

F.07 Fraud and Corruption Control Policy

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	V2	13-Apr-18	Reviewed – no changes

- CEO Chief Executive Officer
- MCCS Manager Corporate & Community Services
- MES Manager Engineering Services
- MFS Manager Financial Services

1 OBJECTIVE

The objectives of this policy are:

- To confirm Council's commitment to a zero-tolerance stance on fraud and corruption;
- To reduce the likelihood of fraud and / or corruption; and
- To provide a clear framework for the management of fraud and corruption control across the organisation.

2 SCOPE

This policy applies to all Councillors, Council employees, contractors, consultants, vendors, community members and any other party engaged in undertaking business with Council.

This policy outlines Council's commitment to fraud and corruption control. Council's *Fraud and Corruption Management Plan* reflects this policy position and should be consulted for a detailed analysis of Council's fraud and corruption management strategy.

3 STATEMENT

3.1 PHILOSOPHY

Quilpie Shire Council elected members and executive staff are committed to conducting its business with integrity, honesty and fairness, complying with all relevant laws, regulations, codes and corporate standards. Quilpie Shire Council maintains a zero-tolerance stance on fraud and corruption.

Council is committed to dedicating appropriate resources in pursuit of preventing, detecting and reducing fraud and corruption in the organisation.

3.2 STRATEGY

Quilpie Shire Council will implement a consistent and integrated three (3) way approach to its fraud and corruption control program. In particular, strategies and procedures across the following key areas will be developed and implemented:

- Fraud prevention – designed to prevent fraud from occurring in the first instance;
- Fraud detection – designed to assist in discovering fraud as soon as possible after it has occurred; and
- Fraud response – the systems and processes that assist in responding appropriately to an alleged fraud when it is detected.

Overarching to the overall strategy is fraud monitoring, reporting and evaluation. This is essential to ensure accountability by providing information that demonstrates compliance with legislative responsibilities, Council expectations and specific fraud control strategies.

3.3 ELEMENTS OF THE FRAUD AND CORRUPTION CONTROL PROGRAM

In an effort to promote and enact best practice methods in fraud and corruption control, Quilpie Shire Council will develop, regularly review and maintain a comprehensive *Fraud and Corruption Control Plan* which will ensure a consistent and integrated treatment of the following elements:

- Council-wide integrated policy;
- Risk assessment;
- Internal controls;
- Internal reporting;
- External reporting;
- Public interest disclosures;

- Investigations;
- Codes of conduct;
- Staff and Councillor education and awareness; and
- Client and community awareness.

4 DEFINITIONS

4.1 FRAUD

Fraud is dishonest activity causing actual or potential financial loss to any person or entity including theft of personal identity, moneys or other property by employees or persons external to the Council and where deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit.

Examples of fraud may include:

- Alteration of Council records including payment transfers, invoices and other records;
- Misappropriation of Council funds, assets and supplies;
- Unauthorised use of Council property (eg vehicles or equipment); or
- Falsification of Council documents (eg timesheets).

4.2 CORRUPT CONDUCT

Under the *Crime and Corruption Act 2001*, corrupt conduct is conduct by anyone that adversely affects a public agency or public official so that the performance of their functions or the exercise of their powers:

- is not honest or impartial, or
- knowingly or recklessly breaches public trust, or
- involves the misuse of agency-related information or material.

Corrupt conduct is engaged in for the purpose of providing a benefit to the person or another person, or causing a detriment to another person. In addition, the conduct must be serious enough that, if proved, would constitute a criminal offence or a disciplinary breach providing grounds for dismissal.

Under the *Crime and Corruption Act 2001*, corrupt conduct includes an attempt or a conspiracy to engage in the conduct, as well as neglect, failure or inaction that adversely affects a public agency or official in the ways described above.

Examples of corrupt conduct may include:

- Collusive tendering; or
- Release of confidential information by a Council Officer.

5 RELATED POLICIES | LEGISLATION | OTHER DOCUMENTS

Local Government Act 2009

Local Government Regulation 2012

Public Sector Ethics Act 1994

Public Interest Disclosure Act 2010

Crime and Corruption Act 2001

Criminal Code Act 1899

IX #	Details
94383	F.07-A Fraud and Corruption Control Management Plan
91099	G.04 Quilpie Shire Council Councillor Code of Conduct Policy
94362	Quilpie Shire Council Staff Code of Conduct