

1 Purpose

- 1.1 This policy establishes an effective, accountable and transparent framework for how the Hume Group seeks to prevent fraud and corrupt conduct.

2 Scope

- 2.1 This policy applies to all Hume Group employees, Directors, volunteers, partners and contractors in relation to their engagement with Hume Group. It covers all Hume Group operations and includes all Hume Group offices.

3 Policy Statement

- 3.1 Corrupt conduct in all forms, including utilising the Hume Group's intelligence against the interests of Hume Group, and fraud, is behaviour that is contrary to the Hume Group's values. The Hume Group is committed to establishing, implementing and maintaining a culture in which employees are responsible and accountable, behave with honesty and integrity and are able to raise concerns regarding unethical, unlawful or undesirable conduct without fear of reprisal.
- 3.2 The Hume Group will not tolerate fraud or any other corrupt conduct within the organisation. All allegations of corrupt conduct, including fraud, will be investigated. Any corrupt conduct, including fraud, that is detected will be reported to the relevant law enforcement agency.
- 3.3 This policy addresses the following:
- what is fraud and corrupt conduct;
 - the measures used by the Hume Group to prevent it;
 - how employees can report fraud or corruption;
 - how reports will be investigated;
 - the consequences of committing fraud or corruption; and
 - the roles and responsibilities relevant to this policy.

4 Overview

- 4.1 The Hume Group's approach to fraud and corruption prevention consists of the following 5 key elements:
1. Identifying and developing an awareness of the risk of corrupt conduct within the Hume Group;
 2. Implementing a range of control measures and risk minimisation strategies in response to the risk;
 3. Having a clearly defined process for reporting actual or suspected corrupt conduct;
 4. The timely investigation of all reports of corrupt conduct; and
 5. Taking appropriate action in response to corrupt conduct including a review of the incident to confirm that current controls are appropriate.

4.2 This process is summarised in Figure 1.

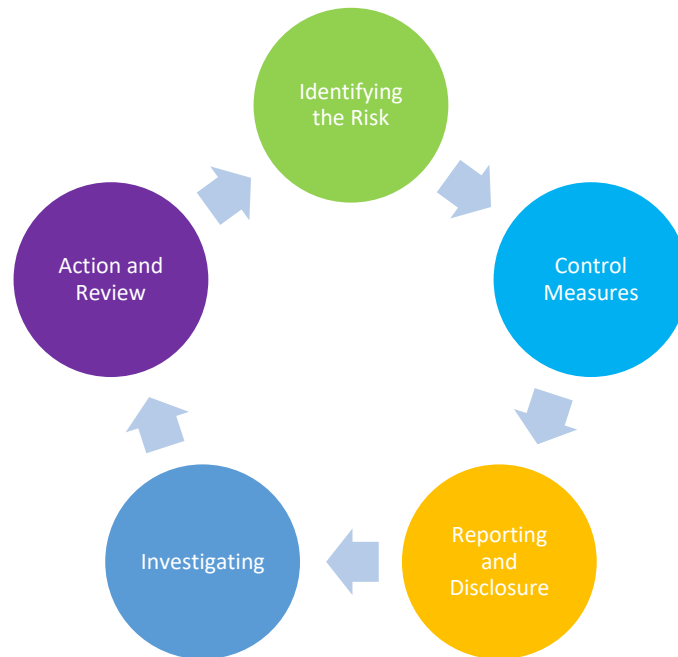


Figure 1.

5 Procedure

Identifying the Risk

5.1 For the purposes of this Policy:

- **Corrupt Conduct** has the meaning given to it by the [Independent Commission Against Corruption Act 1988 \(NSW\)](#) and includes:
 - (a) dishonest and intentional activity in which an individual acts against the interests of Hume Group and abuses their position of trust in order to achieve personal gain for themselves, another person or entity; and
 - (b) fraud.
- **Fraud** has the meaning given to it by the [Crimes Act 1900 \(NSW\)](#) and includes a dishonest and intentional act or omission committed to obtain an unfair or unlawful gain.
- **Conflict of Interest** can be actual, perceived or potential and occurs when an individual's personal interests (family, friendships, financial or other factors) could compromise their judgment, decisions or actions in the workplace.

5.2 Examples of Corrupt Conduct may include, but are not limited to:

- Giving or accepting bribes, secret commissions or other improper payments, benefits or favours to gain access to housing, alternative housing, or better housing, to buy or lease properties, or to award/win contracts or tenders;
- Misappropriation of tenant rent and/or charges;
- Theft of or the unauthorised use of Hume Group assets and/or information;
- Using Hume intellectual property, information, resources or assets for personal gain;
- Falsifying timesheets or expense claims;
- Forging documents or the unauthorised altering of documents;

- Running a private business during work hours;
- Sending false or duplicate invoices;
- Approving invoices for work not done or completed or that are fraudulent;
- Improper conduct in procurement and/or contract management processes;
- Generally acting against the interests of Hume Group.

5.3 The following is a non-exhaustive list of indicators of possible Corrupt Conduct:

- Conflicts of interests not declared;
- Undue secrecy and lack of transparency in transactions and processes;
- Staff who do not take holidays for extended periods;
- Missing documentation or unauthorised alterations to documentation;
- Unusual, unexpected or unexplained large transactions;
- Anonymous complaints or report of potential Corrupt Conduct from reputable sources;
- Agreed policies and procedures not being followed.

Control Measures

5.4 The following control measures are to be maintained to minimise and manage the risk of corrupt conduct:

- The development and adherence of relevant Policies and Procedures, including:
 - this Fraud and Corruption Prevention Policy;
 - Declaration of Conflict-of-Interest Policy and Procedure;
 - Whistleblower and Employee Disclosure Policy and Procedure;
 - Gifts and Hospitality Policy and Procedure; and
 - Delegations of Authority Policy.
- Staff completing conflict of interest forms annually.
- Ensuring Board, Staff and Volunteers understand and sign the Code of Conduct when commencing employment with Hume Group, which outlines their responsibility to operate with the highest level of probity and integrity.
- Clear guidelines on gifts and hospitality as per the Gifts and Hospitality Policy.
- The Governance, Audit & Risk Committee of the Parent Board to identify areas of risk and implement controls to manage that risk.
- Staff training on this policy and all other related policies and procedures.
- The maintenance of an incident management system.
- The enterprise risk management framework, which includes rating risks, identifying controls, monitoring, and auditing.
- Appropriate segregation of duties.
- Internal and external audits.
- Pre-employment screening including reference checking and criminal history checks.

Disclosure or Reporting of Corrupt Conduct

5.5 An employee, Director, volunteer, partner or contractor of the Hume Group who suspects or believes in good faith and on reasonable grounds that any other employee, volunteer, Board member or contractor has engaged in Corrupt Conduct or breached any provision of the general law in the course of their employment, must report their concern. The report can be made internally to any of the following:

- the Head of Governance, Risk and Legal;
- any Executive Manager; or
- the CEO.

5.6 In addition to the above, the Hume Group engages an independent service provider who is appropriately skilled and trained to receive reports and disclosures of actual or suspected Corrupt Conduct. A person can report suspected Corrupt Conduct via this independent external reporting channel at any time in accordance with the [Whistleblower and Employee Disclosure Procedure](#).

5.7 Consistent with the Whistleblower and Employee Disclosure Policy and Procedures the person making a report shall not suffer any sanctions from the Hume Group in this regard provided that the report is made in good faith.

- 5.8 Where a report is made in accordance with the Whistleblower and Employee Disclosure Procedure, there may be additional procedures and/or protections that apply in certain circumstances, including for example:
- protection against detrimental treatment;
 - protection of identity;
 - protection from civil, criminal or administrative legal action for making a disclosure;
 - protection from contractual or other remedies being sought, and contractual rights being exercised on the basis of the disclosure. In addition, a contract to which a whistleblower is a party cannot be terminated because of the disclosure.
- 5.9 Any reports made maliciously or knowingly to be false will be investigated and viewed as a serious disciplinary offence.
- 5.10 Disclosures may be made anonymously.
- 5.11 Due to their sensitive nature, reports about actual or suspected Corrupt Conduct are not to be reported using Hume's standard incident management system and information pertaining to such reports will not be stored within confidential files on Hume's internal network.
- 5.12 The [Independent Commission Against Corruption Act 1988 \(NSW\) \(ICAC ACT\)](#) and the [Public Interest Disclosures Act 1994 \(NSW\) \(PID Act\)](#) establish certain obligations on, and/or protections for, public authority officers and/or public officials. In certain circumstances, there may be additional obligations and/or protections under this legislation for example, where the Corrupt Conduct involves a public authority (for example, LAHC, DCJ or a local government authority) or government money (for example money received from the government by way of a lease, grant or contract). Hume's legal team can provide advice as to whether suspected Corrupt Conduct is covered by the ICAC Act and/or the PID Act.
- 5.13 Consistent with the provisions of the [PID Act](#), if any Hume Group employee, Director, volunteer, or contractor is concerned about any conduct that could involve Fraud, Corrupt Conduct, maladministration, or serious and substantial waste of public funds, they may (but are not required to), in addition to complying with their obligations under this Policy, report their concern to one of the following external organisations:
- Independent Commission Against Corruption (**ICAC**) for corrupt conduct
 - NSW Ombudsman for maladministration
 - NSW Audit Office for serious and substantial waste of public funds
 - Information and Privacy Commission NSW for issues relating to access to government information.
 - Australian Charities and Not-for-profits Commission for non-compliance with the obligations of a registered charity or a serious risk to public trust and confidence in the charity sector
 - National Regulatory System for Community Housing for matters relating to the National Regulatory Code for CHPs.

Investigating Possible Corrupt Conduct

- 5.14 All reports of suspected Corrupt Conduct will be promptly and thoroughly assessed to determine what action will be taken to deal with the report including investigation where appropriate, taking into account the nature and extent of the alleged conduct. Investigations may be carried out internally or by an independent external party, as appropriate in the context of the allegation.
- 5.15 Investigations will be conducted promptly and fairly with due regard for the nature of the allegation and the rights of the people involved in the investigation. All investigations will be handled discreetly, and all people interviewed as part of an investigation will be reminded of their responsibilities to maintain confidentiality.
- 5.16 All investigations will proceed on the basis that the person who is alleged to have committed the Corrupt Conduct will be entitled to procedural fairness including:
- have the right to understand and respond to the allegation made against them; and
 - have the right to bring a support person (such support person may be a lawyer or a union representative) to any interviews conducted during the investigation process.

- 5.17 It may be necessary during the course of the investigation to obtain further information from the person reporting the suspected Corrupt Conduct. In this case a meeting will be arranged and the employee, Director, volunteer, or contractor is entitled to have an advocate or support person present (such support person may be a lawyer or a union representative).
- 5.18 The Employee Assistance Program (**EAP**) will be offered to all staff involved in the investigation.
- 5.19 Investigations are to be carried out in a thorough and timely manner having regard to what is reasonable in the circumstances. Detailed notes of the investigation are to be taken and the outcome documented.
- 5.20 The Parent Board and any Subsidiary Board as relevant is to be notified of occurrences of Corrupt Conduct following investigation and determination. If the alleged Corrupt Conduct creates a serious and immediate risk to the Hume Group, the Parent Board and the Subsidiary Board as relevant may be notified on a confidential/deidentified basis prior to the conclusion of the investigation.
- 5.21 Where appropriate and subject to the Hume Group's privacy and confidentiality obligations, Hume Group may contact the person who made the original allegation/disclosure to notify them that the matter has been investigated and determined.
- 5.22 The Hume Group have the right to involve the police at any stage.
- 5.23 If the conduct alleged is "Reportable Conduct" within the meaning of the Notifiable Incidents to the Registrar Policy and Procedure, Hume Group's authorised officer is to notify the Registrar of Community Housing in accordance with the Notifiable Incidents to the Registrar Policy and Procedure.

Responding to Corrupt Conduct

- 5.24 The result of a finding of Corrupt Conduct following an investigation may lead to one or more of the following outcomes:
- Disciplinary action
 - Removal from office for a Director;
 - Termination of employment for an employee;
 - Termination of contract;
 - Referral to the relevant Government Authority including NSW Police, ICAC, the NSW Ombudsman, the NSW Audit Office or the Information and Privacy Commission of NSW and/or the Office of the Information Privacy Commission;
 - Civil action

Review & Monitor

- 5.25 Internal audits of the adequacy of current control measures are undertaken by the Risk & Compliance Team to determine if any changes to the current control measures, or the adoption of any new control measures is needed to minimise the risk of the same or similar Corrupt Conduct occurring in the future.
- 5.26 External audits of the Hume Group's financial controls are conducted on annual basis.

6 Responsibilities

6.1

Role or responsibility	Position or delegation level
Reporting actual or suspected corrupt conduct	All employees
Annual staff training	Executive Manager, People & Culture
Completion of annual Fraud Risk Assessment and Prevention Plan	Chief Financial Officer
Developing the process for this policy	Chief Financial Officer
Ensuring policy aligns with compliance obligations	Manager, Risk and Compliance
Approving Policy	Board
Implementation	All employees
Policy review	Chief Financial Officer

7 Related Legislation and Documents

[Corporations Act 2001 \(Cth\)](#)

[Crimes Act 1900 \(NSW\)](#)

[Independent Commission Against Corruption Act 1988 \(NSW\)](#)

[Public Interest Disclosures Act 1994 \(NSW\)](#)

[Code of Conduct \(Directors and Employees\)](#)

[Policy: Gifts & Hospitality](#)

[Policy: Delegations of Authority](#)

[Policy: Whistleblower & Employee Disclosure](#)

[Policy & Procedure: Declaration of Conflicts of Interest](#)

[Policy: Internal Audit](#)

[Policy & Procedure: Notifiable Incidents to the Registrar](#)

[Policy & Procedure: Employee Separations](#)

[Procedure: Criminal Record Checks](#)

[Procedure: Gifts and Hospitality](#)

[Procurement Policy](#)

[Procedure: Whistleblower and Employee Disclosure](#)

[Register: Conflicts of Interest](#)

[Register: Fraud and Corruption](#)

[Register: Gifts](#)

8 Feedback and questions

8.1 Customers can provide feedback at any time by contacting the Customer Service Centre on 1800 004 300.

8.2 Hume Group employees may provide feedback about this document to the Governance, Risk and Legal team by emailing grl@humehousing.com.au.

9 Approval and Review Details

Approval and Review	Details
Approval Authority	Board
Policy Owner	Chief Financial Officer
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Notes	V0001 of this document replaced Policy & Procedure – Fraud & Corruption Prevention, version 006 that was approved 27/04/2021 V0002 – was amended to apply to the Hume Group