

Policy

P010 A1

Anti-Tax Evasion Policy

Policy statement

Appendix 1

1 Background

In the light of the Criminal Finances Act 2017, Transport for London has decided to adopt a statement of our corporate value on anti-facilitation of tax evasion. Transport for London strives to conduct all of its business dealings in an honest and ethical manner. The statement governs all our business dealings and the conduct of all persons or organisations who are appointed to act on our behalf.

We require all our employees and any associates who have, or seek to have, a business relationship with TfL and/or any member of our Group, to familiarise themselves with our anti-tax evasion value statement and to act at all times in a way which is consistent with our anti-tax evasion value statement.

2 Anti-tax evasion value statement

Transport for London and its subsidiaries ("TfL") have a zero-tolerance approach to all forms of tax evasion, whether under UK law or under the law of any foreign country.

Employees and **Associates** (as defined at Section 5) of TfL must not undertake any transactions which:

- a) cause TfL to commit a tax evasion offence; or
- b) facilitate a tax evasion offence by a third party.

TfL strives to act professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter tax evasion facilitation.

At all times, business should be conducted in a manner such that the opportunity for, and incidence of, tax evasion is prevented.

3 Who must comply with this policy?

This policy applies to all persons working for TfL or on TfL's behalf in any capacity, including employees at all levels, directors, officers and **Associates**, including but not limited to agency workers, seconded workers, volunteers, interns, contractors, external consultants, third-party representatives and business partners, sponsors or any other person associated with us, wherever located.



4 Who is responsible for this policy?

The Senior Accounting Officer (SAO), supported by the Chief Officers of TfL, has overall responsibility for ensuring that this policy complies with our legal obligations, and for ensuring our employees and **associates** comply with it. The SAO for the group is the Statutory Chief Finance Officer. This policy is adopted by TfL. It may be varied or withdrawn at any time, in TfL's absolute discretion. Employees in leadership positions are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate training on fraud.

5 Definitions

For the purposes of this policy:

Associates includes contractors or an agent of TfL (other than a contractor) who is acting in the capacity of an agent, or any person who performs services for and on behalf of TfL who is acting in the capacity of a person or business performing such services.

Tax Evasion means an offence of cheating the public revenue or fraudulently evading UK tax, and is a criminal offence. The offence requires an element of fraud, which means there must be deliberate action, or omission with dishonest intent.

Foreign Tax Evasion means evading tax in a foreign country, provided that the conduct is an offence in that country and would be a criminal offence if committed in the UK. As with **tax evasion**, the element of fraud means there must be deliberate action, or omission with dishonest intent.

Tax Evasion Facilitation means being knowingly concerned in, or taking steps with a view to, the fraudulent **evasion of tax** (whether UK **tax** or **tax in a foreign country** by another person, or aiding, abetting, counselling or procuring the commission of that offence. Tax evasion facilitation is a criminal offence, where it is done deliberately and dishonestly.

Tax evasion is not the same as tax avoidance or tax planning. Tax evasion involves deliberate and dishonest conduct. Tax avoidance is not illegal and involves taking steps, within the law, to minimise tax payable (or maximise tax reliefs).

Tax means all forms of UK taxation, including but not limited to corporation tax, income tax, value added tax, stamp duty, stamp duty land tax, national insurance contributions (and their equivalents in any non-UK jurisdiction) and includes duty and any other form of taxation (however described).

6 Corporate responsibilities

TfL has completed a risk assessment and has established procedures governing certain transactions with third parties designed to prevent specific areas of possible tax evasion by a third party.



7 What team members and associates must not do

Employees and **Associates** must at all times adhere to TfL's anti-tax evasion value statement and must ensure that they read, understand and comply with this policy. It is not acceptable for employees or **associates** to:

- a) Engage in any form of facilitating Tax Evasion or Foreign Tax Evasion
- b) Aid, abet, counsel or procure the commission of a Tax Evasion offence or Foreign Tax Evasion offence by another person
- c) Fail to promptly report any request or demand from any third party to facilitate the fraudulent Evasion of Tax by another person, in accordance with this policy
- d) Engage in any other activity that might lead to a breach of this policy
- e) Threaten or retaliate against another individual who has refused to commit a Tax Evasion offence or a Foreign Tax Evasion offence or who has raised concerns under this policy
- f) Commit an offence under the law of any part of the UK consisting of being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax.

8 Prevention through vigilance

There is not an exhaustive list of Tax Evasion opportunities. At a more general level, the best defense against Tax Evasion and facilitation of Tax Evasion remains the vigilance of our employees and **Associates** and the adoption of a common-sense approach supported by our clear procedures for [challenging wrongdoing](#). In applying common sense, team members must be aware of the following:

- a) Is there anything unusual about the manner in which an **Associate** of TfL is conducting their relationship with TfL or the third party?
- b) Is there anything unusual about the third party's or **Associate's** conduct or behavior in your dealings with them?
- c) Are there unusual payment methods?

Unusual payment methods and unusual conduct of third parties with **Associates** can be indicative that a transaction may not be as it seems.

9 How to raise a concern

Our employees have a responsibility to take reasonable action to prevent harm to TfL and we hold our employees accountable for their actions and omissions. Any actions that breach the Criminal Finances Act 2017 and the tax laws of wherever we operate bring harm to TfL and will not be tolerated.

You are responsible for properly following TfL's policies and procedures. These ensure that all taxes are properly paid. If you are ever asked by anyone either inside or outside our organisation to go outside our standard procedures, this must be reported without delay, as someone may be attempting to evade tax. Please refer to TfL's [Challenging wrongdoing](#) page for details on how you can report any queries or concerns.



A.S. King

Date: 10.12.2020

Signed by:

