

Prevention of Fraud, Bribery and Corruption Policy and Procedures



BATH SPA
UNIVERSITY

1. Purpose

- 1.1 The University is committed to ethical standards of business conduct and adopts a zero-tolerance approach to fraud, bribery and corruption in all jurisdictions.
- 1.2 The University will uphold all relevant laws for countering fraud, bribery and corruption including the Economic Crime and Corporate Transparency Act 2023 and the Bribery Act 2010 (as amended from time to time).
- 1.2 This Policy supports the University in preventing, detecting and reporting fraud, bribery and corruption. The University is committed to ensuring that it has reasonable prevention procedures in place.

2. Principles

- 2.1 The aims of this Policy are:
- 2.2 To create an effective framework for the prevention and detection of fraud, bribery and corruption;
- 2.3 To encourage and enable the reporting of suspected incidents of fraud, bribery and corruption;
- 2.4 To outline expectations of staff and third parties, including partners;
- 2.5 To enable the University to respond effectively and promptly to incidents of alleged fraud, bribery and corruption;
- 2.6 To ensure that evidence is established and secured for investigation and, if appropriate, disciplinary or police action;
- 2.7 To ensure that steps are taken to prevent further loss once a potential issue has been identified.

3. Scope

- 3.1 This Policy applies to all staff, governors and “associated persons” (as defined in the Bribery Act 2010 and/or the Economic Crime and Corporate Transparency Act 2023) - including contractors, authorised representatives acting on behalf of the University, educational partners and any other person who otherwise performs services for or on behalf of the University. It applies to all University activities undertaken in the UK or overseas, including activities

undertaken by third parties which may directly or indirectly benefit the University.

- 3.2 This Policy applies to allegations of fraud, bribery and corruption as defined below. Academic fraud allegations will normally be managed under the applicable Academic Policy and Procedures. The University Secretary will make the determination as to whether an allegation should be managed under this and/or any other University Policy.
- 3.3 Breach of this Policy and its associated Procedures may constitute a disciplinary offence for staff and be subject to investigation under the University's disciplinary procedures and/or reported to the police. For other parties that are not staff, breach may result in other contractual or legal action and/or may be reported to the police.

4 Definitions

4.1. Fraud

4.1.1 'Fraud' is used as a broad term to describe a number of different criminal offences or civil actions, including theft, deception, breach of trust, criminal tax evasion, embezzlement, cheating the public revenue, false accounting, misappropriation, failure to disclose information, false representation, collusion, falsifying documents or records. In general, fraud involves acting dishonestly with the intention to make a gain and/or create a loss for another party.

4.1.2 The University may be criminally liable where an employee, agent, subsidiary, or other "associated person", commits a fraud intending to benefit the University and the University does not have reasonable fraud prevention procedures in place.

4.1.3 The University is also committed to ensuring that it has reasonable prevention procedures in place to prevent facilitation of criminal tax evasion by its staff and associated persons and has included this within the definition of fraud.

4.1.4 Fraud may also be carried out by third parties unconnected to the University to deceive the University, its staff, students or the public. The Procedures in this Policy regarding reporting and investigation also apply to third party fraud using the University name or targeting the University or its staff and students to ensure reporting and enable appropriate investigation to prevent further loss.

4.2 Bribery

4.2.1 A bribe is a financial or other advantage offered to another person (either directly or indirectly) to induce them to improperly perform a relevant function or activity or to reward them for doing so.

4.2.2 The Bribery Act 2010 sets out offences relating to:

- (i) offering, promising or giving a bribe;
- (ii) requesting, agreeing to receive or accepting a bribe; and
- (iii) bribing a foreign public official;

these offences can take place anywhere in the world.

4.2.3 There is also a corporate offence of “failing to prevent bribery”. The University must have “adequate procedures” in place to avoid being convicted of this offence.

4.2.4 Bribes usually take the form of improper payments or personal “commissions”. They can, however, take on many different shapes and forms, such as gift cards, gifts, hospitality, entertainment, shopping trips, payment of travel and other expenses, secret rebates, or charitable or political donations.

4.2.5 Facilitation payments, which are common in some countries, are also prohibited under the Bribery Act 2010. These payments secure or expedite routine or necessary Government action by a public official. A facilitation payment includes a payment to a public official to do their job properly as well as payment to do their job improperly.

4.2.6 The University is accountable for the actions of any third parties who work on behalf of the University, e.g. recruitment agents, contractors, and educational partner staff. Under the Bribery Act 2010, these third parties are known as “associated persons”.

4.2.7 Factors known to increase the risk of bribery are:

- (i) The use of sub-contractors and intermediaries;
- (ii) The working practices adopted in certain countries. Higher risk jurisdictions can be identified by reference to the Transparency International corruption perception index:
<https://www.transparency.org/en/cpi/2024>
- (iii) Working with industrial sectors that are known to present increased bribery risks e.g. pharmaceutical and construction sectors;
- (iv) Improper gifts and hospitality;
- (v) Improper acceptance of donations.

4.3 Corruption

Corruption is the misuse of power for personal gain.

5. Policy

5.1 The University does not tolerate fraud, bribery or corruption carried out by its own staff or associated persons or by partners or third parties acting on behalf of the University. The University will seek to prevent such activity by a variety of measures including:

5.1.2 risk assessments of key activities, including maintaining a fraud risk assessment and a bribery risk assessment across all of its activities and a partnerships risk assessment by educational partner;

5.1.3 strong internal controls, including financial regulations and procedures and a programme of internal and external audits;

5.1.4 robust induction and training and clear articulation to all stakeholders of expected conduct;

5.1.5 due diligence completed on all higher risk contracting parties, including all educational partners prior to contract approval;

5.1.6 requiring that all staff, contractors, those working within or for the University, educational partners and associated persons **must** report concerns and suspicious activity as set out in this Policy;

5.1.7 maintenance by the University of a record of all allegations of fraud, bribery and corruption to ensure concerns are investigated appropriately and actions taken where required. All reports received under this Policy are notified to the Audit and Risk Assurance Committee of the Board of Governors as a standing agenda item.

5.2 Responsibilities

5.2.1 The Board of Governors has overall responsibility for ensuring that a) the University's resources are safeguarded so that it can meet its charitable objects b) appropriate action is taken if significant compliance issues arise and c) policies and procedures are in place to address these issues.

5.2.2 The Audit and Risk Assurance Committee has responsibility for considering reports made to it under this Policy and for providing assurance to the Board of Governors that appropriate oversight is in place by monitoring and review of this Policy.

5.2.3 The Vice-Chancellor as Accountable Officer has overall executive responsibility for promoting a culture of zero tolerance of fraud, bribery and corruption.

- 5.2.4 The University Secretary has responsibility for providing advice on compliance with this Policy and for ensuring that all reports made under this Policy are monitored and followed up effectively.
- 5.2.5 The Internal Auditors have responsibility for investigating any reports referred to them by the University Secretary.
- 5.2.6 The Chief Financial Officer has responsibility for ensuring that the University's financial regulations and financial procedures are regularly reviewed and effective in preventing fraud, bribery and corruption.
- 5.2.7 The Pro Vice-Chancellor Academic Planning has responsibility for ensuring that the University's student recruitment and admissions regulations and procedures are regularly reviewed and effective in preventing fraud, bribery and corruption.
- 5.2.7 The Director of Human Resources has responsibility for ensuring that staff suspension and disciplinary procedures are effective in addressing fraud, bribery and corruption and for ensuring, monitoring and reporting on training within the scope of this Policy.
- 5.2.8 All members of the University Leadership Group have responsibility for ensuring that the risk registers for their service or school are regularly updated and include due consideration of fraud, bribery and corruption risks and for contributing to the central University fraud, bribery and partnership risk registers as required.
- 5.2.9 All contract signatories have responsibility for ensuring that appropriate due diligence has been completed on contracting parties before they sign contracts on behalf of the University.
- 5.2.10 All individuals within the scope of this Policy (see 3.1) have responsibility for not committing fraud, bribery or corruption and completing relevant training as required by the University and for reporting any concerns as set out below.

5.3 Reporting

- 5.3.1 All individuals within the scope of this Policy (see 3.1) have an obligation to be vigilant and to report any concerns about fraud, bribery or corruption immediately.
- 5.3.2 University staff and all those individuals working within or for the University should report concerns by email to fraudprevention@bathspa.ac.uk
- 5.3.3 Staff working for partners, agents or other third parties associated with the University should report by email to the contact specified by their employer **and** copied to fraudprevention@bathspa.ac.uk

5.4 What if I am worried about reporting?

- 5.4.1 The University encourages all individuals in scope to report under this Policy. This is a core part of its commitment to ethical and legal compliance and the University is committed to ensuring that individuals making reports in good faith do not suffer detriment as a result.
- 5.4.2 If individuals are not comfortable reporting concerns through the routes above then they should still report their concerns under the Whistleblowing (Public Interest Disclosure) and Third Party Concerns Policy and Procedures.

6 Linked Procedures

- 6.1 Further guidance on identifying risk scenarios in respect of fraud, bribery and corruption risk is available here: *[link to potential red flag situations based on the Serious Fraud Office Corruption Indicators]*
- 6.2 Gifts and Hospitality Procedures – all staff and those working within or for the University must comply with the requirements for logging and approval of gifts and hospitality set out here: *[link to the updated Gifts and Hospitality Procedures which require logging, approval and includes guidance on what is and is not acceptable]*

7 Investigations

- 7.1 The University Secretary or their appropriately qualified nominee shall act as Investigating Officer for all reports received under this Policy unless the report relates to the University Secretary in which case the Chair of the Audit and Risk Assurance Committee shall act as or nominate an Investigating Officer.
- 7.2 For complex or significant reports the Investigating Officer shall convene a Fraud Response Group, normally including the Chief Financial Officer and at least one other member of the University Executive Board not responsible for the area under investigation.
- 7.3 The Investigating Officer is responsible for ensuring that the following actions are carried out:
 - 7.3.1 determining in consultation with the Vice-Chancellor whether a report should be made to the police (and liaising with the police to ensure that any internal investigation does not impede the police investigation);
 - 7.3.2 determining immediate steps required to secure evidence or prevent further loss;

- 7.3.3 appointing an appropriately constituted investigation team including determining whether the investigation should be undertaken by the University, by internal auditors or another external expert with appropriate professional qualifications (the Investigating Officer shall have authority to commit University budget as necessary to ensure an effective investigation);
- 7.3.4 arranging appropriate legal and financial advice as required;
- 7.3.5 notifying the Vice-Chancellor as Accountable Officer and ensuring that the matter is also considered under the Reportable Events Policy and Procedures;
- 7.3.6 notifying the Chair of the Audit and Risk Assurance Committee and the internal and external auditors, normally within seven days of receiving an investigation report;
- 7.3.7 notifying the University's insurers where appropriate;
- 7.3.8 putting in place appropriate measures to protect the confidentiality of the investigation;
- 7.3.9 providing a written report to the Fraud Response Group if convened and to the Vice-Chancellor if not;
- 7.3.10 ensuring that any written report gives due consideration to recommendations required to ensure that:
 - (i) individuals and organisations are held to account (including referring staff for disciplinary proceedings);
 - (ii) internal controls and other prevention measures are strengthened as required;
 - (iii) losses are pursued and recovered either through criminal or civil proceedings or as advised by solicitors.

Document Details

Responsible Office: Governance, Legal and Compliance

Responsible Officer: University Secretary

Approving Authority: Board of Governors

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Related Policies and Procedures: Gifts and Hospitality Procedures, Whistleblowing (Public Interest Disclosure) and Third Party Concerns Policy and Procedures

Supersedes: Anti-Fraud, Bribery and Corruption Policy

Next review due: July 2030