CRIMINAL FACILITATION OF TAX EVASION POLICY

Section 1: Purpose
The purpose of this policy is to set out the responsibilities of the company and of those working for it, whether as an officer, employee, worker, subcontractor, agent or in any other capacity, in observing and upholding USS's position on criminal facilitation of tax evasion.

Section 2: Scope
This document applies throughout USS and its Supply Chain on all contracts carrying out all services.

Section 3: Introduction
As outlined in the business management system, it is policy of USS to conduct our business in a professional, law-abiding and ethical manner. Therefore, USS will not tolerate acts of criminal facilitation of tax evasion by its staff, subcontractors or any other of its associates.

Section 4: Guidance
Part 3 of the Criminal Finances Act 2017 introduces a new corporate criminal offence of failure to prevent the facilitation of tax evasion. This is applicable to USS and applies to situations where the company fails to prevent 'Associated persons' from assisting in the evasion of tax by another party. 'Associated Persons includes USS's officers, employees, workers, agents, sub-contractors or other people or organisations that provide services for or on the company's behalf.

It is of course, in any case, a criminal offence for anyone to evade paying tax of any kind, and for helping someone to do so. Any individual found to be guilty of this could be subject to criminal proceedings under existing legislation. However, under the CF A 2017 in the event of there being both criminal tax evasion by a either a UK or overseas taxpayer (as an individual or an entity) under existing law and Criminal Facilitation of this offence by an 'associated person' of USS the company will automatically be charged with the offence of failing to prevent its representatives from committing the criminal act of facilitation unless it can demonstrate that it had reasonable procedures in place to prevent that facilitation. If found guilty, USS could face an unlimited fine, exclusion from tendering for public contracts, and damage to its reputation.

For illustration purposes, examples are given below of when an Employee or Associate of USS might themselves be guilty of committing an offence of criminal tax evasion, and thus also USS itself:

- Knowingly assisting a worker to be paid as a self-employed contractor instead of as an employee, allowing the worker to evade paying appropriate income tax and national insurance liabilities
- Colluding with another company to artificially document supplied services, in the interest of evading VAT liabilities
- Helping another employee incorrectly claim a payment due to them as an expense rather than as another taxable type of payment

Section 5: Control
Staff and associates are reminded that they are required at all times to abide by USS's policies and procedures. Failure to comply with these policies and the obligations detailed in this Policy may result in disciplinary action for staff and termination of contract for associated persons.

The control of Criminal Facilitation of Tax Evasion will be controlled in the following manner:

- Should staff or associates become concerned that a fellow employee or associate is facilitating tax evasion they should immediately make a report to the Finance Director or, otherwise, in line with the USS Whistle Blowing policy
- All suspicions of facilitating tax evasion will be investigated by the senior management team
- Any persons suspected of facilitating tax evasion will be immediately suspended from USS pending the outcome of an investigation.
- Where necessary the police will be called in to investigate.

Section 4: Document History
October 2018 New document