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# **Fraud and Corruption Prevention Policy 2025**

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ADOPTED BY COUNCIL 6 October 2025  
Version 1

1. **PURPOSE**

The purpose of this policy is to establish a clear framework for preventing, detecting, and responding to fraud and corruption within Uralla Shire Council. It aims to promote ethical conduct, protect public resources, and uphold community trust by educating Council Officials and volunteers, implementing robust internal controls, and ensuring compliance with legislative obligations. Through a zero-tolerance approach and proactive risk management, the policy supports a culture of integrity, transparency, and accountability across all Council operations.

2. **APPLICATION**

This policy applies to all areas of Uralla Shire Council and to all individuals engaged in Council activities, including Councillors, employees, contractors, subcontractors, delegates, and volunteers. It is relevant in any circumstance where Council resources, information, or authority are used, and it establishes expectations for ethical conduct and accountability in preventing, detecting, and reporting fraud and corruption across all levels of Council operations.

3. **POLICY INTENT**

This policy reflects Council’s commitment to maintaining a culture of integrity, transparency, and accountability across all operations. It supports management’s intent to proactively prevent, detect, and respond to fraud and corruption, and aligns with Council’s broader governance framework and organisational values. The policy reinforces Council’s zero-tolerance stance on unethical conduct and ensures consistency with related policies such as the Code of Conduct and Internal Reporting.

The main objectives of this policy are to:

- 1. Educate and empower Council Officials and volunteers to identify, prevent, and report fraudulent or corrupt behaviour.
- 2. Establish robust systems and controls that minimise the risk of fraud and corruption and promote ethical decision-making.

4. **COMMUNITY STRATEGIC PLAN OBJECTIVES**

|                                                                                                 |                                                  |                                                                                                                                                                            |
|-------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  Independent | An independent shire and well-governed community | <ul style="list-style-type: none"><li>1. A strategic, accountable, and representative Council</li><li>2. An efficient and effective independent local government</li></ul> |
|-------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## 5. DEFINITIONS

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <b>Council</b>          | Uralla Shire Council                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Corruption</b>       | <p>Corruption and corrupt conduct are defined in the Independent Commission Against Corruption Act 1988 as:</p> <ul style="list-style-type: none"> <li>• Conduct of a person (whether or not a public official) that adversely affects, or could affect the honest and impartial exercise of public official functions, or</li> <li>• Conduct of a public official that involves the dishonest or partial exercise of any of his or her public official functions, or</li> <li>• A breach of public trust, or</li> <li>• Misuse of information or material acquired in the course of a public official's functions.</li> </ul> <p>Corrupt conduct is also any conduct of any person (whether or not a public official) that adversely affects or could affect the exercise of official functions by any public official, any group or body of public officials or any public authority which involves conduct such as:</p> <ul style="list-style-type: none"> <li>• Official misconduct (including breach of trust, fraud, oppression, extortion, or imposition)</li> <li>• Bribery,</li> <li>• Blackmail,</li> <li>• Obtaining secret commissions</li> <li>• Fraud,</li> <li>• Election bribery, election funding offices and election fraud</li> <li>• Forgery</li> </ul> <p>Further examples can be found in Section 8(2) of the <i>Independent Commission Against Corruption Act 1988</i>.</p> |
| <b>Fraud</b>            | <p>Fraud is dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity.</p> <p>This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>ICAC</b>             | Independent Commission Against Corruption.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Volunteers</b>       | Individuals who voluntarily assist in the provision of Uralla Shire Council services or in the delivery of its projects, programmes and events without financial payment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Council Official</b> | A person authorised in writing by Council to undertake duties for Council (including Councillors, Council's employees, contractors, subcontractors, and delegates of Council).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

## 6. POLICY

Council is committed to a work environment that is resistant to Fraud and Corruption and is dedicated to implementing effective measures to minimise Fraud and Corruption risks. Fraud and Corruption can cause significant financial and reputational damage to Council and undermine public confidence in Council's ability to provide strong, effective and accountable local government.

Council has a zero-tolerance approach to Fraud and Corruption and does not tolerate fraudulent or corrupt behaviour. In accordance with its legal and statutory obligations, Council will take appropriate action against Council Officials and Volunteers who have participated in fraudulent or corrupt conduct, and those who have allowed it to occur.

### 6.1 Principles

Council is committed to building a corruption resistant culture through:

- The prevention and deterrence of an opportunity for fraudulent or corrupt conduct by Council Officials and Volunteers;
- The detection, investigation and disciplining and/or prosecution of fraudulent or corrupt conduct; and
- The reporting of any fraudulent or corrupt conduct to the ICAC or relevant external agency, where appropriate.

Council's commitment to preventing fraudulent or corrupt conduct, and avoiding or managing conflicts of interests, will be addressed through implementing appropriate auditing systems to deter and identify corrupt activities.

### 6.2 Fraud and Corruption Prevention Control Plan

The Fraud and Corruption Prevention Control Plan outlines the key activities to be undertaken to prevent, detect, investigate and respond to fraud and corruption. The Fraud and Corruption Prevention Control Plan will detail Council's current and emerging key risks and the key internal controls and actions that Council will employ to minimise or eliminate these risks, and provides the tools to prevent detect and report fraud and corruption. All Council officers are to be involved in developing and implementing fraud and corruption prevention procedures within their areas which will form part of Council's Fraud and Corruption Prevention Control Plan.

The promotion of the Fraud and Corruption Prevention Control Plan will include activities such as:

- Training sessions;
- Regular review and promotion of Council's Code of Conduct;
- Use of the NSW Auditor General's Better Practice Guide – Fraud Control Improvement Kit.

## 7. LEGISLATIVE REQUIREMENTS

### 7.1 Independent Commission Against Corruption Act 1988

The *Independent Commission Against Corruption Act 1988* defines corruption, sets out the functions of the ICAC, describes the referral responsibilities, constitutes and sets out the functions of the Committee of the ICAC and Inspector of the ICAC, and makes provisions for referrals from and reports to NSW Parliament. The ICAC Act requires the General Manager, as the principal officer of a public authority, to report to the ICAC any matter that they reasonably suspect concerns or may concern corrupt conduct.

### 7.2 Local Government Act 1993

The *Local Government Act 1993* provides the legal framework for the system of local government for New South Wales and sets out the responsibilities and powers of Staff. The *Local Government Act 1993* :

- Requires all Staff to act honestly and exercise a reasonable degree of care and diligence in carrying out their functions under the Local Government;
- Outlines the penalties for Council Officials who engage in serious corrupt conduct or misconduct; and

- Details Council Officials' duties of disclosure, including disclosure of pecuniary interests, and outlines the disclosure complaints process.

### **7.3 Public Interest Disclosure Act 2022**

The objectives of the Public Interest Disclosure Act 2022 are to encourage and facilitate the disclosure, in the public interest, of corrupt conduct, maladministration, and serious and substantial waste in the public sector. The Public Interest Disclosure Act 2022:

- Provides avenues by which public officials, including Staff, can make disclosures about corrupt conduct, maladministration or other serious wrongdoing;
- Clarifies that for a public official, including Staff, to be protected under the Public Interest Disclosure Act 2022, the disclosure must be properly made through a defined appropriate channel; and
- Provides protection by imposing penalties on a person who takes detrimental action against another person in reprisal for a protected disclosure.
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## **8. REVIEW**

This Policy will be reviewed every four years from the date of each adoption of the policy, or more frequently as required.

## **9. REPORTING**

Council Officials, contractors, and volunteers are obligated to report any suspected fraudulent or corrupt conduct. Reports can be made through:

- Council's internal reporting procedure,
- Directly to external agencies, such as:
  - NSW ICAC – for corrupt conduct.
  - NSW Ombudsman – for maladministration.
  - NSW Office of Local Government – for serious and substantial waste.
  - NSW Information and Privacy Commission – for information contraventions.
  - NSW Police Force – for criminal matters.
- The General Manager is responsible for managing fraud and corruption risks and must report suspected corrupt conduct to ICAC or other relevant agencies. If the complaint concerns the General Manager, the Mayor assumes this responsibility.
- Council maintains a robust internal and external reporting framework, supported by the Public Interest Disclosure Act 1994, which protects individuals making disclosures through appropriate channels.

## **10. RESPONSIBLE OFFICER**

The General Manager is the Responsible Officer for the Fraud and Corruption Prevention Policy.

They are accountable for ensuring appropriate procedures are in place to maintain records and registers related to fraud and corruption, overseeing internal and external reporting mechanisms, ensuring the policy remains current and compliant with legislative changes, and investigating breaches while enforcing compliance.

The Manager Governance leads communication, education, and monitoring strategies to promote a corruption-resistant culture and serves as the primary point of contact for interpreting and applying the policy.

In cases where the General Manager is the subject of a complaint, the Mayor assumes these responsibilities to ensure impartiality and procedural integrity.

## **11. ROLES AND RESPONSIBILITIES**

### **Council Officials**

- Must act honestly and with integrity in all Council-related activities.
- Are responsible for reporting suspected fraud or corruption through internal procedures or directly to external agencies.
- Must comply with the Code of Conduct and other relevant policies.
- Are expected to support a culture of ethical behaviour and accountability.

### **Councillors**

- Must uphold the highest standards of ethical conduct and transparency.
- Are required to disclose pecuniary interests and avoid conflicts of interest.
- Must report any suspected corrupt conduct and support investigations.
- Are accountable for decisions that reflect fairness and public trust.

### **Group Managers**

- Provide strategic oversight of fraud and corruption risk management across their departments.
- Ensure that internal controls are in place and functioning effectively.
- Support the General Manager in policy enforcement and compliance.
- Lead by example in fostering a corruption-resistant culture.

### **Managers**

- Are responsible for implementing fraud and corruption prevention measures within their teams.
- Must ensure staff are aware of and comply with the policy and reporting procedures.
- Are expected to investigate Tier 1 complaints and escalate unresolved issues.
- Play a key role in promoting ethical practices and monitoring risks.

### **The Organisation as a Whole**

- Commits to a zero-tolerance approach to fraud and corruption.
- Maintains robust internal and external reporting frameworks.
- Promotes transparency, accountability, and continuous improvement.
- Ensures all staff, contractors, and volunteers are educated and empowered to prevent and report unethical conduct.

## **12. RELATED PROCEDURES and POLICIES**

Fraud & Corruption Control Plan  
PID Policy and associated procedures

## APPROVAL & REVIEW

|                                          |                                         |                  |
|------------------------------------------|-----------------------------------------|------------------|
| <b>Responsible Business Unit</b>         | <i>Governance</i>                       |                  |
| <b>Responsible Officer</b>               | <i>Group Manager Corporate Services</i> |                  |
| <b>Date Adopted &amp; Resolution No#</b> | <i>6 October 2025</i>                   | <i>118.08/25</i> |
| <b>Date of Next Review</b>               | <i>October 2027</i>                     |                  |
| <b>Content Manager Reference</b>         | <i>UINT/25/19689</i>                    |                  |

### ***Document History of previous adoptions***

| <b>Version</b> | <b>Date Amended</b>   | <b>Details/Comments eg Resolution No.</b>                               | <b>Content Manager Ref</b> |
|----------------|-----------------------|-------------------------------------------------------------------------|----------------------------|
| <i>0.1</i>     | <i>September 2025</i> | Draft Policy presented to Council                                       | UINT/25/19689              |
| <i>1</i>       | <i>October 2025</i>   | Policy Exhibition expired 6/10/2025 Policy adopted by Council 6/10/2025 | UINT/25/19689              |
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