

Fraud and Corruption Control Framework

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1. Abbreviations and definitions

Abbreviations

AONSW	Audit Office of NSW
ICAC	Independent Commission Against Corruption
PID	Public Interest Disclosure Act 1994
AS	Australian Standard

Definitions

Fraud – is defined as follows:

Section 192E of the Crimes Act 1900 as ‘dishonestly obtaining a financial or other benefit (either directly or indirectly) by deception’.

AS8001:2021 as ‘dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys or other property by employees or persons external to the organisation and/or where deception is used at the time, immediately before or immediately following the activity’ (Property in this context also includes intellectual property and other intangibles such as Information).

Corruption – is defined as follows:

ICAC Act 1988 as ‘deliberate or intentional wrongdoing, not negligence or a mistake, involving a NSW public official or public sector organisation’.

AS8001:2021 as ‘dishonest activity in which a person associated with an organisation (e.g. director, executive, manager, employee or contractor) acts contrary to the interests of the organisation and abuses their position of trust in order to achieve personal advantage or advantage for another person or organisation. This can also involve corrupt conduct by the organisation, or a person purporting to act on behalf of and in the interests of the organisation, in order to secure some form of improper advantage for the organisation either directly or indirectly.’

Employee/staff member. These terms include all ongoing, temporary and casual employees of the NSW Electoral Commission Staff Agency, as well as contract staff engaged directly, or through contingent labour agencies. Note that the term **Public Official**, as defined in the *ICAC Act 1988*, encompasses statutory appointments and any person engaged by or acting on behalf of a public authority.

2. Introduction

- The New South Wales Electoral Commission (NSWEC) recognises the threat of fraud and corruption. This Framework document sets out the NSWEC’s approach to the prevention, detection and response to fraud and corrupt conduct.
- The NSWEC’s Fraud and Corruption Control Framework is based on the fraud prevention model described by Standards Australia and the Audit Office of NSW (AONSW). The Framework document takes into account the NSWEC’s organisational structure and culture, and the challenges facing the public sector in general and the NSWEC in particular. It links policies, procedures and practices to create a holistic and complementary range of fraud and corruption countermeasures.
- The Framework satisfies the requirements of Treasury Circular TC18-02 NSW Fraud and Corruption Control Policy, and AS8001:2021 *Fraud and corruption control*.

3. Purpose

- 3.1. The purpose of this document is to describe the key elements of the NSWEC's approach in relation to the prevention, detection and response to fraud and corruption.

4. Scope

- 4.1. This Framework applies to all ongoing, temporary and casual employees, and contractors (contingent labour) engaged by the NSWEC staff agency, and the NSWEC statutory body constituted under section 8 of the Electoral Act.
- 4.2. This Framework focusses on:
 - fraud committed against the NSWEC statutory body and staff agency
 - corrupt behaviour that adversely affects the exercise of official functions by a public official acting for the NSWEC.
- 4.3. This Framework does not cover fraud and corruption committed by political participants, against the democratic and electoral process. This type of fraud and corruption is covered by the separate policies and procedures developed and maintained by the NSWEC's Funding Disclosure & Compliance and General Counsel Division.

5. How the Framework links to NSWEC governance arrangements

Fraud and Corruption Control Policy

- 5.1. The Fraud and Corruption Policy is a high-level document that sets out the NSWEC's commitment to minimise the risks of fraud and corruption and to initiate investigations of any allegations or suspicions of fraud and corrupt behaviour.
- 5.2. This Framework describes how the NSWEC's Fraud and Corruption Control Policy commitment is put into action to:
 - prevent internal and external fraud and corruption
 - detect fraud and corruption early if preventative strategies fail
 - respond effectively to any instances of fraud and corruption.
- 5.3. Annual fraud and corruption control plans set out programs of work to improve the fraud and corruption control environment that is described in the Framework.
- 5.4. A separate guide provides high level advice on how to report and respond to instances of fraud or corruption.

Broader governance arrangements

- 5.5. Fraud and corruption control is part of a broader system of policies, procedures and processes that promote sound governance at the NSWEC.

- 5.6. Governance is defined as “those high-level processes and behaviours that ensure an agency performs by achieving its intended purpose and conforms by complying with all relevant laws, codes and directions and meets community expectations of probity, accountability and transparency”¹.
- 5.7. The NSWEC’s governance arrangements and functions that assist in the prevention, detection and response to fraud and corruption include:
- Governance committees, including the Audit and Risk Committee
 - Risk management processes
 - Program, project and portfolio management processes
 - Human resources and payroll processes and procedures
 - Work health and safety systems
 - Legal services and general counsel
 - Quality assurance and review processes
 - Records and privacy management processes
 - Physical security and asset management
 - Procurement and contract management processes
 - Accounts payable processes
 - Finance and financial delegation authorisation
 - Internal and external audit.

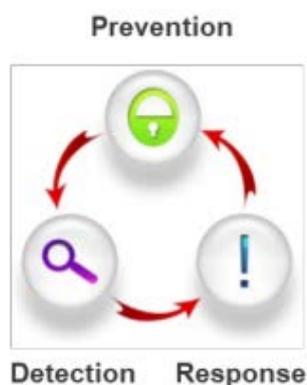
6.

7. The key elements of the fraud and corruption control framework

7.1. The Framework is based on:

- The AONSWs *Fraud Improvement Kit – Managing your fraud control obligations* which sets out ten attributes of fraud control within the themes of: Prevention, Detection and Response shown in Figure 1 below
- The Australian Standard AS8001-2021 *Fraud and Corruption Control*

Figure 1 – AONSW’s Fraud Control Themes



¹ NSW Auditor Generals’ Report to Parliament | Volume One 2015 | *Governance Lighthouse – Strategic Early Warning System*

- 7.2. The NSWEC Fraud and Corruption Policy provides further detail of the AONSW's ten fraud control attributes, but these are summarised in Figure 2 below. The Framework is structured around the ten attributes, which are aligned with the themes of Prevention, Detection and Response.

Figure 2 – The Fraud and Corruption Framework: ten fraud attributes and the related themes

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

- 7.3. The Executive Director Corporate is responsible for the implementation and monitoring of the NSWEC's fraud and corruption control framework.
- 7.4. Oversight of the implementation of controls, minimisation and mitigation strategies and the promotion of ethical behaviour are undertaken by the NSWEC's executive team and the Audit and Risk Committee.

8. How the Ten Fraud Control Attributes are implemented in NSWEC

Attribute 1: Leadership (Prevention)

- 8.1. The responsibility for leadership in the prevention of fraud and corrupt conduct sits with the Commissioner and the Senior Executive Committee. However, all staff members in the NSWEC have a role to play in effective fraud and corruption prevention.
- 8.2. The Commissioner and the Senior Executive Committee consider fraud and corrupt conduct to be serious threats to the NSWEC. In order to manage the fraud and corruption risks, the NSWEC's senior leadership:
- Ensures adequate resources are available for implementing the fraud and corruption control framework across the organisation
 - Considers fraud and corruption risks regularly as part of overall risk management monitoring and review arrangements
 - Participates in the annual assessment of internal controls within their areas of responsibility.

Attribute 2: The NSWEC's Ethical Framework (Prevention, Detection, Response)

8.3. The NSWEC has established an ethical framework of policies, procedures and resources to support ethical decision-making and behaviour in the agency. The elements of the ethical framework are set out in the table below.

Component of the ethical framework	Process and requirement of staff
<p>Our Values:</p> <ul style="list-style-type: none"> • Integrity • Trust • Service • Accountability 	<p>The NSWEC has adopted the government sector core values set out in Section 7 of the <i>Government Sector Employment Act 2013</i>.</p> <p>The values are expressed in the NSWEC 2021-24 Strategic Plan, they are covered in new employee on-boarding and are included in the <i>Statement of Business Ethics</i>.</p> <p>All staff members, contractors and suppliers are required to comply with the NSWEC's core values.</p>
<p>Code of Conduct</p>	<p>The NSWEC Code of Ethics and Conduct sets out the behavioural expectations of all staff.</p> <p>All staff members are required to declare that they have read and understood the Code before commencing with the NSWEC, and confirm ongoing understanding and compliance on an annual basis.</p>
<p>Conflicts of Interest processes</p>	<p>A conflict of interest exists in a situation where business, financial, family, political or personal interests could interfere with the judgement of staff members in carrying out their duties for the NSWEC. The NSWEC Code of Ethics and Conduct sets out provisions for the disclosure of any conflict of interest which all staff members must comply with.</p> <p>Conflicts of interest are also managed through the following policies, procedures and processes:</p> <ul style="list-style-type: none"> • Recruitment Procedures Guideline • Employment of Election Officials and Office Assistants Policy • Contingent Worker and Contractors Engagement Policy • Statement of Business Ethics • Business Ethics Confidentiality and Compliance Agreement – Service Provider and NSWEC • Time at Work Contractor Policy • Code of Conduct for Election Officials – Quick Reference Guide • Casual Employment with the NSWEC Procedure • Complaints Handling Policy • Penalty Notice and Caution Procedures
<p>Managing gifts and benefits</p>	<p>Processes for managing offers of gifts and benefits are outlined in the NSWEC Code of Ethics and Conduct. Gifts or benefits are not to be solicited by staff members and any offer of a gift or benefit is to be refused and disclosed using the Gift Declaration Form except where the gift is of token value.</p> <p>The NSWEC Statement of Business Ethics also provides that contractors and agents acting on behalf of the NSWEC are to manage gifts and benefits in the same way.</p>

Component of the ethical framework	Process and requirement of staff
Other paid employment process	The NSWEC Code of Ethics and Conduct provides that staff members need to apply to the Electoral Commissioner for approval, prior to engaging in any other paid employment.
Misconduct	Misconduct involves improper, wrong or potentially unlawful conduct that is outside of policy, directions or the law. Misconduct is dealt with in section 69 of the <i>Government Sector Employment Act 2013</i> and is managed by the NSWEC in accordance with Clauses 37 to 41 of the <i>Government Sector Employment Rules 2014</i> .
Public Interest Disclosures	<p>People who work in the public sector are usually best placed to know when a colleague is doing the wrong thing, systems aren't working properly, or a public authority is wasting public funds. The <i>Public Interest Disclosures Act 1994</i> (PID Act) sets in place a system to encourage public officials to report serious wrongdoing.</p> <p>The NSWEC Public Interest Disclosures (PID) Policy sets out the NSWEC internal process for handling reports of serious wrongdoing that are public interest disclosures.</p>

Attribute 3: Responsibility structures (Prevention, Detection, Response)

- 8.4. Managing the risk of fraud and corruption is an important governance issue and the NSWEC has established appropriate responsibility structures which are coordinated with the broader risk management approach and other business activities, including Information Security Management System (ISMS) and Risk Management professionals.
- 8.5. Information on individual and team responsibilities are set out in detail in the Fraud and Corruption Control Policy.

Attribute 4: Policy (Prevention)

- 8.6. The NSWEC has an overarching *Fraud and Corruption Policy*, which:
- confirms the NSWEC's zero tolerance for fraud and corruption
 - outlines the elements of the Fraud and Corruption Control Framework
 - sets out the responsibility structures across the organisation to manage the risk of fraud and corruption.
- 8.7. The Policy has been approved by the Electoral Commissioner and is available to all staff members through the Policy Library.

Attribute 5: Prevention systems (Prevention)

- 8.8. Fraud and corrupt conduct could potentially occur in many areas of operation within the NSWEC, including any area where a person supplies or receives goods or services, has access to resources or information, makes significant decisions, or takes action that affects members of the public. Therefore, the NSWEC needs to ensure that it has effective systems in place in key fraud risk areas. These include the following:

Fraud Risk Issue	Prevention Activity
Fraud and corruption risk assessment	<p>The Governance Team conducts regular fraud and corruption risk assessments across all of the NSWEC's divisions and business activities including managing: people, money, information, third parties, services and products and assets.</p> <p>The risk assessment is aligned with the NSWEC's Risk Management Policy and includes:</p> <ul style="list-style-type: none"> • identification of the types of fraud or corruption which can occur in each division • analysis of the likelihood of those frauds or corruption occurring • analysis of the consequences should the fraud or corruption occur • identification of the controls in place to prevent the fraud or corruption occurring and to correct the fraud should it occur • assessment of the effectiveness of those controls • risk treatment to deal with any unacceptable residual fraud risk.
Fraud Control Plan	<p>The Governance Team develops an annual Fraud and Corruption Control Plan, linked to the fraud and corruption risk assessment, which contains the key fraud control activities of the NSWEC, responsibilities and timeframes for action and information on review mechanisms.</p>
Employment of staff	<p>The NSWEC conducts pre-employment screening of staff to reduce the risk of internally generated fraud and corrupt conduct, including:</p> <ul style="list-style-type: none"> • All temporary and ongoing employees are subject to a criminal background check prior to finalisation of offer of employment • NSWEC also requires contractors engaged through contingent labour contracts to go through a criminal background check • More stringent security vetting may be required of staff and contractors working in particularly sensitive roles.
IT and IS Security	<p>The Information Security Policy documents NSWEC's information security policy and the approach taken in establishing an Information Security Management System (ISMS) that will be used to support its information security objectives and manage cyber and information security risks.</p>
Internal controls and the internal control environment	<p>The NSWEC undertakes an annual assessment of its internal control environment to ensure the key internal controls are:</p> <ul style="list-style-type: none"> • Risk focused and mitigate the business risks identified • Appropriately documented • Regularly reviewed • Communicated effectively to all relevant staff members.
Physical security and asset management	<p>The NSWEC manages its physical security environment to prevent access to unauthorised personnel and the theft of valuable tangible assets, including access controls, asset marking, passwords, locks, alarms and video surveillance.</p>

Attribute 6: Fraud awareness (Prevention, Response)

8.9. A key element of the NSWEC's fraud and corruption control strategy is:

- creating awareness about the different parts of the strategy among staff, stakeholders and suppliers
- creating awareness about what activities are considered fraudulent

- providing information on how to respond if fraud is suspected.
- 8.10. Fraud and corruption awareness is referenced in induction training for new employee onboarding.
- 8.11. Fraud and corruption control is a theme in the NSWEC Code of Ethics and Conduct, which all new employees have to read and acknowledge before commencement.
- 8.12. A fraud and corruption control online learning module is in place which all staff are required to undertake on commencement of employment and on an annual basis.
- 8.13. A high level guide to reporting and responding to incidents of fraud and corruption is available to staff and managers to ensure all reports of suspected wrongdoing are treated consistently and in accordance with the NSWEC's policy and framework.

Attribute 7: Third party management systems (Prevention, Response)

- 8.14. The NSWEC ensures appropriate internal controls are in place to manage any dealings with third parties. Fraud and corruption awareness training is provided to staff members who participate in procurement activities, or regularly engage with third parties in the political environment including political lobbyists, donors, third party campaigners and party agents.
- 8.15. A copy of the Statement of Business Ethics, setting out expected standards of behaviour and mutual obligations of all parties, is provided to our stakeholders and suppliers.
- 8.16. Some of the key fraud control processes relating to third party management include the following:

Process	Prevention/Response Activity
Tendering	<ul style="list-style-type: none"> • Tendering processes are conducted in accordance with the NSW procurement policy framework • Potential suppliers are required to accept the NSWEC Standard Terms and Conditions (which are in line with NSW procurement policy and scheme / panel conditions), prior to submitting a response to a tender or a request for quotation through the eQuote system. These terms and conditions include an agreement to comply with the NSW Government Code of Practice for Procurement including declaring and/or managing any corrupt conduct as well as any potential, perceived or actual conflicts of interest that may arise.
Due diligence	<ul style="list-style-type: none"> • All vendors and third parties that deliver services on the NSWEC's behalf are subject to due diligence before engagement. • Contracts and service level agreements include clear accountabilities for managing the risk of fraud.
Vendor checks	<ul style="list-style-type: none"> • The registration of vendors in the finance system (i-POS) is centralised in the Finance Business Unit. Business units initiate requests which are then subject to detailed review, to ensure that robust controls are in place to reduce fraud risk, including changes to vendor financial and bank details, email addresses.

Process	Prevention/Response Activity
Contract management systems	<ul style="list-style-type: none"> • Most high-value contracts are created and managed in i-POS. The NSWEC uses State Government standard contracts for schemes and panels whenever possible. Where a whole-of-government arrangement does not exist, the contract development has senior level oversight. • Suppliers must comply with the NSW Government Code of Practice for Procurement including declaring and/or managing any corrupt conduct as well as any potential, perceived or actual conflicts of interest that may arise. • NSWEC engages independent third parties from time to time on project evaluation teams, as probity advisors and financial advisors. These independent parties are often sourced from other NSW Government agencies such as the Department of Finance, Services and Industry. • NSWEC declares all contracts above \$150,000 in value on the NSW Government eTendering website.
Third Party Awareness	<ul style="list-style-type: none"> • In accordance with Procurement Board Directive PBD-2017-07 <i>Conduct by suppliers</i>, the NSWEC ensures that its procurement processes require suppliers to comply with relevant standards of behaviour. • The NSWEC Statement of Business Ethics sets expectations and mutual obligations with third parties
Conflicts of Interest	<ul style="list-style-type: none"> • As set out in the section relating to <i>Attribute 2</i>, policies and procedures are in place which require all staff members to disclose conflicts of interest.

Attribute 8: Notification systems (Detection, Response)

8.17. The NSWEC requires all staff members and encourages its stakeholders and suppliers to report known or suspected fraud or corrupt behaviour. Staff members should be aware of the provision in section 316(1) of the *Crimes Act 1900* which says that a failure to report a serious offence, including fraud, is an offence. The high level guide sets out how suspected fraud and corruption will be dealt with.

8.18. Reports, or allegations of fraud and/or corruption may come from various sources and be dealt with in different ways. It is important that any report is treated appropriately and in accordance with legislation. The following summarises the key elements of the NSWEC's notification systems

Process	Notification/Response Activity
Allegation by staff member	<ul style="list-style-type: none"> • If a staff member knows or suspects fraud or corruption, they should report it to the Manager Governance – the report can be made verbally or in writing. If the staff member suspects the Manager Governance may be involved in the fraud, the matter should be referred to the ED Corporate. The process is set out in the high-level reporting guide • The <i>Public Interest Disclosure (PID) Act 1994</i> affords protection from reprisals to anyone making a report of fraud. The NSWEC's PID Policy sets out how to report wrongdoing. It also includes information on alternative reporting routes
Public Interest Disclosure (PID)	<ul style="list-style-type: none"> • In addition to the above notification route on fraud allegations, a staff member can make a public interest disclosure in respect of internal

Process	Notification/Response Activity
	<p>corrupt conduct, maladministration, or serious and substantial waste of public money</p> <ul style="list-style-type: none"> • Certain requirements must be met for a report to fall within PID guidelines, these are set out in the NSWEC's Public Interest Disclosures Policy, which includes who the report can be made to • The PID Policy includes the opportunity to make a disclosure to an external authority such as: ICAC, NSW Ombudsman, NSW Auditor General, NSW Information Commissioner
Allegations made by external parties	<ul style="list-style-type: none"> • Stakeholders, suppliers and members of the public are encouraged to report suspected cases of fraud, misconduct or corruption. Any staff member receiving an allegation of fraud or corruption should notify the Manager Governance • Any substantial fraud will be referred to the relevant external body, the NSW Police Force, the Crown Solicitor, the Director of Public Prosecutions, the NSW Ombudsman or the ICAC

Attribute 9: Detection systems (Detection)

8.19. The NSWEC has implemented a range of risk-based systems and processes which are aimed at detecting fraud and corrupt conduct. Some of the key systems are highlighted below:

System/Process	Detection Activity
Post transactional review	<p>A review of transactions after they have been processed can identify fraudulent or corrupt activity e.g. altered or missing documentation, falsified or altered authorisation, or inadequate documentary support. Examples of post transactional reviews include:</p> <ul style="list-style-type: none"> • Payroll – ghost employees, duplicate banks accounts, unauthorised payments/awards, incorrect deductions • Procurement/contracts – unauthorised award of a contract, overbilling, incorrect contract rates, unauthorised contract extensions, unapproved appointment of contract/contingent workers • Accounts payable – duplicate payments, incorrect rates payable, payments to unauthorised vendors, related party transactions • Financial statements – unauthorised journal postings/adjustments, journals not balancing to zero, post accounting period adjustments
Management accounting reports review	<p>Regular reviews of management accounting reports can identify irregular expenditure, or unauthorised transactions. Examples of expenditure analysis includes:</p> <ul style="list-style-type: none"> • Trend analysis, budget analysis, delegation limits, monthly actual/budget comparison reports for individual cost centres, reports highlighting unusual trends in bad or doubtful debts
Data analytics	<p>Data analytic tests that capture relevant indicators of fraud or corruption exposures:</p> <ul style="list-style-type: none"> • Duplicate addresses for suppliers or employees • Unauthorised/regular changes to supplier/employee bank details

System/Process	Detection Activity
	<ul style="list-style-type: none"> False invoices for suppliers Duplicate bank accounts for employees
Open communication channels	<p>The most common method for detecting fraud and corruption is from reports by staff and other interested parties.</p> <ul style="list-style-type: none"> Reporting channels are available to staff via the Fraud and Corruption Control Policy and PID Policy Protection for staff members raising concerns is afforded via the <i>Code of Ethics and Conduct</i> and the PID Act and Policy
Relationships with suppliers	<p>Suppliers and other third parties who have a business relationship with the NSWEC are another valuable source of information about fraud and corruption:</p> <ul style="list-style-type: none"> The Statement of Business Ethics provided to suppliers requires the third party to report fraud and corrupt conduct Reporting channels are available for suppliers and third parties to raise concerns
Internal audit	<p>Internal Audit is the third line of defence in the NSWEC's control environment (with Line 1 consisting of management and front-line process controls, and Line 2 consisting of the oversight by the governance [compliance and risk management] functions).</p> <ul style="list-style-type: none"> Internal Audit examine the adequacy and effectiveness of internal controls in individual systems and processes and make recommendations for improvements where relevant The risk of fraud and corruption is considered during risk-based internal audit reviews, and specific fraud risk reviews may also form part of internal audit work plans

Attribute 10: Investigation systems (Response)

8.20. The NSWEC will investigate all allegations of suspected or actual instances of fraud or corrupt conduct. The processes and actions that will be taken will depend on individual circumstances, but the key processes are outlined below.

System/Process	Investigation/Response Activity
Preliminary assessment/ investigation	<p>When an allegation of fraud or corrupt conduct is made, the Manager Governance will undertake an initial assessment of the available evidence to determine the appropriate course of action to take:</p> <ul style="list-style-type: none"> Undertake an internal investigation, under section 69 of the <i>Government Sector Employment Act 2013</i>, which is managed by the NSWEC in accordance with clauses 37-41 of the <i>Government Sector Employment (General) Rules 2014</i>. The investigation will be completed by an independent investigator and follow the agreed <i>NSWEC Fraud Control Investigation Procedures</i> Refer the matter to an external agency – see below A full investigation may still be undertaken internally even if a referral is made to an external agency

System/Process	Investigation/Response Activity
Referral to external agency	<p>The NSWEC has legal obligations to report certain matters externally – depending on the nature of the fraud or corrupt conduct this may be to one or more of the following agencies:</p> <ul style="list-style-type: none"> • NSW Police. When any criminal offence (including fraud) occurs • ICAC. When suspected/identified corruption occurs, the authorised officer of the NSWEC has a duty under Section 11 of the <i>ICAC Act 1988</i> to report corrupt conduct to ICAC. The Electoral Commissioner has that duty in relation to the Electoral Commission Staff Agency • AONSW. The NSWEC has an obligation under the <i>Public Finance and Audit Act 1983</i> to report discrepancies of serious proportions to the AONSW, as they may affect the annual audit and certification of the NSWEC’s financial statements. • NSW Ombudsman. The NSWEC provides bi-annual statistical information to the NSW Ombudsman in relation to compliance with the requirements of the <i>PID Act</i>. As a 'designated agency' the NSW Ombudsman must also be informed of: <ul style="list-style-type: none"> • any sexual offence or sexual misconduct committed against, with or in the presence of a child - including a child pornography offence • any assault, ill-treatment or neglect of a child • any behaviour that causes psychological harm to a child – even if the child consented to the behaviour.
Conduct and Disciplinary standards	<p>The standards of personal conduct expected of all staff members are clearly set out in the <i>Code of Ethics and Conduct</i>. Where the allegation is proven – because of an admission by the staff or as a result of an investigation – the resulting action may include any of the following:</p> <ul style="list-style-type: none"> • terminate the employment of the employee (without giving the employee an opportunity to resign) • terminate the employment of the employee (after giving the employee an opportunity to resign) • impose a fine on the employee (which may be deducted from the remuneration payable to the employee) • reduce the remuneration payable to the employee • reduce the classification or grade of the employee • assign the employee to a different role • caution or reprimand the employee • a referral may also be made to an external agency
Recovery of property or losses	<ul style="list-style-type: none"> • The NSWEC actively pursues the recovery of any money or property lost through fraud or corrupt conduct, provided there is a strong prospect of a net benefit to the NSWEC from such action.
Insurance cover	<ul style="list-style-type: none"> • The NSWEC’s insurance is provided by the Treasury Managed Fund (TMF), which is the NSW Government’s self-insurance scheme. • Clause 7 of the Statement of Cover sets out the miscellaneous categories of loss for which the NSWEC is covered. Clause 7.1 ‘Fidelity’ refers to losses sustained through any fraudulent or dishonest acts

System/Process	Investigation/Response Activity
	committed by people in the NSWEC's service, and losses resulting directly from a computer virus, the fraudulent input, modification, or destruction of any electronic data stored in any computer/communication system. Clause 7.2 'Unauthorised Actions' refers to losses directly caused by people in the NSWEC's service acting in excess of permitted financial limits or otherwise acting outside their authority.
Post incident review	<ul style="list-style-type: none"> • To ensure that any control weaknesses are addressed, a review of the internal control environment in the business area will be undertaken after any incident of fraud. • The nature and scope of the review will be agreed by the relevant Executive Director and Manager Governance. An action plan will be developed and implemented within an agreed timescale to minimise future risk.
Record keeping	<ul style="list-style-type: none"> • To ensure details of all suspected cases of fraud and corruption are captured, including the outcome of investigations and remedial actions taken, a record is maintained by the Manager Governance.

9. Monitoring, evaluation and review

9.1. The Fraud and Corruption Control Framework will be reviewed every three years, or if policy, legislation, or the NSWEC's control environment changes.

10. Associated documents

Refer to Fraud and Corruption Policy for details of associated documents.

11. Relevant legislation

Refer to Fraud and Corruption Policy for details of relevant legislation.

12. Document control

Document management

Approved by Electoral Commissioner:	Date approved:
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Revision record

Date	Version	Revision description
21/08/18	V 1.0	Approved Version
February 2022	V 2.0 (draft)	Updated for changes to fraud attributes and AS2008:2021; roles and responsibilities moved to Policy document; inclusion of relevant legislation in definitions