Anti-Fraud and Bribery
Policy & Procedure

Reviewed by the Audit Committee and approved by the Board of Trustees: 19 September 2025
Date of next review: 19 September 2026

This document outlines Tate's zero-tolerance approach to fraud and bribery. Part 1 sets out the policy framework, legal context, and governance responsibilities. Part 2 provides operational procedures for identifying, reporting, investigating, and responding to fraud.

Part 1: Anti-Fraud and Bribery Policy

1. Policy statement and purpose

Tate maintains a zero-tolerance stance on fraud, bribery, and related misconduct.

This policy outlines Tate's commitment to preventing, detecting, reporting, and responding to all forms of fraud, including cyber-enabled fraud, bribery, money laundering, and other economic crimes. It applies across all Tate operations and reflects our duty to uphold integrity, safeguard assets, and comply with legal and regulatory obligations.

Tate's approach is guided by five core principles:

- **Zero tolerance**: fraud and bribery are intolerable under any circumstances.
- **Proportionate prevention**: controls are tailored to the activities' scale and risk profile.
- **Prompt detection and reporting**: early escalation is essential to limit harm and meet legal and regulatory duties.
- **Fair investigation**: investigations must protect confidentiality, uphold whistleblower protections, and comply with employment and disciplinary law.
- **Learning and improvement**: lessons learned from incidents are used to strengthen controls and enhance Board oversight.

The Anti-Fraud Policy and Procedure forms part of Tate's broader governance framework and should be read alongside related organisational policies and procedures. These include the Whistleblowing Policy, Financial Procedures, Procurement Procedures, Cyber Security Policy, Security Policy, Data Protection and Privacy Policy, and Conflicts of Interest guidance as well as Tate's Ethics and Donations policies. Each document addresses specific areas of control and risk management and should be consulted for guidance on matters beyond the direct scope of fraud prevention and response.

2. Scope

This policy applies to all employees (permanent and temporary), agency staff, volunteers, contractors, consultants, artists, suppliers, Trustees and others acting for or on behalf of Tate, across all locations and activities. Tate, across all locations and activities. It applies across Tate's entities (Gallery, Enterprises and Foundation) and is approved by their respective Boards.

3. Legal and regulatory context

Tate operates within a robust framework of UK laws and regulations designed to prevent, detect, and respond to fraud, bribery, money laundering, and other forms of economic crime. The principal legislation includes:

- Fraud Act 2006: defines criminal fraud offences.
- Economic Crime and Corporate Transparency Act 2023 (ECCTA): introduces the corporate offence of failure to prevent fraud, applicable to Tate as a "large organisation". Large organisations are criminally liable and subject to unlimited fines if a specified fraud offence is committed by an associated person (e.g. an employee) with intent to benefit the organisation or its stakeholders. This is a strict liability offence, meaning no prior

knowledge of the fraud is required for liability to apply. The only defence is having reasonable fraud prevention procedures in place at the time of the offence.

- Bribery Act 2010: establishes bribery as a criminal offence, and a corporate offence of failure to prevent bribery.
- Proceeds of Crime Act 2002 (POCA): provides offences and powers for recovering the proceeds of crime, including funds obtained through fraud.
- Money Laundering Regulations 2017 (MLR): require due diligence and reporting in relation to money laundering risks.

It is also audited through both internal audit and the National Audit Office, and its accounts are approved by the Department for Culture, Media and Sport.

4. Preventive controls

To comply with its legal and regulatory obligations and effectively prevent, detect, and respond to fraud, Tate has implemented the following measures:

Governance

- A dedicated Fraud Risk Register covering fraud, bribery, and money laundering risks across operational, fundraising, procurement, grant-making, and digital channels. Each risk is assessed for likelihood and impact, with assigned owners and control measures. The register is reviewed quarterly by the Audit Committee.
- A conflicts of interest register for all roles at Grade 2 and above, as well as any other role deemed to hold a position of influence. This register supports transparency in decision-making and helps prevent undue influence. The register for the most senior roles is reviewed annually by the Audit Committee and the Board, while the wider register is made available to Internal Auditors as required.
- Procurement transparency, including clear approval pathways and documentation standards for supplier selection and contract awards.

Due diligence

- Risk-based due diligence on donors and partners. Notably, donations and corporate partnerships exceeding £250,000 are reviewed by the Board via its Ethics Committee, in accordance with Tate's Donations Policy.
- Pre-employment due diligence through reference checks and Disclosure and Barring Service (DBS) checks, as appropriate to the role.
- Roles with specific exposure are either subject to heightened due diligence (e.g. CAS checks for individuals with the responsibility of handling high-value assets in Collection Care) and professional regulation for roles such as solicitors and accountants.

Controls

Internal financial controls, including:

- Segregation of duties for financial transactions.
- Bank signatory rules.
- Periodic bank mandate reviews and independent reconciliation.

- Donation handling protocols.
- Supplier due diligence and contract approval for high-value contracts.

Cyber and IT safeguards

- Multi-factor authentication (MFA) on email.
- Role-based IT access and conducts regular phishing awareness training.
- Cyber vulnerability scans and monitors fraud risks through internal audit testing.

Training, reporting and monitoring

- Mandatory training for all relevant staff.
- Prompt reporting supported through clearly advertised channels and procedures.
- Secure records maintained of incidents, investigations, and outcomes for a minimum of seven years.
- Annual reviews of fraud prevention procedures under ECCTA, ensuring they are documented and auditable.

5. Definitions

Fraud: any person who dishonestly makes a false representation to make a gain for themselves or another, or dishonestly fails to disclose to another person when under a legal duty to do so, or commits fraud by abuse of position of trust. This includes any offence as defined under the *Fraud Act 2006*.

Fraud by false representation: occurs when a person dishonestly makes a false representation with the intention of gaining for themselves or another, or of causing loss (or risk of loss) to another. . A representation is considered false if it is untrue or misleading, and the person making it knows, or suspects, that it is, untrue or misleading.
Example: an employee submitting a false expense claim form for reimbursement.

Fraud by failing to disclose information: occurs when a person dishonestly fails to disclose information to another party when under a legal duty to do so, intending to gain for themselves or another, or to cause loss (or risk of loss) to another.
Example: an employee fails to disclose a criminal conviction that affects their working suitability for a role.

Fraud by abuse of position: occurs when a person occupies a position in which they are expected to safeguard, or not to act against, the financial interests of another, and dishonestly abuses that position with the intention of gaining for themselves or another, or causing a loss (or a risk of loss) to another.
Example: an employee diverting organisational funds from Tate's bank account into their own personal bank account.

Bribery: occurs when a person offers, promises, gives, requests, or accepts an advantage, financial or otherwise, with the intention of inducing or rewarding the improper performance of a function or activity. This includes bribes given or received directly or through third parties, facilitation payments, and excessive or inappropriate gifts and hospitality..

6. Roles and Responsibilities

As an executive non-departmental public body under the supervision of the UK Government. It therefore acts in accordance with the Government's Finance Manual, which states that such bodies must undertake fraud investigations where there is suspected fraud and take the appropriate legal and/or disciplinary action in all cases where that would be justified.

Although the Accounting Officer bears overall responsibility and is liable to be called to account for specific failures, these responsibilities fall directly on line-management and may involve all of Tate's employees.

Employee responsibilities

Tate requires all employees to act with honesty and integrity at all times, and to safeguard the public resources and assets for which they are responsible.

All employees must remain alert to the risk of fraud and irregularity and report any concerns promptly.

In line with Tate's formal reporting procedures, **suspicions of fraud should be escalated to the employee's line manager,** who will initiate the appropriate response (see section Action when fraud is discovered or suspected).

All employees also have a duty to:

- Identify and report weaknesses in procedures or oversight that may create opportunities for fraud.
- Adhere strictly to financial and operational procedures, particularly in relation to payments, procurement, and claims.
- Cooperate fully with investigations by providing relevant information and participating in interviews as required.
- Disclose actual, potential, or perceived conflicts of interest as they arise and annually (if applicable), in line with Tate's Conflict of Interest Guidance.
- Seek approval for private or advisory work using the designated form, and ensure it is logged and declared appropriately.
- Avoid accepting gifts or hospitality over £50 without prior approval from a line manager, and record all approved items in the Interests, Gifts and Hospitality Log.

Line Managers' Responsibilities

Line managers are responsible for:

- Ensuring that adequate internal controls and management checks are in place and operating effectively within their teams.
- Ensuring that employees are familiar with, and adhere to, relevant financial and operational procedures.
- Supporting staff in identifying and managing conflicts of interest, ensuring required declarations are completed and logged, approving gifts or hospitality over £50, and escalating concerns to Governance, Legal, or HR as appropriate, in line with the Conflict of Interest Guidance.

Furthermore, line managers are expected to identify activities within their area that may be at risk of fraud, theft, or bribery, and to develop procedures that mitigate these risks. Internal Audit is available to offer advice and assistance on control issues where needed.

If a line manager receives a report or identifies a suspicion of fraud or bribery, they must escalate the matter promptly to the relevant Head of Department, in accordance with Tate's formal reporting procedures (see section Action when fraud is discovered or suspected).

Head of Department Responsibilities

Heads of Department play a critical role in overseeing fraud prevention and response within their areas of responsibility. They are accountable for ensuring that line managers implement effective internal controls and that staff are aware of fraud risks and reporting procedures.

Heads of Department are responsible for the final escalation of any reports made of suspected or discovered fraud in line with Tate's formal reporting procedures (see section Action when fraud is discovered or suspected).

Departmental responsibilities

Where there is fraud, departments should make any necessary changes to systems and procedures to prevent similar frauds occurring in the future. Departments should establish systems for recording and subsequently monitoring all discovered cases of fraud.

In particular, a number of departments within Tate have specific responsibilities for the management of systems of fraud control and investigation:

- Finance: for ensuring that accounting and reporting procedures are kept up to date and adhered to, both within their area and in Tate as a whole, for recording and monitoring all reported frauds, and for immediately advising Internal Audit and the CFO of all reported frauds, and suspected frauds; to advise the CFO and senior management on the action to be taken in specific cases of fraud and suspected fraud.
- Internal Audit (contracted out): to advise on and review systems for the control, prevention and identification of fraud in Tate; to undertake investigations at the request of the CFO; and to advise the CFO and senior management on the action to be taken in specific cases of fraud and suspected fraud.
- Human Resources: to advise on disciplinary action on individual cases.

Trustees' responsibilities

Trustees are responsible for approving this policy, ensuring adequate resources for fraud prevention, receiving regular fraud risk reports, and ensuring serious incidents are reported to the DCMS when required. Via its Audit Committee, the Board also oversees the effectiveness of internal controls and ensures lessons learned from fraud incidents are incorporated into governance processes.

7. Review

This policy will be formally reviewed by the Audit Committee every year or whenever there are significant legislative, regulatory, or organisational changes, including:

- Introduction of new fraud, bribery, or economic crime legislation (e.g., ECCTA).
- Following a fraud, bribery, or other economic crime incident, to ensure that the processes remain robust from a counter-fraud perspective and lessons learned are incorporated.
- After relevant updates to Government counter-fraud guidance.

Part 2: Anti-Fraud and Bribery Procedure

1. Identifying fraud and bribery

Fraud

Fraud encompasses a wide range of irregularities and illegal acts, all characterised by intentional deception. These include deception, forgery, extortion, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts, and collusion.

For practical purposes, fraud may be defined as the use of deception to obtain an advantage, avoid an obligation, or cause loss to another party. It may be perpetrated by individuals both inside and outside the organisation. Attempted fraud is treated as seriously as completed fraud.

Common methods include:

- Cyber-enabled means, often using artificial intelligence to improve realism. Common examples are bogus bank mandate change requests, or ransomware attacks;
- Falsification of travel and subsistence or other claims;
- False claims for overtime (or flexible working);
- Irregularities in the tendering for, and execution and pricing of, supplies to Tate by contractors of property, goods, services, works and consultancy.

Bribery

Bribery may not always be obvious. Employees should be alert to the following warning signs:

- Gifts or hospitality that seem unusual, excessive or lack a clear business justification.
- Requests for facilitation payments or unofficial fees to expedite services.
- Third-party agents or consultants with unclear roles or disproportionate fees.
- Pressure to bypass standard procedures, especially in procurement or contracting.
- Lack of transparency in financial transactions or decision-making.
- Personal relationships influencing business decisions or contract awards.

Bribery risks are particularly elevated in:

- Procurement and supplier management
- Contract negotiation and approvals
- Donations and sponsorships
- Recruitment and HR processes
- International transactions or partnerships

Theft and misuse of assets

It is also important to be vigilant for attempts of theft (of cash, cheques equipment or items from the collections) or improper acquisition/distribution of collection items.

2. Action when fraud or bribery is discovered or suspected

Initial reporting by the employee

- Any discovered or suspected fraud or bribery must be reported **immediately to the employee's line manager**.
- If the employee feels unable or uncomfortable to report to their line manager, they may raise concerns confidentially through Tate's whistleblowing procedures.

Escalation to Heads of department

- Upon receiving a report or identifying a suspicion of fraud or bribery, the **line manager must escalate** the matter promptly to the **relevant Head of Department**, following Tate's formal reporting procedures.

Heads of department actions

The Head of Department must:

- Review the concern promptly and secure all relevant documentation without delay.
- Escalate the matter to the Chief Financial Officer (CFO), or, if unavailable, to the Finance Controller. Contact details are available on the TateNet directory.
- Coordinate the investigation with Internal Audit, Human Resources, and other relevant stakeholders.
- Incorporate lessons learned into departmental procedures and controls to prevent recurrence.

Investigation, follow-up and reporting

- The CFO, in consultation with Internal Audit and Human Resources, will determine the appropriate course of action. This may include a decision to involve the police.
- Internal Audit will be notified of all reports, including unproven suspicions.
- All frauds and bribery, including attempted frauds and bribery, will be reported to Internal Audit and the Audit Committee and included in Tate's annual fraud report to the DCMS.

What to do if the CFO or Senior Executive is involved

- If the suspected fraud or bribery involves the CFO or another senior executive that would normally have received the report, the line manager/head of department must escalate the matter directly to the Chair of the Audit Committee to ensure independence and transparency.
- The Chair can be contacted via Tate's whistleblowing channels or through the Governance team, who can provide contact details.

Whistleblowing protection

Tate promotes a culture of openness and accountability. All staff and volunteers should be aware of their role in preventing and addressing wrongdoing, including fraud, bribery, and other unethical conduct.

Under the Public Interest Disclosure Act 1998, **Tate will protect whistleblowers from retaliation**, provided the report is made in good faith. Reports will be treated confidentially wherever possible.

3. Investigation

The full investigation of all reported frauds and bribery, and suspected frauds and bribery will be carried out in accordance with the decision made by the CFO, in consultation with the Head of Department , the Financial Controller, the Internal Auditors and Human Resources.

Where the suspected fraud involves the CFO or another senior executive, the matter will be escalated to the Chair of the Audit Committee, who will oversee the investigation process in consultation with Internal Audit and the Board, ensuring independence and transparency.

4. Disciplinary Action

After proper investigation, Tate will take legal and/or disciplinary action in all cases where it is considered appropriate. This is a presumption that Tate will report actual or suspected crimes to the police. Where a case is referred to the police, Tate will co-operate fully with police enquiries and these may result in the offender(s) being prosecuted.

5. Subsequent Action

Where a fraud or a bribery has occurred, management must make any necessary changes to systems and procedures to ensure that similar frauds will not recur.

Internal Audit is available to offer advice and assistance on matters relating to internal control.