

Fraud and Corruption Prevention Policy

Yarriambiack Shire Council encourages a working environment which promotes gender equality and models non-violent and respectful relationships.

1 Objective

The purpose of this policy is to demonstrate Council's approach to the prevention, identification and control of fraudulent and/or corrupt activity.

The objectives of the policy are to:

- a) Ensure that all staff are aware of their responsibilities for identifying the exposures to fraudulent activities and for establishing controls and procedures for when it occurs.
- b) To provide guidance to staff as to which action should be taken where they suspect fraudulent activity.
- c) Ensure fairness of decision making, advice and review.
- d) Provide appropriate training to all employees to ensure awareness of responsibilities and expectations.
- e) To provide assurances that all suspected fraudulent activity will be fully investigated.
- f) Taking appropriate action to investigate reports of suspected fraud or corruption.
- g) To encourage employees to report matters that they suspect or are concerned about regarding corrupt conduct, fraudulent activities or criminal involvement.

2 Responsibility

This policy applies to all Councillors, Employees, Contractors, Volunteers, and anyone undertaking business with or on behalf of Yarriambiack Shire Council.

Council is responsible for the good governance of the municipality and for the protection of public money and assets, and Council's reputation. It is responsible for setting the highest standards of honesty and integrity in the provision of services to the community and the management of the organisation.

Fraud prevention rests with all levels of management and all employees have the responsibility to report suspected fraud. Any employee who suspects fraudulent activity must immediately notify their Manager/Supervisor, Chief Operations Officer, or the Chief Executive Officer.

3 Policy Statement and Scope

This policy applies across all work areas and operations of the Yarriambiack Shire Council.

Fraud is not restricted to monetary or material benefits. It includes order to obtain unjust advantage, the theft of funds, assets or information, or the unauthorised use of Council assets as personal gain.

Fraud is characterised by dishonest conduct or misuse of position or authority to obtain unjust advantage, the theft of funds, assets or information, or the unauthorised use of Council assets as personal gain. Most acts of fraud are criminal offences. Persons inside or outside the organisation, or both, can be responsible for fraud.

Fraud could have a significant impact on Council and the community, potentially reducing the quality of services delivered and adversely affecting Council's ability to achieve its objectives as set out in the Council Plan. In addition, Council's financial sustainability may be threatened and its reputation damaged.

Yarriambiack Shire Council is committed to protecting its revenue, expenditure and assets from attempts by any person, including contractors, agents or employees by preventing, deterring and responding appropriately to alleged fraudulent behaviour.

Council will not tolerate fraudulent acts and will ensure that all allegations of fraud are investigated confidentially, promptly and thoroughly.

Yarriambiack Shire Council seeks to maintain fraud prevention initiatives. These include consistency with Council's Employee and Councillor Code of Conduct and associated policies and procedures.

Allegations and concerns about fraudulent or corrupt activity may come from different sources such as:

- a) Members of public.
- b) Other local authorities.
- c) Councillors.
- d) Council Managers and Staff.
- e) Resulting from internal and external auditors.

3.1 Notification of Fraud

Allegations of misconduct or fraud made by employees about other employees should be reported and that the allegations should be made with honesty and without any improper motive.

Where an employee suspects that an act of fraud or fraudulent conduct is occurring or has occurred, that employee should report such suspicions to their immediate Manager/Supervisor or Chief Operations Officer. Where the employee does not feel comfortable reporting suspicions to their Manager/Supervisor or Chief Operations Officer they should report such matters to the Chief Executive Officer.

Anonymous reports may be directed to the Chief Executive Officer. Adequate supporting information to enable an investigation to be undertaken should be provided and should be clearly marked 'Private & Confidential'.

At all times confidentiality will be maintained and information disclosed only to those who need to know it, in order of any disciplinary action.

3.2 Training

Council requires all employees and labour hire contractors complete online Fraud and Corruption Awareness Training on commencement with Yarriambiack Shire Council, and every two years thereafter as a refresher training. Refresher training maybe in person training and/or online training.

4 References

- a) Public Interest Disclosure Policy
- b) *Local Government Act 1989*
- c) *Local Government Act 2020*
- d) Public Interest Disclosure Procedure – Guidelines
- e) Procurement Policy
- f) Procurement Management Manual
- g) Finance and Payroll Management Manual
- h) Corporate Debit and Credit Card Policy

5 Definitions

Fraud	Means an internal dishonest act or omission done with the purpose of deceiving.
Corrupt Conduct	Means where an officer has: <ul style="list-style-type: none"> • Corruptly acted or corruptly failed to act in the performance of functions of his or her office or employment; or • Corruptly taken advantage of his or her office or employment as a public officer to obtain any benefit for himself or herself or for another person.

6 Consistency with Governance Principles Local Government Act 2020

Governance Principle	Section of policy where covered
(a) Council decisions are to be made and actions taken in accordance with the relevant law;	The objective of this policy assists with ensuring Fraud and Corruption is reported, whilst identifying who to report to within the organisation. Section 1,2 and 3.1.
(b) priority is to be given to achieving the best outcomes for the municipal community, including future generations;	The overarching policy, including all sections aims to address Fraud and Corruption and commitment to prevention training.
(c) the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;	Section 3 Policy Statement and Scope
(d) the municipal community is to be engaged in strategic planning and strategic decision making;	Section 3 Policy Statement and Scope
(e) innovation and continuous improvement is to be pursued;	Section 3.2 Training
(f) collaboration with other Councils and Governments and statutory bodies is to be sought;	Not applicable
(g) the ongoing financial viability of the Council is to be ensured;	Section 3 Policy Statement and Scope
(h) regional, state and national plans and policies are to be taken into account in strategic planning and decision making;	Section 4 References
(i) the transparency of Council decisions, actions and information is to be ensured.	Section 3 Policy Statement and Scope

In giving effect to the overarching governance principles, a Council must take into account the following supporting principles—

- (a) the community engagement principles;
- (b) the public transparency principles;
- (c) the strategic planning principles;
- (d) the financial management principles;
- (e) the service performance principles.

7 Policy Review

This policy will be reviewed in conjunction with its associated procedures every three years, and in accordance with *Local Government Act 2020* requirements and the Legislative Context.

This policy has been developed to meet the Financial Management Principles (section 101) and overarching Governance Principles and Supporting Principles (section 9) outlined in the *Local Government Act 2020*.

8 Council Approved Policy

Policy Adopted:	Ordinary Meeting 30 June 2018		
Policy Reviewed:	Ordinary Meeting 23 June 2021	Minute Book Page 203	