI, CGA will publish these disclosures on its website.

In any case of doubt, recourse should be to Regional Directors, and to the Senior Compliance Adviser.

### **2. Anti-fraud and anti-corruption**

Staff, associates and sub-contractors must comply with all applicable laws, rules, and regulations including but not limited to the DFID Statement of Priorities and Expectation, UK Bribery Act 2010, the US Foreign Corrupt Practices Act, relevant local legislation, and where appropriate, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Detailed arrangements to provide positive assurance, including but not limited to with regard to:

- Timesheets
- Expenses
- Procurement
- Project value amounts (transfers, grants etc)

are set out in the company's Operational Manual.

Details on reporting arrangements are provided at section 6 below.

### **3. Value for Money**

Staff, associates and sub-contractors must take care to ensure that their actions are consistent with the Statement of Priorities and Expectation.

Only staff who have assigned commercial responsibilities may engage on external commercial matters: see detailed arrangements set out in the company's Operations Manual.

In relation to reasonable reward, rent-seeking behaviour, and the seeking of 'ransom strips' is specifically forbidden. Our 'technology approach' published on our website sets out ways in which we ensure that we seek only reasonable reward for the development and support of technology materials and systems.

We are honest about what work we can and can't handle (e.g. we don't staff people that can't do the job to the required), and charge prices that are transparently set, and regularly benchmarked.

#### **4. Equalities**

We work on the basis of performance, and potential, not on the basis of irrelevant matters. We comply with applicable UK and host country Equalities legislation, including the UK Equality Act of 2010. This means we do not discriminate against anyone because of age, disability, gender/gender reassignment, marriage/civil partnership, pregnancy and maternity, race, religion and belief, sex, sexual orientation

#### **5. Protecting children and vulnerable people**

Staff, associates and sub-contractors must take all reasonable steps to protect children and vulnerable people, to recognise child and vulnerable people's protection, and seek to limit or eliminate situations where physical or emotional abuse, or other forms of maltreatment of children and vulnerable people can occur.

It is not expected that staff, associates or sub-contractors identify protection cases unless they are qualified to do so, but concerns about actual or potential concerns should be raised through the normal management chain, or to Hannah Graham ([safeguarding@charliegoldsmithassociates.co.uk](mailto:safeguarding@charliegoldsmithassociates.co.uk)) as the senior management team member responsible for protection children and vulnerable people.

#### **Definition**

Charlie Goldsmith Associates recognises the importance of safeguarding the welfare of children (for these purposes, defined as under eighteens) and vulnerable adults, consistent with the pro-poor and developmental purposes of the company.

Charlie Goldsmith Associates (CGA) is committed to safeguarding the welfare of children and young people that Associates come into contact as a result of their employment.

In the normal day-to-day duties of Associates there is limited contact with these groups. However, recognising that working in the education and health sectors can entail visits to schools and health facilities, that our pro-bono work may take us into schools and other places where young or vulnerable people are, and that a wide range of situations can arise working in post-conflict and emerging countries, this policy for the protection of children and vulnerable adults has been put in place.

## Principles

- Children and vulnerable adults should be treated with care, respect and dignity.
- Those working for CGA in a given country should expect to be perceived by children and vulnerable adults as representing the company, whether in work hours or not.
- Employees should act responsibly with regard to any physical contact with children and vulnerable adults.
- All CGA Associates have signed a personal declaration form. All subcontractors will be made aware of our policy and asked to provide a copy of their own. If they do not have their own, they will be asked to sign ours.
- For the purposes of the self-declaration form, a child is defined as someone who is under eighteen.
- SPHERE standards apply in relevant contexts, with regard to people who could reasonably be perceived as 'beneficiaries'.

## CGA Personal Disclosure

All CGA Associates will be asked to sign a personal disclosure form to confirm they have not committed any offence, been convicted of any offence, and are not subject to any disciplinary sanction, relating to children or vulnerable adults.

For nationals from countries that offer a disclosure and barring service CGA will ask staff to obtain the relevant paperwork every three years, at the company's expense. A full initial pass was conducted in 2016.

## CGA Contractual Obligation

Associates will abide by the Company's standard on ethics which includes - where and when applicable, recognising children and vulnerable people's protection, whereby the Associate is obligated to limit or eliminate situations where physical or emotional abuse, or other forms of maltreatment of children and vulnerable people can occur. It is not expected that the Associate identify protection cases unless they are qualified to do so, but concerns about actual or potential concerns should be raised to senior staff.

### **3. CGA Associates will, in all work involving contact with children and vulnerable adults (the former entailing the latter for the purposes of the list below):**

- Prioritise the safety and wellbeing of the child at all times.
- Not, as far as possible, assume sole responsibility for a child when on company work.

- Only take on practical caring responsibilities, for example, taking a child to the toilet, in an emergency.
- Never give out personal contact details to a child unless it is for the purpose of their contribution to a project, and after gaining permission from their parent/guardian. Never have a telephone conversation with a child without their parent/guardian/teacher being present with the child.
- Never lose sight of the fact that they are with children – they will behave appropriately and use appropriate language at all times when around children.
- Listen and show respect to children.
- Avoid favouritism, and treat children and young people fairly and without prejudice or discrimination.
- Never develop inappropriate relationships with children and young people -.
- If they are concerned anyone is behaving inappropriately around children, they report that concern to their manager.

### **Reporting re children and vulnerable adults’ protection**

Where the safety of children and vulnerable adults is concerned, CGA will ensure that associates and sub-contractors are alert to signs of abuse and aware of steps of reporting suspected or known instances.

CGA recognises that not all of its staff, associates, and/or subcontractors will have the expertise required to identify all cases concerned; however, it is expected that individuals act and report as appropriate.

It is not expected that staff, associates or sub-contractors identify protection cases unless they are qualified to do so, but concerns about actual or potential concerns should be raised through the normal management chain, or to Hannah Graham ([safeguarding@charliegoldsmithassociates.co.uk](mailto:safeguarding@charliegoldsmithassociates.co.uk)) as the senior management team member responsible for protection children and vulnerable people.

## **6. Modern Slavery Act 2015**

The Company notes and is committed to the principles set out in the Modern Slavery Act 2015. We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. As and when we have new contractors or suppliers come on-board we pre-qualify any new firm through a series of diligence, relating to company performance, compliance, and references.

## **7. Zero tolerance and reporting**

### *Zero tolerance*

Zero tolerance, or ‘positive policing’ means that we report, and follow up, every incident that is not, appears not to be, or is suspected not to be, compatible with our ethics and conduct policy.

The logic of a ‘zero tolerance’ approach is that:



- What gets measured, gets managed
- Prompt follow-up of any smaller incidents stops problematic behaviours or approaches before they become bigger
- The open and comprehensive approach creates better understanding of what problematic behaviours and approaches are

An unintended consequence of zero tolerance approaches can be a reluctance to report, and it is therefore important that, as a general policy, there should be a 'no blame' culture where reports are promptly, fully, and honestly made, for both incidents and near-misses; and that the company provides a structured and comprehensive process to receive and follow up on reports to allow them to be handled fairly, which also provides a positive incentive to report.

### *Reporting*

We immediately report any incident of suspected or actual fraud or corruption that we have witnessed, or any non-compliance from, through our internal channel. The relevant senior then immediately reports it to the client and/or donor, as applicable, whether or not the incident directly involves the company, and specifically including any incident involving client and/or donor funds, including value amounts of grants, cash transfers etc.

The immediate project manager shall be the first point of reporting in any instance, who will then inform the CGA Managing Director except in cases where the project manager is involved, in which case concerns should be raised direct to the MD.

In the case of a potential compliance problem, CGA staff and associates should raise the issue immediately with the relevant Country Coordinator or Regional Director. This includes any problems within CGA's own operations, in those of subcontractors or organisations that work for us, and within consortia or with clients with which CGA works. 'Near-misses', as well as actual occurrences, should be reported.

If for whatever reason the problem cannot be raised with the relevant Country Coordinator or Regional Director, it should be raised instead, in order of preference, with:

- Managing Director, Charlie Goldsmith;
- Senior Compliance Adviser, Marcia Marini; or
- Board Chairman, Adrian Foster.

Every incident that is not, appears not to be, or is suspected not to be, compatible with our ethics and conduct policy, is to be reported.

The immediate project manager shall be the first point of reporting in any instance, who will then inform the CGA Managing Director. In cases where the project manager is involved, concerns should be raised direct to the MD.

In the case of a potential compliance problem, CGA staff and associates should raise the issue immediately with the relevant Country Coordinator or Regional Director. This includes any problems within CGA's own operations, in those of subcontractors or organisations that work for us, and within consortia or with clients with which CGA works. 'Near-misses', as well as actual occurrences, should be reported.

If the problem cannot be raised with the relevant Country Coordinator or Regional Director, it should be raised instead with, in order of precedence: Managing Director, Charlie Goldsmith; Senior Compliance Adviser, John Williams; or Board Chairman, Adrian Foster. Contact information is found in the Operations Manual.

Every incident involving a donor's funds, is reported to that donor promptly, whether or not it involves us directly. Every incident needs to be followed up, in accordance to our zero tolerance policy.

'procedures setting out how, staff involved in DFID funded business, can immediately report all suspicions or allegations of aid diversion, fraud, money laundering or counter terrorism finance to the Counter Fraud and Whistleblowing Unit (CFWU) at [fraud@dfid.gov.uk](mailto:fraud@dfid.gov.uk) or on +44(0)1355 843551'