

# Fraud and Corruption Prevention and Control Policy

## Purpose

This policy outlines Riverina Water's commitment to the prevention, deterrence, detection and investigation of all forms of fraud and corrupt conduct. It ensures the appropriate mechanisms are in place to protect the integrity, security and reputation of Riverina Water.

## Policy Statement

Riverina Water will not tolerate any form of fraudulent or corrupt conduct by staff, board members, committee members-, contractors, consultants and volunteers.

Riverina Water is committed to the:

- Development and maintenance of a sound ethical culture supported by appropriate policies, procedures and strategies that prevent fraudulent and corrupt behaviour.
- Regular review of fraud and corruption risk assessments to identify circumstances in which fraud and corruption could occur.
- Implementation of fraud and corruption prevention and mitigation procedures in day-to-day operations.
- Use of formal procedures for the investigation of allegations of corrupt and fraudulent behaviour.
- Maintenance of processes and procedures that encourage all business dealings with tenderers, suppliers, consultants and contractors to be conducted in an ethical manner.
- Ongoing education and training of all Riverina Water officers and board members in relation to their obligations in combating dishonest and fraudulent behaviour.

## Scope

This policy applies to all Riverina Water officials – board members, committee members, staff, contractors, consultants and volunteers.

## Definitions

Act	The Local Government Act (LGA) 1993
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Code of Conduct	Riverina Water Code of Conduct Policy 1.01
Corruption	<p>The ICAC Act 1988 sections 7, 8 and 9 defines corruption as:</p> <ul style="list-style-type: none"> <li>• Any conduct of any person (whether or not a public official) that adversely affects, or that could affect, either directly or indirectly, the honest or impartial exercise of official functions by any public official, any group or body of public officials or any public authority; or</li> <li>• Any conduct of a public official that constitutes or involves the dishonest or partial exercise of any of their official functions, or</li> <li>• Any conduct of a public official or former public official that constitutes or involves a breach of public trust; or</li> <li>• Any conduct of a public official or former public official that involves the misuse of information or material that they have acquired <del>in the course of</del>during their official functions, whether or not for their benefit or the benefit of any other person.</li> </ul>
Fraud	Can be defined as a deliberate and premeditated turn of events which involves the use of deception to gain advantage from a position of trust and authority. The type of events includes acts of omission, theft, the making of false statements, evasion, manipulation of information and numerous other acts of deception (Audit Office of NSW).
Regulation	The Local Government (General) Regulation 2021
Riverina Water official	Includes Board members, Committee members, members of staff, volunteers and delegates of Riverina Water.

## 1. Principles

Riverina Water's Fraud and Corruption Prevention and Control Policy is based on the fraud control framework identified by the Audit Office of NSW. The fraud control framework has ten key attributes, which sit within the themes of prevention, detection and response.

The ten attributes of fraud control are:

Attribute		Theme
1	Leadership	Prevention
2	Ethical framework	Prevention, Detection, Response
3	Responsibility structures	Prevention, Detection, Response
4	Policy	Prevention
5	Prevention systems	Prevention
6	Fraud awareness	Prevention, Response
7	Third party management systems	Prevention, Response
8	Notification systems	Detection, Response
9	Detection systems	Detection
10	Investigation systems	Response

The implementation of the 10 key attributes are detailed further in the Fraud and Corruption Prevention and Control Plan.

## 2. Responsibilities

Riverina Water officials are responsible for reporting cases of suspected fraud or corrupt conduct as soon as practicable. They have a responsibility to act honestly and to follow diligently Riverina Water's policies and procedures to prevent and mitigate fraud and corruption.

The CEO is ultimately responsible for the prevention, detection and reporting of fraud and corruption through the implementation of appropriate and effective internal control systems. The CEO must report possible corrupt conduct to the Independent Commission Against Corruption (ICAC) pursuant to the ICAC Act 1988.

The CEO, directors, managers and supervisors are also responsible for the prevention, detection and reporting of fraud and corrupt conduct by ensuring:

- Their personal behaviour demonstrates a commitment to the highest possible ethical and moral standards for, with and on behalf of Riverina Water
- There are mechanisms in place within their area of control to assess the risk of fraud and corrupt conduct and to manage such risks by appropriate internal controls.
- The promotion of employee awareness and training/education on the prevention of fraud and corruption.
- Compliance with all relevant policies and practices.
- Reporting of any fraud or corruption matters in line with the internal reporting policy and [Riverina Water](#) Code of Conduct.
- Reasonable steps are undertaken to ensure that Riverina Water contractors adhere to the provisions of this policy.

All Riverina Water officials are responsible for:

- Performing their functions and duties with diligence, honesty, integrity and impartiality.
- Complying with this policy and all legislative requirements to ensure they are not participating in corrupt or fraudulent behaviour.
- Reporting any suspicion of fraudulent or corrupt behaviour to the CEO, the appropriate Director or manager, or the Chairperson if such behaviour concerns the CEO, or by utilisation of Riverina Water's Internal Reporting Policy.
- Reporting any identified weaknesses in internal controls that could potentially facilitate a fraudulent or corrupt act.

Riverina Water officials should read Riverina Water's Internal Reporting Policy in relation to the protection afforded those who report or disclose information for specified matters (such as fraud and corruption) internally or to external agencies.

The Director Corporate Services will instigate a review of Riverina Water's fraud and corruption risk and control strategies every four years. The Director Corporate Services will ensure that

periodic and comprehensive risk assessments are conducted by relevant managers of each area of operation pursuant to Riverina Water's Enterprise Risk Management policy.

Regular internal audits will be conducted to test the fraud and corruption control plan.

### **3. Investigation of alleged fraudulent behaviour and corruption**

Riverina Water has zero tolerance for corrupt or fraudulent behaviour.

All possible corruption matters involving Riverina Water officers have a mandatory statutory reporting requirement to ICAC. The ICAC or Riverina Water itself can also seek criminal prosecutions by reporting fraud and other corruption matters to the NSW Police Service.

The CEO must make an initial determination as to whether the matter in question concerns or may concern corrupt conduct. This may entail their own analysis of the circumstances surrounding the matter or utilising another staff member or an investigator to carry out preliminary enquiries on which to base the determination.

After formal notification by the CEO, the ICAC will normally determine if they will investigate the alleged corruption matter. Alternatively, the ICAC may instruct Riverina Water to carry out their own investigation and report the findings to the ICAC. In such circumstances an experienced and suitably qualified investigator should be engaged for the process, which will be appropriately documented.

[All investigations will be conducted confidentially, fairly, and objectively.](#)

Staff found guilty of such matters will face disciplinary matters pursuant to the Code of Conduct and the [2025](#) Riverina Water Enterprise Award.

### **4. Policy Implementation**

#### **4.1 Fraud and Corruption Prevention Training**

Riverina Water acknowledges that a high level of awareness amongst all Riverina Water officers in relation to fraud and corruption issues is an essential element in identifying and combatting such behaviours. Awareness training will be implemented through:

- New employee induction
- New Board member induction.
- Regular refresher training.
- Fraud and Corruption prevention information disseminated to staff

## 4.2 Fraud and Corruption Mitigation Practices

Riverina Water recognises that appropriate policies and procedures must be implemented in operational areas to regulate and enable the monitoring of ~~particular activities~~activities. These areas include but are not limited to:

### Risk Management

- Risk Assessment pursuant to the [Riverina Water](#) Enterprise Risk Management Framework and Plan.

### Finance

- Financial Processing Procedures and system controls
- Corporate Credit Card Policy
- Procurement Policy
- Asset Disposal Policy
- Debt Management and Hardship Policy

### Governance

- Board Members' Expenses and Facilities Policy
- Secondary Employment Policy
- Internal Reporting Policy
- Compliance Policy
- Related Parties Disclosures Policy

### Ethics

- Code of Conduct
- Fraud and Corruption Prevention & Control Policy
- Statement of Business Ethics

<b>Policy number</b>	1.14
<b>Responsible area</b>	CEO/Governance
<b>Approved by</b>	Riverina Water Board – Res 23/012
<b>Approval date</b>	23 February 2023
<b>Legislation or related strategy</b>	Local Government Act 1993 Independent Commission Against Corruption Act 1988 Public Interest Disclosure Act 1994 NSW
<b>Documents associated with this policy</b>	Code of Conduct Board Member Access to Information and Premises Policy Internal Reporting Policy Enterprise Risk Management Policy Corruption Prevention and Fraud control plan Enterprise Risk Management Plan Cash Handling Procedures Corporate Credit Card Policy Board Member Expenses and Facilities Policy. Secondary Employment Policy. Statement of Business Ethics Procurement Policy

Asset Disposal Policy

[Debt Management & Hardship Policy](#)

[Compliance Policy](#)

[Related Party Disclosures Policy](#)

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**Policy History**

14 December 2012 – Adopted 5.29 Res: 12/172

22 November 2013 – Name changed

15 October 2014 – Revised Res 14/132

28 October 2020 – Revised Res 20/110

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**Review Schedule**

Every Board term – Feb 2026

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Policy details may change prior to review date due to legislative or other changes, therefore this document is uncontrolled when printed.

**END OF POLICY STATEMENT**