

Fraud and Corruption Control Policy

Head of Power

Local Government Act 2009
Local Government Regulation 2012

Related Legislation

Crime and Corruption Act 2001
Criminal Code Act 1899
Integrity Act 2009
Criminal Proceeds Confiscation Act 2002
Public Interest Disclosure Act 2010
Public Sector Ethics Act 1994
Right to Information Act 2009

Objective

This policy outlines Council's strategies and activities to increase the awareness of, and mitigate the occurrence of Fraud and Corrupt Conduct.

The policy objective is to:

- Support high standards of professional conduct and honest and ethical behaviour within Council
- Minimise the risk of fraudulent practices or Corrupt Conduct occurring within and being perpetrated against Council
- Protect Council's assets, public image and reputation
- Ensure an ethical culture within the Organisation
- Ensure the EMT's commitment to identify Fraud risk exposures and establish procedures for prevention, detection and response, and
- Ensure Councillors and Employees are aware of their responsibilities in relation to ethical conduct.

Definitions

In this policy:

CCA means the *Crime and Corruption Act 2001*.

CCC means the Crime and Corruption Commission.

CEO means Council's Chief Executive Officer.

Corrupt Conduct is defined under the CCA. Broadly, 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 CCA, 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.

Council means Moreton Bay Regional Council.

Criminal Code means the *Criminal Code Act 1899*.

Employee means all employees of Council, whether employed on a permanent, temporary, or part-time basis and includes volunteers and employees of businesses and entities contracted to provide services to, or on behalf of Council.

EMT means Council's Executive Management Team, as constituted from time to time.

Fraud means obtaining a benefit, financial or otherwise, and/or to cause a loss to Council through deceitful or dishonest conduct.

Fraud and Corruption Control Plan is a document outlining Council's anti-fraud and anti-corruption strategies.

LGA means the *Local Government Act 2009*.

LGR means Local Government Regulation 2012.

Material Loss, for a Council asset, means:

- for money—a loss of more than \$500; or
- for any other asset—a loss valued by the CEO at more than \$1000.

Organisation includes the Council, Councillors and Employees.

QAO means the Queensland Audit Office.

QPS means the Queensland Police Service.

Reportable Loss, for an asset, means a loss resulting from—

- the commission of an offence (the act of doing or perpetrating an offence) under the Criminal Code or another Act, or
- the Corrupt Conduct of a Councillor or Employee.

Application

This policy is part of Council's Fraud and Corruption Control Framework and applies to Councillors and Employees.

Policy Statement

The Organisation is committed to maintaining a culture of honesty and integrity, and fostering an ethical environment and culture.

Council has effective internal control mechanisms in place, which mitigate the impacts of Fraud and Corrupt Conduct by reducing the incidence, improving the detection and reducing losses and damages which may occur to Council.

Council adopts a zero-tolerance approach towards Fraud and Corrupt Conduct in all activities. This is consistent with Council's values and the Employee Code of Conduct.

Everyone in the Organisation has a role to play in identifying areas of risk, including Fraud and Corrupt Conduct, and initiating responses that manage the risk exposure to acceptable levels, ensuring that internal controls are working properly and policies are being followed.

Council has adopted and will adhere to the Fraud and Corruption Control Plan annexed to this policy.

Fraud and Corruption Control Framework

Council's Fraud and Corruption Control Framework is based on effective control strategies that address: *prevention, detection, response and monitoring, reporting and evaluation*, as outlined within the CCC's best practice guide for *Fraud and Corruption Control*. The guiding document for the framework is Council's Fraud and Corruption Control Plan which, amongst other things, addresses:

- Responsibilities of Councillors and Employees
- A process for Fraud and Corrupt Conduct risk assessment
- Establishment of a Fraud Risk Control Group
- Process for reporting Fraud and Corrupt Conduct; and
- Fraud and Corrupt Conduct control strategies.

Control Strategies

The Organisation recognises that, ultimately, the most effective way to address the issue of Fraud and Corrupt Conduct is to provide exemplary leadership, fully comply with legislative obligations, provide clear and appropriate policy settings, with active and effective *control strategies* that address prevention, detection, investigation, response, monitoring and reporting.

Related Documents

This policy complements and is to be implemented in conjunction with other Council policies and directive but not limited to:

- Fraud and Corruption Control Plan
- Fraud and Corruption Risk Assessment Procedure
- Fraud and Corruption Investigation Procedure
- Fraud and Corruption Monitoring, Evaluating and Reporting Procedure
- Enterprise Risk Management Policy (2150-020)
- Public Interest Disclosure Policy (11-2150-026)
- Complaints Process - Administrative Action Complaints (11-2150-025)
- Employee Code of Conduct
- Internal Audit Policy (2150-048)
- Audit Committee Policy (2150-024)

- Conflict of Interest Policy (2150-011), and
- Councillors Reimbursement of Expenses and Provision of Facilities (2150-046).

Review Triggers

This policy is reviewed internally for applicability, continuing effect and consistency with related documents and other legislative provisions when any of the following occurs:

- (1) The related documents are amended
- (2) The related documents are replaced by new documents
- (3) Amendments are made to the head of power or related legislation which affect the scope and effect of a policy, or
- (4) Other circumstances as determined from time to time by a resolution of Council.

Notwithstanding the above, this policy is to be reviewed at least once every two years for relevance and to ensure that its effectiveness is maintained.

Responsibility

This policy is to be:

- (1) Implemented by the CEO, and
- (2) Reviewed and amended in accordance with the 'Review Triggers' by the CEO.

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