

Policy 6.18 Fraud and Corruption Prevention

Directorate	Business and Governance
Responsible Officer	Director Business and Governance

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Record of Administrative Amendments

Amendment Version No.:	Description of Administrative Amendment	Date Reviewed
2.2	Review of policy in accordance with Section 165 of the Local Government Act 1993 Placed on Public Exhibition 23 July 2025	July 2025
2.1	Review of policy in accordance with Section 165 of the Local Government Act 1993 Workshopped with Councillors 18 June 2025	June 2025
2.0	Adopted by Council (D24/91626)	19/06/2024
1.1	Administrative update to new template, updated scope to include relevant strategic guiding principles and updated details of related policies and procedures. Amendments do not impact intent and are endorsed by Director Business and Governance.	02/05/2024

Amendment Version No.:	Description of Administrative Amendment	Date Reviewed
	Policy to be presented to incoming council following the 2024 LG elections and formally adopted within 12 months of the election.	
1	Adopted by Council (D22/110640)	16/11/2022

1 Introduction

1.1 Scope

This policy applies to fraud and corruption against Bega Valley Shire Council as well as fraudulent or corrupt conduct by its staff. Specifically, it ensures relevant processes and control systems are implemented to help prevent fraud and corruption within Council. The policy applies to anyone performing work for Bega Valley Shire Council including elected officials, employees, volunteers, contractors, consultants, and any outsourced service providers. The scope of this policy demonstrates direct commitment to the following strategic guiding principles:

- Accountable | fraud and corruption control framework that aligns with best practice, clear accountability set for reporting and alignment to better practice advice from the NSW Independent Commission Against Corruption, The NSW Ombudsman and Audit Office of NSW.
- Transparent | work in conjunction with auditors to assess the timeliness, accuracy and transparency of Council's operations and cooperate with all relevant investigative and regulatory bodies to take fair disciplinary action in instances of fraud or corruption.
- Responsive | treat all complaints about, and instances of, fraud and corruption seriously.
- Equitable and inclusive | culture of collaboration including annual reporting to the audit, risk, and improvement committee on the status of the fraud and corruption control framework.
- Effective and Efficient | proactive implementation of internal controls that prevent, detect, and respond to fraud and corruption.

1.2 Purpose

The public, our fellow employees, and other people we deal with are entitled to expect each of us to act with integrity and to protect resources, information, revenues, reputation, and the public interest. Therefore, Bega Valley Shire Council is committed to an honest and ethical environment that minimises fraud and corruption. Fraud and corruption are incompatible with our values and present a risk to the achievement of our objectives and the provision of our services to the public.

Council has a zero-tolerance approach to fraud and corruption.

This policy sets the standards that inform Council's fraud and corruption control framework specifically, this policy aims to:

- promote ethical, professional conduct and risk aware decision making
- protect the reputation of Council as an ethical organisation
- prevent, detect and respond appropriately to allegations and incidents of fraud or corruption
- assign accountability and responsibility for implementation of fraud and corruption control arrangements
- ensure public finances and public assets, including government information, are protected.

1.3 Definitions

Word or Terminology	Description
Fraud	<p>Fraud refers to dishonestly obtaining a benefit, or causing a loss, by deception or other means.</p> <p>The types of fraudulent behaviour typically include:</p> <ul style="list-style-type: none"> acts of deliberate omission theft making false statements evasion manipulation of information deception.
Corruption	<p>Corruption is deliberate, serious wrongdoing that involves dishonest or partial conduct, a breach of public trust or the misuse of information or material. A more detailed definition is found in sections 7, 8 and 9 of the <i>Independent Commission Against Corruption Act 1988</i>.</p>
Corrupt conduct	<p>Any conduct, action, or behaviour of any person (whether or not a public official) adversely affecting, directly or indirectly, the exercise of official functions by any public official, any group or body of public officials or any public authority and which could involve fraud.</p>

2 Legislation

- *Local Government Act 1993 (NSW)*
- *Public Interest Disclosures Act 2022 (NSW)*
- *Independent Commission Against Corruption Act 1988 (NSW)*
- *Ombudsman Act 1974 (NSW)*
- *Law Enforcement Conduct Commission Act 2016 (NSW)*
- *Public Interest Disclosures Regulation 2022 (NSW)*

3 Implementation

3.1 Policy statement

Bega Valley Shire Council is committed to minimising fraud and corruption. To achieve this, Council adopts and resources a fraud and corruption control framework that aligns with best practice. It is the policy of Council to:

- As part of its framework, implement internal controls that prevent, detect, and respond to fraud and corruption.
- Assess its fraud and corruption risks at least every two years.
- Ensure all elected officials, staff, contractors, and volunteers, are aware of fraud and corruption risks and are trained to understand and comply with council's values, codes, policies, and expectations of behaviour.
- Report annually to the audit, risk, and improvement committee on the status of the fraud and corruption control framework.
- Treat all complaints about, and instances of, fraud and corruption seriously.
- Cooperate with all relevant investigative and regulatory bodies and will take fair, proportionate disciplinary action against any employee or third party found to have engaged in fraud or corruption.

- Wherever practical, align to better practice advice issued by organisations such as the NSW Independent Commission Against Corruption, The NSW Ombudsman and Audit Office of NSW.
- Work in conjunction with internal and external auditors to assess the timeliness, accuracy, and transparency of council's operations.

3.2 Responsibilities

3.2.1 Elected Council

Council is responsible for ensuring that an agency-wide fraud and corruption control framework is in place, modelling the highest standards of ethical behaviour and ensuring compliance with all relevant legal obligations.

3.2.2 Chief Executive Officer (CEO), Leadership Executive Group (LEG)

The CEO and LEG will comply with all integrity-related policies including the Code of Conduct, additionally in support of this policy they will ensure:

- a strong focus on, and culture of prevention of fraud and corruption is maintained by Council
- understanding current and emerging fraud and corruption risks within their area of responsibility
- appropriate controls are in place to mitigate the potential for fraud and corruption within their area of responsibility by identifying risks and developing or modifying procedures and controls to reduce risks
- fraud and corruption reporting requirements are followed
- monitoring the continued operation and effectiveness of controls
- managing conflicts of interest.

3.2.3 Managers and Coordinators

In addition to complying with all integrity-related policies including the Code of Conduct, managers and coordinators are expected to cooperate with all initiatives aimed at preventing, detecting, and responding to fraud and corruption. This includes risk assessments, training and education, audits and investigations and the design and implementation of controls. Managers and coordinators are also expected to ensure:

- all agreed controls aimed at preventing, detecting and responding to fraud and corruption are in place
- the CEO (or other delegated officer as appropriate) is alerted of any undocumented or emerging fraud and corruption risks
- suppliers and contractors are aware and follow Council's policies and expectations in relation to fraud and corruption
- all staff complete relevant training of fraud and corruption risks and controls.

3.2.4 Employees, volunteers, contractors, consultants and any outsourced service providers

All stakeholders who act for or on behalf of Council play an essential part in managing potential exposure to fraudulent activity. Specifically, employees, volunteers, contractors, consultants, and any outsourced service providers will ensure they behave in an ethical manner by:

- Complying with the Code of Conduct
- Reporting **actual** or suspected fraud and corruption
- Identifying **potential** sources of fraud and corruption and reporting them.

4 Supporting documents

4.1 BVSC procedures that relate to this policy

Procedure No.:	Procedure Name	External or Internal Procedure
6.02.01	Code of Conduct	External
6.02.02	Code of Meeting Practice	External
6.02.10	Registration of Gifts and Benefits	Internal
6.02.06	Compliments and Complaints (inc. Unreasonable Correspondent and Complainant Conduct)	External
6.18.01	Fraud and Corruption Prevention (Control Plan)	Internal
6.26.01	Public Interest Disclosures	External

4.2 BVSC policies that relate to this policy

Policy No.:	Policy Name
6.01	Governance
6.02	Behaviour of Councillors & Staff
6.03	Risk Management
6.08	Sustainable Procurement and Contracts
6.26	Public Interest Disclosure
6.28	Delegations

Note: Policy details may change from time to time. To ensure you are viewing the most recent version please view Council's adopted Policies and Procedures on Council website.