

## Sydney Opera House Policy

<b>Title:</b>	Fraud and Corruption Control Policy
<b>Policy Number:</b>	2023/2
<b>Effective Date:</b>	12 May 2023
<b>Authorisation:</b>	Chief Executive Officer
<b>Authorisation Date:</b>	22 December 2022
<b>Accountable Director:</b>	General Counsel & Director, Risk
<b>Responsible Officer:</b>	Head of Enterprise Risk & Program Management Office

### 1. STATEMENT FROM CEO

The Sydney Opera House (SOH) is Australia's leading tourism destination, one of the world's busiest performing arts centres, a World-Heritage listed masterpiece and community meeting place that belongs to all Australians. We strive for excellence in everything we do. The public, our fellow workers, our partners and stakeholders are entitled to expect each of us to act with integrity and to protect resources, information, revenues, reputation and the public interest. Fraud and corruption are incompatible with our values and present a risk to the achievement of our mission. SOH is committed to an honest and ethical environment that minimises fraud and corruption.

### 2. CORE PROPOSITION

- 2.1. SOH has zero tolerance for any form of fraud or corruption. The Fraud and Corruption Control Policy (Policy) contributes to a wider ethical framework (set out in SOH's Code of Conduct) that guides SOH's values and provides a standard for behaviour and decision-making.
- 2.2. This Policy sets out SOH's approach to build integrity and minimise the opportunities, incidence and impact of fraud and corruption at SOH.

### 3. SCOPE

This Policy applies to:

- All Workers.
- Fraud or corruption against SOH, as well as fraudulent or corrupt conduct by Workers.

### 4. DEFINITIONS

- 4.1. **Fraud** – is dishonestly obtaining property belonging to another, obtaining any financial advantage or causing any financial disadvantage.
- 4.2. **Corruption** – corrupt conduct is defined in the Independent Commission Against Corruption Act 1988 (NSW) ("the ICAC Act"). It is deliberate or intentional wrongdoing that is not negligence or a mistake. It has to involve or affect SOH, an SOH employee or other NSW public official or public sector organisation. Corrupt conduct can take many forms. Examples and further information are provided in Appendix 1.
- 4.3. **SOH Employees** – means SOH ongoing, temporary and casual employees and individual contractors.
- 4.4. **Workers** – has the meaning provided in the Work Health and Safety Act 2011 (NSW) and includes all SOH Employees, and any other person engaged to undertake work or volunteer at SOH premises, including artists and personnel of resident companies, venue hirers, suppliers, onsite commercial operators, contractors and subcontractors.

### 5. FRAUD AND CORRUPTION MANAGEMENT

5.1. This Policy:

- Aligns with the NSW Treasury Fraud and Corruption Control Policy (Treasury Circular 18-02) and Standards Australia 8001:2021 Fraud and corruption control.
- Complies with SOH's legal obligations under applicable legislation including the Government Sector Employment Act 2013 (NSW) and the ICAC Act.
- Is part of SOH's ethical framework underpinned by SOH's Code of Conduct.
- Is supplemented by the Fraud and Corruption Control Plan (Plan) which documents key strategies and activities to implement the Policy and mitigate fraud and corruption risks. The Policy and Plan work together to enable SOH's control framework.

5.2. The control approach reflected in the Policy is based on SOH's Risk Management Policy, which is consistent with AS/NZ ISO 31000:2018 Risk Management Guidelines.

5.3. The Executive Team and the Audit and Risk Committee (ARC) are responsible for operationalising the Policy and Plan. A Fraud and Corruption Control Group, coordinated by the Head of Enterprise Risk & Program Management, and chaired by the Director, Risk will support the Executive Team and the ARC in this role.

## **6. FRAUD AND CORRUPTION CONTROL APPROACH**

6.1. SOH will implement and monitor Fraud and Corruption controls as outlined in the Plan.

### **Building integrity**

6.2. Preventing acts of fraud and corruption requires a culture of zero tolerance.

6.3. SOH will strive for an environment of integrity through establishing standards of behaviour expected of Workers, partners and suppliers, and will systematically conduct due diligence screening of partners and suppliers.

6.4. SOH's Executive team, managers and supervisors lead by example and ensure breaches of integrity are not tolerated.

6.5. SOH will make all Workers aware of this policy, as well as SOH's Code of Conduct, other relevant policies and expectations of behaviour.

### **Prevention**

6.6. SOH will:

- Implement appropriate preventive controls, including awareness-raising initiatives, to safeguard SOH business practices from fraud and corruption.
- Adopt a risk-based approach to considering and mitigating the risks of potential fraud or corruption (including by third parties) when developing, undertaking and reviewing SOH projects, policies, programs, contracts and procedures.
- Build fraud and corruption control assurance into the scope of all relevant independent internal audits undertaken as part of the Quality Assurance and Improvement (QAI) program.

### **Detection**

6.7. Early detection of fraud and corruption is essential to minimise opportunities, incidence and impact of fraud and corruption.

6.8. SOH will use system-based controls, analysis and procedures to proactively identify activities that are conducive to fraud and corruption (or activities that are indicative of fraud or corrupt conduct)

6.9. SOH is committed to encouraging and supporting Workers, partners, suppliers and the public to report or disclose information related to possible fraud or corruption without fear of reprisal.

6.10. SOH will ensure Workers are aware of reporting avenues for potential fraudulent or corrupt activities.

- 6.11. SOH Employees, contractors and persons engaged to undertake work on behalf of SOH are covered under SOH's Public Interest Disclosure Policy and can follow the processes outlined to make anonymous reports.
- 6.12. All supplier-related reports can be undertaken in line with SOH's Supplier Code.

#### **Response and investigation**

- 6.13. SOH will treat seriously all reports about, and instances of, fraud and corruption.
- 6.14. In line with the principles of due process and procedural fairness, SOH will investigate all reported instances of fraud or corruption in line with relevant SOH policies and procedures.
- 6.15. SOH will report fraud and corruption to, and cooperate with, relevant investigative and regulatory bodies.
- 6.16. Where appropriate, SOH will also report suspected fraud or corruption by Workers who are not SOH Employees to the Worker's employer.
- 6.17. In line with the Government Sector Employment Act 2013 (NSW), SOH may suspend any SOH Employee from their duties pending a decision about misconduct, criminal charge or corrupt conduct by that person.
- 6.18. Any SOH Employee found to have engaged or be engaging in fraud or corruption at SOH will face disciplinary action (including termination of employment) for misconduct, as well as criminal prosecution.

#### **Monitoring and Review**

- 6.19. SOH will:
  - Collect data to systematically analyse reported cases of suspected fraud or corruption; and
  - Review the effectiveness of this Policy and the Plan periodically.

### **7. ASSURANCE AND INDEPENDENT REVIEW**

- 7.1. Independent audits of key operations will be carried out as part of SOH's Quality Assurance and Improvement (QAI) Plan. The QAI Plan will prioritise audits on fraud and corruption to determine the effectiveness of fraud and corruption-related controls.
- 7.2. Independent oversight will be provided by the ARC, including insights and advice to SOH's leadership on strengthening SOH's control approach. In addition, SOH will work with government agencies such as the ICAC to assess and improve the efficacy of the SOH's ethical framework.

### **8. RESPONSIBILITIES**

- 8.1. **SOH Employees** are responsible for:
  - Understanding and complying with this Policy and seeking advice if they do not understand any aspect of it.
  - Acting ethically, lawfully and responsibly in line with this Policy and SOH's Code of Conduct.
  - Completing all required training related to SOH's fraud and corruption controls.
  - Reporting suspected or actual cases of fraud and corruption via the mechanisms outlined in section 6 under detection.
- 8.2. **Workers who are not SOH Employees** are responsible for complying with this Policy where applicable and acting ethically, lawfully and responsibly when engaging with SOH.
- 8.3. **Managers and supervisors** are responsible for:

- Leading by example and contributing to strengthening SOH's fraud and corruption controls in their Business Units and where applicable.
  - Implementing this Policy and the Plan and monitoring compliance by their direct reports, including that their direct reports complete required training.
  - Identifying fraud and corruption risks and control weaknesses within their area of responsibility.
- 8.4. **The Director with responsibility for Risk, supported by the Enterprise Risk and Program Management Office** is responsible for:
- Coordinating the implementation of this Policy and its review, at least every three years.
  - Ensuring the Plan is reviewed and updated at least every two years.
  - Reporting fraud and corruption risks to the Audit and Risk Committee (ARC), in collaboration with the Director responsible for People.
- 8.5. **The Fraud and Corruption Control Group** is responsible for working with the Executive Team and relevant Business Units to:
- Assess the effectiveness of the Framework by identifying gaps and opportunities for improvement through reviewing and analysing relevant data, risk assessments, audit findings and trends in the environment.
  - Make recommendations for Executive Team or CEO approval (as appropriate) to build a culture of integrity that minimises the opportunities, incidence and impact of fraud and corruption.
  - Monitor and review the progress of actions outlined in the Control Plan.
- 8.6. **Audit and Risk Committee (ARC)** is responsible for reviewing SOH's fraud and corruption control framework (including the Plan and this Policy) to satisfy itself that appropriate processes and systems are in place to capture and effectively investigate fraud-related information.
- 8.7. **Executive Team members** are responsible for:
- Setting an example of good practice and building a culture of integrity when engaging with Workers, partners and suppliers to minimise the opportunities, incidence and impact of fraud and corruption.
  - Managing fraud and corruption risks and occurrences within their area of responsibility.
  - Monitoring SOH fraud and corruption controls.
- 8.8. **Chief Executive Officer** is responsible for:
- Modelling the highest standards of ethical behaviour.
  - Ensuring that an agency-wide fraud and corruption control framework is in place.
  - Informing ICAC of any matter that the CEO suspects on reasonable grounds concerns or may concern corrupt conduct.
- 9. RELEVANT LEGISLATION, STANDARDS AND GUIDANCE**
- Audit Office of NSW's Fraud Control Improvement Kit
  - Government Sector Employment Act 2013 (NSW)
  - Government Sector Finance Act 2018 (NSW)
  - Independent Commission Against Corruption Act 1988 (NSW)
  - NSW Fraud and Corruption Control Policy (Treasury Circular 18-02)
  - Ombudsman NSW Good Conduct and Administrative Practice
  - Public Service Commission's Code of Ethics and Conduct for NSW Government Sector Employees
  - Standards Australia Fraud and Corruption Control Standard AS8001-2021.

**10. SOH SUPPORTING DOCUMENTS**

10.1. The following policies assist SOH to manage its fraud and corruption risks:

- Code of Conduct
- Community Donations Policy
- Delegations of Authority Manual
- Gifts and Benefits Policy
- Procurement Policy
- Public Interest Disclosures Policy
- Risk Management Policy
- Staff Ticket Use Policy
- Strategic Asset Maintenance (SAM) Funding Policy
- Treasury Management Policy.

**Version History**

<b>Version</b>	<b>Approved by</b>	<b>Approval date</b>	<b>Effective date</b>	<b>Sections modified</b>
1.0	Chief Executive Officer	22 December 2022	12 May 2023	New policy

**APPROVED**



Chief Executive Officer  
Date: 22/12/2022

## APPENDIX

### What is corrupt conduct?

1. Corrupt conduct is defined in the ICAC Act and includes:
  - any conduct of any person (whether or not a public official) that adversely affects, or that could adversely 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
  - any conduct of a public official that constitutes or involves the dishonest or partial exercise of any of his or her official functions, or
  - any conduct of a public official or former public official that constitutes or involves a breach of public trust, or
  - any conduct of a public official or former public official that involves the misuse of information or material that he or she has acquired in the course of his or her official functions, whether or not for his or her benefit or the benefit of any other person.
  
2. Corrupt conduct is also any conduct of any person (whether or not a public official) that adversely affects, or that could adversely affect, either 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 any of the following matters:
  - official misconduct (including breach of trust, fraud in office, nonfeasance, misfeasance, malfeasance, oppression, extortion or imposition),
  - bribery,
  - blackmail,
  - obtaining or offering secret commissions,
  - fraud,
  - theft,
  - perverting the course of justice,
  - embezzlement,
  - election bribery,
  - election funding offences,
  - election fraud,
  - tax evasion,
  - revenue evasion,
  - currency violations,
  - illegal drug dealings,
  - illegal gambling,
  - obtaining financial benefit by vice engaged in by others,
  - bankruptcy and company violations,
  - harbouring criminals,
  - forgery,
  - treason or other offences against the Sovereign,
  - homicide or violence,
  - matters of the same or a similar nature to any listed above,
  - any conspiracy or attempt in relation to any of the above.
  
3. Corrupt conduct is also any conduct of any person (whether or not a public official) that impairs, or that could impair, public confidence in public administration and which could involve any of the following matters:
  - collusive tendering,

- fraud in relation to applications for licences, permits or other authorities under legislation designed to protect health and safety or the environment or designed to facilitate the management and commercial exploitation of resources,
- dishonestly obtaining or assisting in obtaining, or dishonestly benefiting from, the payment or application of public funds for private advantage or the disposition of public assets for private advantage,
- defrauding the public revenue,
- fraudulently obtaining or retaining employment or appointment as a public official.