

# Fraud and Corruption Control Policy

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**Customer & Compliance**

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## 1. Purpose

Fraud and/or corruption, including bribery, in all forms are behaviours that are contrary to Randwick City Council's (RCC) values and culture. RCC is actively committed to preventing fraud and corrupt conduct throughout Council. RCC has developed this fraud and corruption control policy as part of its overall enterprise risk management framework.

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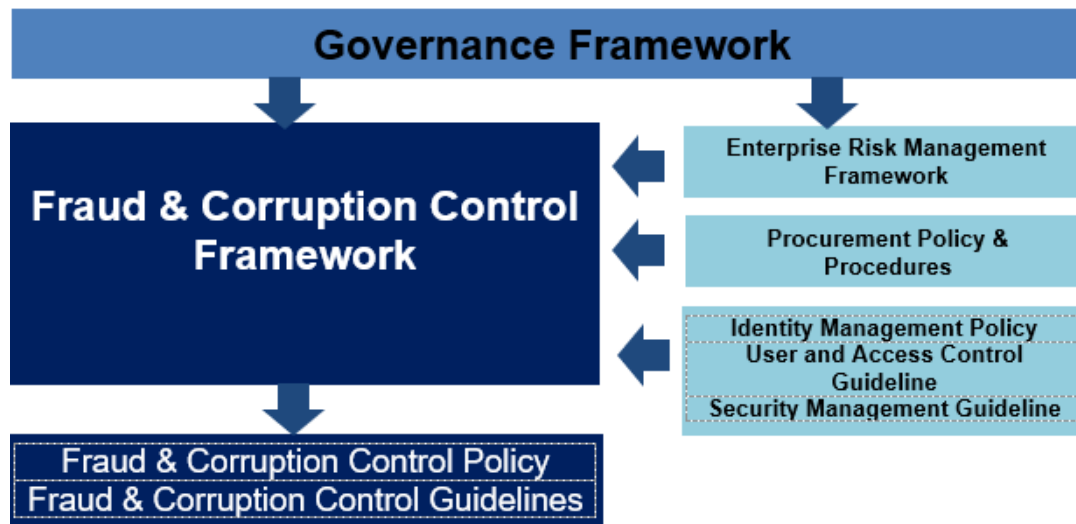
## 2. Policy statement/objectives

The objectives of this policy are:

- To document Council's commitment to preventing fraud and corruption in the workplace
- To detail the framework in place at RCC to prevent, detect and respond to fraud and corruption risks
- To set out those persons who the policy applies to
- To detail RCC's response, at a high level, to the ten (10) key attributes contained in the Audit Office of NSW's Fraud Control Improvement Kit 2015 upon which this policy and our Fraud and Corruption Framework and Guidelines are based
- To document where this policy sits in our overall Fraud & Corruption Framework.

Randwick City Council is committed to good governance and ethical behaviour as a key ingredient of responsible, effective, and accountable local government. A vital element of any good governance framework is an effective fraud and corruption prevention framework.

This Fraud & Corruption Control Policy sits underneath the banner of Council's Fraud and Corruption Control Framework, as follows:



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## 3. Scope and application

This Policy applies to all Council Officials. Council Officials include; Councillors, members of Council staff and delegates of Council. A delegate of Council is a person or body to whom a function of Council is delegated, such as staff, Councillors, community representatives, volunteers, consultants and contractors.

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## 4. What is fraud and corruption?

The definition of fraud, contained in the Australian Standard: Fraud and Corruption Control AS 8001-2008 as “Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or person external to the entity and where deception is used at the time, immediately before or immediately following the activity.”

The definition of corruption contained in the Australian Standard: Fraud and Corruption Control AS 8001-2008 as “Dishonest activity in which a director, executive manager, manager, employee or contractor of an entity acts contrary to the interests of the entity is/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity.”

Examples include, but are not limited to:

- Bribes, secret commissions or other improper payments or benefits;
- The deliberate falsification, concealment, destruction or use of falsified documentation;
- The improper use of information or position;
- Theft of cash;
- Accounting fraud (for example, false invoicing);
- Giving or taking bribes or secret commissions or improperly accepting gifts;
- Using RCC intellectual property, information or resources (including computers) for personal gain;
- Theft or misuse of RCC assets, equipment or facilities;
- Not disclosing conflicts of interest; or
- Improper conduct in procurement and/or contract management processes.

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## 5. Council’s attitude towards fraud and corruption

Council has a zero tolerance for fraud and corruption. Fraud and corruption undermine Council’s ability to deliver its strategic vision, values and purpose and any potential case could cause:

- reputational damage and loss by destroying public confidence in Council
- financial harm and loss to Council
- damage to staff morale and performance, and
- the inability to effectively deliver services to our community.

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## 6. Fraud and Corruption Control Framework

Council’s Fraud & Corruption Control Framework (and this policy and the associated guidelines) has been modelled on the Audit Office of NSW’s Fraud Control Improvement Kit 2015 which contains the following ten (10) attributes:

**Attribute 1 – Leadership**

**Attribute 2 – Culture**

**Attribute 3 – Governance**

**Attribute 4 – Fraud & Corruption Prevention Policy**

**Attribute 5 – Prevention Systems**

**Attribute 6 – Fraud Awareness**

**Attribute 7 – Third Party Management Systems**

**Attribute 8 – Notification Systems**

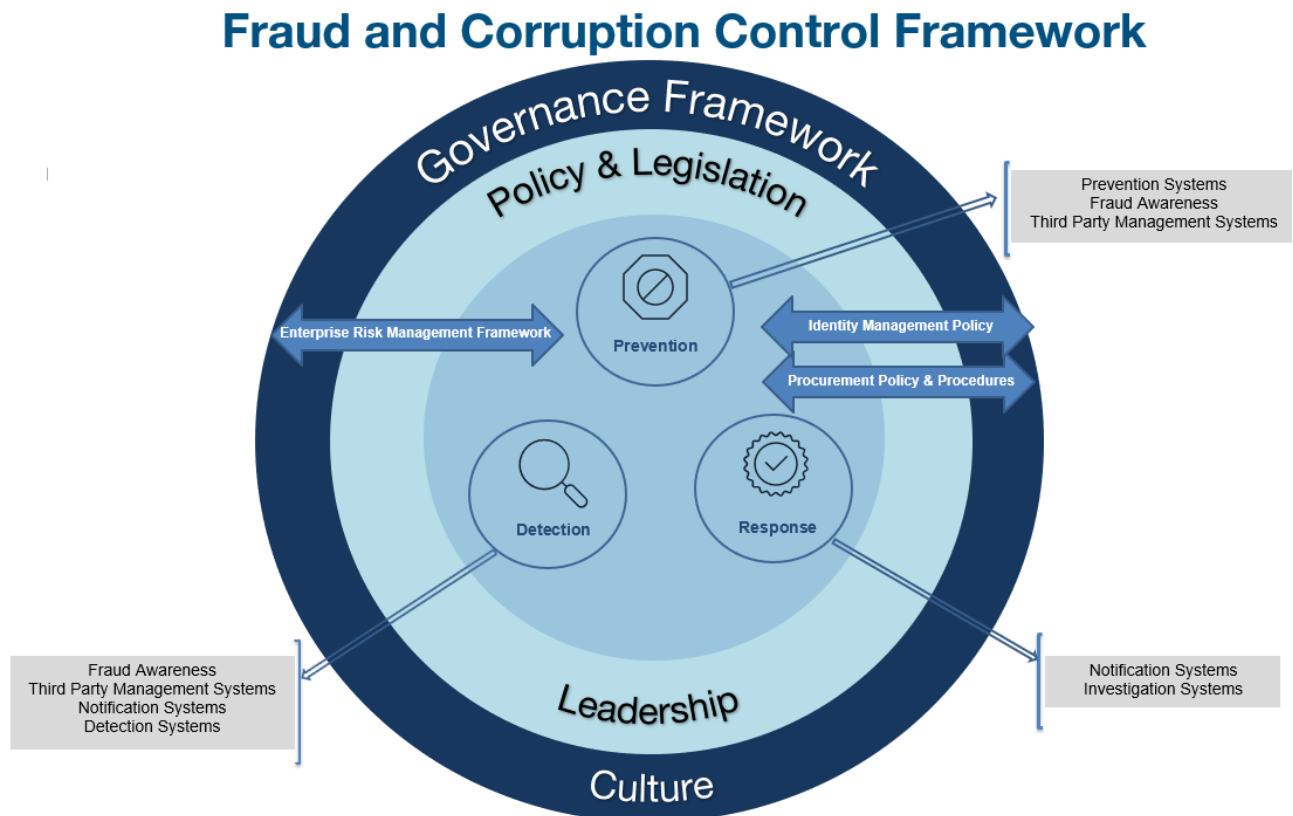
**Attribute 9 – Detection Systems**

**Attribute 10 – Investigation Systems**

The abovementioned attributes sit within the themes of prevention, detection and response.

- **Prevention** – the first line of defence and includes proactive strategies designed to help reduce the risk of fraud and corruption occurring.
- **Detection** – measures designed to uncover incidences of fraud and corruption when they occur.
- **Response** – measures including assessment, investigation, analysis, referral, prosecution and recovery.

The Fraud & Corruption Control Framework is a living document and will be updated as required to reflect amended or new practices or risk controls. The Fraud & Corruption Framework and how it responds to the 10 attributes put forward in the Audit Office's Fraud Control Improvement Kit, is represented as follows:



Full details of Council's response to each of the 10 key attributes, including what is required, how this is done and who is responsible can be found in the Fraud & Corruption Control Guidelines.

## 7. Breaches of policy

A breach of the Fraud & Corruption Control Policy amounts to a breach of Council's Code of Conduct for Councillors, Staff and delegates and therefore invokes the sanctions as outlined by that Code, including disciplinary action which may include termination of employment and referral to the relevant authority. Criminal action may also be taken against any person found to be in breach of any relevant legislation.

## 8. Relevant legislation

The following Legislation effects the operation of this Policy:

- Local Government Act 1993 (NSW)
- Local Government (General) Regulations 2021
- Independent Commission against Corruption Act 1988 (NSW)

- Public Interest Disclosures Act 2022 (NSW)
- Crimes Act 1900 (NSW)

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## 9. Related policies and procedures

- Fraud and Corruption Guidelines
- Code of Conduct for Councillors; Code of Conduct for Staff; Code of Conduct for Council committee members, delegates of Council and Council advisers
- Councillors Expenses & Facilities Policy
- Gifts and Benefits Policy
- Procurement Policy & Procurement Manual
- Public Interest Disclosures Policy
- Complaints Management Policy & Procedure
- Statement of Business Ethics
- Identity Management Policy
- Enterprise Risk Management Framework.

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