Moon walking backwards - the Bribery Act comes into force on 1 July 2011

Business trips to Wimbledon may be back in the diary this summer (not that for <u>Andy Murray</u> fans like myself they were ever taken out!), as Ken Clarke has recently announced that a watered down version of the Bribery Act will <u>come into force</u> on 1 July 2011. The press release trumpets the Bribery Act as "the <u>UK</u> clamping down on corruption" but many will not see it that way. Justice Secretary, <u>Kenneth Clarke</u>, said:

I have listened carefully to <u>business</u> representatives to ensure the Bribery Act is implemented fully and in a workable, commonsense way – this is particularly important for small firms that have limited resources. I hope this guidance shows that combating the risks of bribery is largely about common sense, not burdensome procedures.

Without changing the substance of the Act, this guidance should save <u>organisations</u> of all sizes from the fears sometimes aroused by the compliance industry that millions of pounds must be spent on new systems that, in my opinion, no honest business will require in response to the commencement of this Act.

'Some have asked whether business can afford this legislation – especially at a time of economic recovery. But the choice is a false one. We don't have to decide between tackling corruption and supporting growth. Addressing bribery is good for business because it creates the conditions for free markets to flourish.'

The Bribery Act 2010 creates a new offence under section 7 which can be committed by commercial organisations which fail to prevent persons associated with them from bribing another person on their behalf. An organisation that can prove it has adequate procedures in place to prevent persons associated with it from bribing will have a defence to the section 7 offence. Many politicians have criticised lawyers for scaremongering everyone about the new legislation - although it is rather odd to criticise lawyers for advising their clients. I have written on the subject for the raconteur Business supplement for the Times myself, highlighting the pit falls of the Act, and what business leaders feared about the legislation see my earlier posts for more information. It may be that Ken Clarke has actually listened to those concerns, or perhaps it will cost too much to enforce?

Click here for a link to the <u>guidance</u> - the purpose of which is to help commercial organisations of all sizes and sectors understand what sorts of procedures they can put in place to prevent bribery, as mentioned in section 7.

Click here for a link to the quick start guide.

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