

# POLICY



**Date adopted:** 26/06/2019  
**File no:** 621912-1  
**Minute number:** 132/2019

**Policy title:** **FRAUD AND CORRUPTION PREVENTION AND REPORTING**

**Directorate:** ORGANISATIONAL SERVICES

**Branch:** CORPORATE GOVERNANCE

**Policy objective:**

1. The purpose of this policy is to:
  - (a) support high standards of professional conduct and honest and ethical business practices within Logan City Council (Council); and
  - (b) outline Council’s commitment to effectively preventing, detecting and responding to incidents of fraud and corruption.
2. This policy is part of Council’s Fraud and Corruption Prevention and Reporting Framework and should be read in conjunction with the Fraud and Corruption Prevention and Reporting Procedure.

**Policy scope:**

This policy applies to all councillors, employees and contractors working for Council regardless of whether they are permanent, temporary, full-time, part-time or casual employees, or volunteers. For the purposes of this policy, the term contractor includes on-hired temporary labour services (agency staff) and sub-contractors.

**Definitions:**

TERM	DEFINITION
Corruption	Involves a breach of trust in the performance of official duties and includes conduct which does or could adversely affect the honest or impartial exercise of official functions by an employee, whether or not for the benefit of the person. It also includes conduct by an employee involving dishonesty or failure to impartially exercise an official function.
Fraud	A dishonest act or omission done with the intent of deceiving. It may have the object of obtaining a benefit for some person or causing a detriment. It includes the deliberate falsification, concealment, destruction or use of falsified documentation or the improper use of information or position for personal financial benefit
PID	Public Interest Disclosure as defined in the <i>Public Interest Disclosure Act 2010</i> .

**Policy statement:**

1. Fraud and corruption have the potential to cause significant financial, reputational and service delivery harm to Council. These forms of wrongdoing also have a potential to diminish or destroy community confidence in Council.

2. Logan City Council has zero-tolerance towards fraud and corruption, with all incidents regarded as serious.
3. Everyone in Council is responsible and accountable for managing the risk of potential fraud and corruption.
4. Council is committed to effectively preventing, detecting and responding to incidents of fraud and corruption, including through:

Prevention	Actively fostering a robust fraud and corruption prevention and reporting framework to maintain a strong ethical culture
	Implementing effective Council wide anti-fraud and anti-corruption policies
	A commitment by senior management to reducing the risk of fraud and corruption
	Managers and Program Leaders taking responsibility for preventing, detecting and responding to instances of fraud and corruption in their areas
	Supporting persons who make a Public Interest Disclosure (PID)
	Mandatory training for all employees about Council’s Code of Conduct for Staff and about Fraud Awareness
	Implementing other education and awareness initiatives aimed at maintaining continued high standards of professional and ethical conduct
	Publicly communicating that Council is committed to high standards of professional conduct and honest and ethical business practices
	Making resources available to the public about reporting suspected fraud or corruption within Council
Detection	Undertaking formal annual reviews to assess fraud and corruption risks contained in operational risk registers
	Implementing appropriate internal controls which address Council’s operating environment and specific risks
	Encouraging the internal reporting of suspected wrongdoing
	Strategically using information systems to detect suspected fraud
Response	Effectively assessing and dealing with suspected wrongdoing
	External reporting to regulatory entities, such as the Crime and Corruption Commission, the Queensland Police Service and the Queensland Audit Office pursuant to legislative requirements
	Taking appropriate management action in respect to proven fraud and corruption including: <ul style="list-style-type: none"> <li>• applying a disciplinary process which may result in termination of employment</li> <li>• referral of fraud matters to the Queensland Police Service</li> <li>• de-registering suppliers so they are unable to perform work for Council</li> <li>• pursuing the recovery of losses</li> <li>• implementing action to prevent reoccurrence</li> </ul>
	Identifying and modifying any weaknesses in Council’s control systems to prevent the same instance of fraud occurring again

5. Council adheres to the Crime and Corruption Commission’s Fraud and Corruption Control Guidelines for Best Practice, and has incorporated the Crime and Corruption Commission’s 10-element model into its Fraud and Corruption Prevention and Reporting Framework. The elements are addressed in detail in the fraud and corruption control plan within Council’s Fraud and Corruption Prevention and Reporting Procedure.

**Related policies/legislation/other documents:**

<b>DOC ID</b>	<b>DOCUMENT TYPE</b>	<b>DOCUMENT NAME</b>
<a href="#"><u>12672381</u></a>	Procedure	Fraud And Corruption Prevention and Reporting Procedure
<a href="#"><u>7853148</u></a>	Policy	Management of Public Interest Disclosures - Public Interest Disclosure Act
<a href="#"><u>7205127</u></a>	Procedure	Public Interest Disclosure Management Program and Guidelines
<a href="#"><u>8373134</u></a>	Administrative Procedure	Reporting Public Interest Disclosures Administrative Procedure
<a href="#"><u>5979417</u></a>	Policy	Code of Conduct for Staff
<a href="#"><u>6154088</u></a>	Policy	Risk Management
<a href="#"><u>10570996</u></a>	Form	Reporting of Missing and/or Lost Assets