



COUNCIL POLICY

POLICY TITLE:	FRAUD AND CORRUPTION POLICY
POLICY NUMBER:	066
INFOXPRT REF:	78989
DATE OF ADOPTION:	27/06/2016
TIME PERIOD OF REVIEW	Annual
DATE OF NEXT REVIEW:	June 2021

1. OBJECTIVES:

Richmond Shire Council recognizes that fraud and corruption management is an integral part of good governance and management practice. This policy establishes Councils intention to establish and maintain controls which will aid in the prevention and detection of fraud.

Council will adopt fraud prevention and investigation procedures to assist Council, Management and staff to promote consistent organisational behavior. Guidelines and the assignment of responsibilities will be put in place for the development of fraud prevention controls and those relating to the conduct of investigations into alleged occurrences of fraud.

This policy is applicable to all officers, employees and contractors engaged by the Council regardless of whether they are permanent, temporary, full-time, part-time or casual employees.

2. BACKGROUND AND PRINCIPLES:

Council has a zero tolerance for fraud and corruption. As part of its corporate responsibility and obligation to all stakeholders, Council will ensure that systems, procedures and management practices are in place to prevent the occurrence of fraudulent activities.

Role:

Council will establish an environment in which fraud is not tolerated and will demonstrate a commitment to the rigorous management of fraud risk through appropriate procedures for reporting and investigation.

The aim of the policy is to:

- Avoid any incidence of fraud;
- Minimise opportunities for fraud through effective internal controls, awareness and appropriate supervision;

- Encourage ethical dealings at all levels of the organisation;
- Ensure compliance with legal and statutory obligations, and;
- Protect the reputation of Council.

3. Authorities and Responsibilities:

- Council is responsible for ensuring that appropriate measures are in place, and tested, for the prevention and detection of fraud.
- The Chief Executive Officer and Managers are responsible for the implementation of this policy and supporting procedures within their areas of responsibility.
- Council employees are responsible for the detection and prevention of fraud within their areas of responsibility and are encouraged to report any suspected case of fraud.

4. Recording and Reporting Standards:

Reporting by staff members plays a crucial role in controlling fraud and corruption. Staff must report any concerns or suspicions that they have about fraudulent or corrupt activity to their immediate Supervisor. If the staff member believes that the supervisor may be involved in the activity, then the report must be made to a more senior person or to the Chief Executive Officer. Concerns and suspicions must be reported as soon as possible. An employee must not attempt to further investigate.

Council will comply with legislation in requirements for reporting matters of fraud and corruption to the Crime and Misconduct Commission, Queensland Police Service and Queensland Audit Office. Council has a mechanism in place for assessing fraud matters and determining its obligations for reporting them to the relevant external agency.

A register must be maintained of reports made and how they are addressed.

5. RELATIONSHIPS:

1. An employee who has an interest in a matter in relation to which he or she is required or authorised to act in the course of official duties must disclose the interest to the Chief Executive officer and must not, unless the Chief Executive Officer otherwise determines, act in relation to the matter.
2. Specific fraud prevention strategies must be implemented that are consistent with overall Council strategies such as defining clear lines for supervisory responsibilities and accountabilities, this places primary responsibility for deterrence and detection with each Manager.
3. Council expects similar standards from contractors, volunteers, agencies or organisations that do business or act on behalf of the Council.
4. Elected members will comply with the Councillors Code of Conduct.
5. All employees of Council have an obligation to adhere to Council's Code of Conduct for staff.
6. In the course of internal assessment of alleged misconduct, the Investigating Officer will refer all cases of suspected official misconduct to the Chief Executive Officer or the Mayor if allegations are against the Chief Executive Officer.

6. DEFINITIONS:

Corruption:

Dishonest activity in which an employee of an organisation acts contrary to the interest of the organisation, in order to achieve some gain or advantage, or to avoid loss or disadvantage, for the employee or for another person or entity. Corruption can include, but is not limited to behaviour such as fraud, deception, misuse of a position or authority.

Fraud:

Deliberate deception to facilitate or conceal the misappropriation of assets or the taking of an unlawful advantage or benefit.

Fraud may include:

- Theft;
- Obtaining property, a financial advantage or any other benefit by deception;
- Causing a loss, or avoiding or creating a liability by deception;
- Knowingly providing false or misleading information to council, or failing to provide information where there is an obligation to do so;
- A breach of trust in the performance of official duties, by which an employee or Council acts contrary to the interests of council in order to achieve some personal gain or advantage for themselves or for another person or entity;
- Using forged or falsified documents for an improper purpose;
- Deliberate misstatement of accounting information for an improper purpose.

Official Misconduct:

Official misconduct is defined as any misconduct connected with the performance of an officer's duties that:

- Is dishonest or lacks impartiality,
- Involves a breach of trust, or
- Is a misuse of officially obtained information.

To be considered official misconduct, the conduct must constitute a criminal offence or be serious enough to justify dismissal.

7. RELATED DOCUMENTS:

Richmond Shire Council Risk Management Policy
Richmond Shire Council Code of Conduct
Richmond Shire Council Fraud and Corruption Management Plan

8. RELEVANT LEGISLATION:

Local Government Act 2009
Financial Accountability Act 2009
Crime and Misconduct Act 2001
Public Interest Disclosure Act 2010
Local Government Regulation 2012

9. IMPLEMENTATION

This Policy will commence from the Approval Date (see Section 7). This Policy replaces all other acceptable requests Policies and Procedures of Richmond Shire Council (whether written or not).

This Policy will be made available to all corporate staff on Council's intranet site/network, and to all outdoor staff at the Depot and via their supervisor/coordinator. Council reserves the right to vary, replace or terminate this Policy from time to time. This Policy will typically be reviewed when a review has been deemed appropriate by organisational processes (e.g. audit recommendations), or when legislative requirements change.

10. APPROVAL

Reviewed and adopted at the Council Meeting held on 18 June 2020.