POLICY

FRAUD AND CORRUPTION CONTROL

APPROVALS

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CATEGORY	Statutory		
POLICY OWNER	Manager Governance & Corporate Services		
APPROVAL DATE	24 August 2022	**RESOLUTION NUMBER**	7995

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POLICY

OBJECTIVE

This policy is to clearly state Isaac Regional Council's (IRC) commitment to rigorously manage the risk of fraud and corruption.

SCOPE

This policy applies to all staff, Councillors, contractors, volunteers and individuals conducting business with IRC.

IRC will not tolerate corrupt conduct or fraud and encourages any person who has reason to suspect that corruption or fraudulent activity may be occurring to report their suspicion.

DEFINITIONS

TERM / ACRONYM	MEANING

Corrupt Conduct	Has the same meaning as corrupt conduct under the *Crime and Corruption Act 2001* being conduct of a person, regardless of whether the person holds or held an appointment, that:
	
	 a. adversely affects, or could adversely affect, directly or indirectly, the performance of functions or the exercise of powers of –
	
	    i. a unit of public administration; or
	
	    ii. a person holding an appointment; and
	
	 b. results, or could result, directly or indirectly, in the performance of functions or the exercise of powers mentioned in paragraph (a) in a way that –
	
	    i. is not honest or is not impartial; or
	
	    ii. involves a breach of the trust placed in a person holding an appointment, either knowingly or recklessly; or
	
	    iii. involves a misuse of information or material acquired in or in connection with the performance of functions or the exercise of powers of a person holding an appointment.
	
	 c. is engaged in for the purpose of providing a benefit to the person or another person or causing a detriment to another person; and
	
	 d. would, if proved, be –
	
	    i. a criminal offence; or
	
	    ii. a disciplinary breach providing reasonable grounds for terminating the person's services, if the person is or were the holder of an appointment.

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	Corrupt conduct may include, but is not limited to: a. abuse of public office; b. bribery, including bribery relating to an election; c. extortion; d. obtaining or offering a secret commission; e. fraud; f. stealing; g. forgery; h. perverting the course of justice; i. an offence relating to an electoral donation; j. loss of revenue of the State; k. homicide, serious assault or assault occasioning bodily harm or grievous bodily harm; l. obtaining a financial benefit from procuring prostitution or from unlawful prostitution engaged in by another person; m. illegal drug trafficking; n. illegal gambling.
Corruption	Dishonest activity or inactivity in which any person (whether or not a public official) acts contrary to the interest of IRC in order to achieve some gain or advantage, or to avoid loss or disadvantage, for the officer or for another person or entity. Corruption can include, but is not limited to, behaviour such as fraud, deception or misuse of a position or authority.
Fraud	Dishonest activity or inactivity causing actual or potential loss to any person or entity, including theft of money or other property, by any person (whether or not a public official) external to IRC, where deception is used. This includes deliberately falsifying, concealing or destroying documents used, or intended to be used, for a normal purpose, or the improper use of information or position to directly or indirectly benefit oneself or someone else.
IRC	Isaac Regional Council.

POLICY STATEMENT

IRC is committed to a zero tolerance approach to fraud and corruption.

To facilitate this, IRC will implement the following strategies:

• Appropriate recruitment and Employee management processes

• Appropriate allocation of responsibilities to Employees, ensuring regular staff education and training;

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- Provision of effective internal control systems, with effective fraud and corruption control plans and policies and procedures

- Undertaking of fraud risk assessments and implementation of appropriate mitigation strategies

- Ongoing monitoring and reporting on the adequacy of fraud control and detection mechanisms, including how to appropriately address fraud when it arises.

Council will actively pursue suspected incidents of fraud in compliance with all relevant legislation (including the *Information Privacy Act 2009 and Public Interest Disclosure Act 2010*) and Council policies and corporate standards.

Council will, in pursuing suspected incidents of Fraud, have regard to the framework of natural justice and procedural fairness.

Council's Fraud and Corruption Control Plan (Plan) is the organisation's strategic document that guides and manages all fraud and corruption control activities. The purpose of this Plan is to:

- build a culture within IRC that seeks to prevent fraud and corruption;

- reduce the potential for fraud and corruption within and against IRC;

- explain how IRC will use risk management practices to prevent and control fraud and corruption; and

- provide guidance on how any suspected instances of fraud or corruption within the organisation will be dealt with by IRC.

Policy Principles

IRC is committed to:

- Developing and maintaining an organisational culture supported by appropriate leadership, conduct guidance, policies, procedures, strategies and security that prevent corruption and fraud.

- Ensuring that all of its business dealings with tenderers, suppliers, consultants and contractors are conducted in an ethical manner.

- A code of conduct that forms the basis of ethical standards and conduct expected of staff, Councillors and contractors.

- Implement strategies to promote the education and awareness of Councillors, staff and external stakeholders in relation to corruption and fraud control issues.

- Policies that create an awareness for staff, Councillors and the public on how to identify and report potential fraud and how to make a PID via internal and external processes and that encourage them to report any instances of corrupt conduct or fraud. These are available on the IRC intranet and web site.

- Investigating all instances of reported or suspected fraud or corruption to quantify losses and maximise their recovery, including pursuing all reasonable legal avenues.

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- Establish appropriate procedures to capture alleged and proven losses from fraud and register reportable losses to the Auditor-General and Minister.

ROLE	RESPONSIBILITIES
Role of Council	Council as a whole act with integrity, honesty and transparency when managing council operations and services to the community.
Role of Councillors	Councillors should approve, support and endorse any policy or process that helps prevent (includes deter, detect, resolve allegations of or instances of fraud) within council.
Role of CEO	CEO shall ensure that there are appropriate practices, measures and systems in place to manage fraud prevention and management within council.
Role of Leadership Team (ELT/Managers)	Management should communicate, implement, monitor, and review council's fraud and corruption control plan.
Staff	Participate in training (including refreshers), and report suspicions of fraud and/or corruption.

LEGISLATIONS AND RELATED GUIDELINES

- *Local Government Act 2009*

- *Local Government Regulation 2012*

- *Public Interest Disclosure Act 2010*

- *Information Privacy Act 2009*

- *Crime and Corruption Act 2001*

REFERENCES

ID	NAME
CORP-POL-079	Code of Conduct
CORP-PLN-076	Fraud and Corruption Control Plan
CORP-FWK-002	Fraud and Corruption Control Framework
CORP-POL-054	Public Interest Disclosure Policy

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