

## **Teesside University**

### **Tackling Tax Evasion Statement (Criminal Finances Act 2017)**

#### **Our commitment**

At Teesside University (the “University”) we do not condone and have a zero tolerance approach to the facilitation of tax evasion. This statement is published in accordance with the Criminal Finances Act 2017 (“CFA2017”). This statement sets out the commitment of the University to preventing persons associated with the University and its subsidiary companies from engaging in the criminal facilitation of tax evasion in the UK or in a foreign country. It also sets out the steps the University has taken and will take in relation to preventing the facilitation of tax evasion.

#### **Introduction**

Tax evasion occurs when individuals or businesses deliberately omit, conceal or misrepresent information to reduce their tax liabilities. Organisations can be used by associated individuals or businesses to facilitate taxpayer evasion in the UK or overseas.

The University is committed to preventing the facilitation of tax evasion by associated individuals or businesses anywhere within its operations. We do this through the development of reasonable prevention procedures, carrying out regular due diligence and risk assessments of our activities and creating awareness and a culture of compliance throughout the University. We also use our strategic planning and risk management processes to identify any emerging risks for future activities, changes in legislation and through efficient and effective contract management.

#### **The University’s structure and activities**

Teesside is the only university wholly based in the Tees Valley area and has its origins in the period after World War I. In 1930 Joseph Constantine, a local shipping magnate, made a gift to the town to stimulate the establishment of a technical college to support Middlesbrough’s booming engineering and shipping industries.

In 1969, the college became Britain’s 13th polytechnic, and in 1989, Teesside Polytechnic left local authority control and became a self-governing independent higher education institution. In 1992, the Polytechnic received university status.

Teesside University has developed into a dynamic, energetic and innovative institution which places students at the centre of everything it does. It prides itself on its inclusive, consultative, responsive, friendly and open approach and on the significant positive social, economic and cultural impact that it has upon the communities that it serves and the wider economy of the North East and North Yorkshire.

Teesside University is an exempt charity under the terms of the Charities Act 2011. It is regulated by the Office for Students (‘OfS’), which has been appointed the principal regulator of Higher Education providers.

Commercial trading activities undertaken by the University are operated through its subsidiary companies: University of Teesside Enterprises Limited, Teesnap Limited, Teesside Sports Injury Centre Limited and TU Online Limited.

## **Risk Assessment and Implementation of Prevention Procedures**

The University is committed to embedding processes and controls which will help eliminate opportunities for the criminal facilitation of tax evasion.

The University undertakes risk assessments of all activities to determine the nature and extent of exposure to the risk of any “associated persons” (for example, employees, agents, contractors, suppliers and intermediaries) engaging in activity that could criminally facilitate tax evasion. Reasonable prevention procedures proportionate to the size, complexity and risk are implemented.

The University maintains a register of possible risks of the facilitation of tax evasion by its staff and associates, as well as listing controls to mitigate those risks, and any actions required to improve those controls. This register is reviewed and updated, as and when required in relation to the nature of the specific risks.

## **Due Diligence**

Due diligence on both customers of and suppliers to the University is undertaken in order to ensure that the risk of potential interactions with the University or its subsidiary companies being used by associated persons to engage in the criminal facilitation of tax evasion is clearly identified before any transactions take place. This due diligence is proportionate to the identified risk.

## **Raising Awareness & Collaboration**

As the strategic knowledge base for tax matters at Teesside University the University’s Finance Department is committed to staying aware of developments, legislation and case studies in regard to the prevention of the criminal facilitation of tax evasion.

Eliminating the opportunities to facilitate tax evasion effectively requires improved traceability, increased transparency and collaboration between statutory agencies, civil society organisations and both public and private sector business.

Steps taken by the University in this area include (but are not limited to) the following:

- The University has nominated Key Officers responsible for information and queries on CFA2017. The Key Officers for CFA2017 are Diane Howie, Deputy Director of Finance and Victoria Dixon, Senior Solicitor. The University’s Head of Procurement is responsible for supply chain management transparency and initiatives.
- Finance staff are formally briefed on CFA2017, the outcomes from risk assessments and the Criminal Finance Act (Anti-Tax Evasion) Policy on an annual basis and we continue to identify and deliver other bespoke training and awareness for other staff where CFA2017-specific risks are identified. Such training forms part of wider financial crime detection and prevention training. The University also subscribes to the training available from British Universities Finance Directors Group website.
- Our zero-tolerance approach to tax evasion and foreign tax evasion is communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate after that.

- The Criminal Finance Act (Anti-Tax Evasion) Policy and this Statement of Commitment is communicated to all University staff and is published on the University website.
- We will work in collaboration with other universities and external bodies such as the British Universities Finance Directors Group, HMRC, Procurement Consortia and OfS, to share and develop best practice in due diligence, prevention procedures and the elimination of the criminal facilitation of tax evasion.

University staff are encouraged to speak to either of the nominated officers listed above if they have any questions or concerns about tax evasion. If any individual suspects that any person associated with the University and its subsidiaries is engaging in the criminal facilitation of tax evasion, it must be disclosed as soon as possible to one of the Key Officers named above. In cases where a member of staff believes that informing the Key Officers would be inappropriate, they should consult the University Secretary and/or follow the procedures outlined in the University's Public Interest Disclosure Policy which sets out the University's 'whistleblowing' procedure.

### **Consequences for any associated person breaching the University's commitment to zero tolerance towards the criminal facilitation of tax evasion**

Any staff member who fails to meet the University's commitment to zero tolerance towards the criminal facilitation of tax evasion, will be subject to disciplinary action under the University's Disciplinary Procedure. The staff member may also be personally liable to criminal prosecution in the UK under existing tax evasion laws.

We use our reasonable endeavours to challenge customers, suppliers, partners and funders that do not meet our standards regarding prevention of the criminal facilitation of tax evasion. Such customers or suppliers may also be liable to prosecution under the provisions of the Criminal Finance Act 2017.

In the supplier selection phase of the University's Procurement Process, we may remove from competition suppliers that do not agree with the University's policies or who have poor supply chain practices in place. In contract management, contracted suppliers will be required to take the necessary action to improve their service delivery and we will work with them to address any concerns. If the supplier does not improve the University may terminate the business relationship.

This Statement has been approved by the University's Board of Governors at its meeting on 22 May 2020 and is signed on its behalf by:



**Professor Paul Croney**  
**Chief Executive and Vice-Chancellor**