

S-HR14-P Fraud and Corruption Control Plan

Purpose	The purpose of this plan is to outline the procedures for managing fraud and corruption control across Flinders Council.
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Next Review Date	Four (4) years from Council Resolution Date
Review History	New Plan

1. Executive Summary

1.1. Introduction

The Fraud and Corruption Control Plan (FCCP) has been developed in accordance with the Australian Standard 8001:2021 – Fraud and Corruption Control, and it will be applied to employees, contractors, volunteers, and any external party involved in providing services to Council.

Employees are expected to perform their duties for, and on behalf of, Council legally, ethically and with integrity and professionalism in their day-to-day operations.

Public Interest Disclosures

Where any suspected or actual fraud or corruption reported has been assessed as being a Public Interest Disclosure (PID), then the PID Policy applies and any action under this framework shall be discontinued.

1.2. Fraud and Corruption Control Plan (FCCP)

Council aims to protect its finances, properties and intellectual rights from any attempt to gain personal or other advantage through deception by employees, members of the public, contractors, subcontractors or agents.

Employees, contractors and other service providers of Council are required to act honestly and with integrity, to safeguard the public resources for which they are responsible. They shall make themselves aware of Council's Code of Conduct and all other related policies that support this Plan.

Council's FCCP has been designed to reduce the overall risk of fraud and corruption, and reflects Council's commitment to promoting ethical and honest behaviour.

The purpose of the FCCP is to:

- Outline management's key leadership responsibilities in regard to fraud and corrupt behaviour;
- Inform all employees of their individual responsibilities regarding fraud and corruption, and detail the actions required when fraud and corruption is suspected; and
- Summarise Council's anti-fraud strategies.

1.3. Definition of fraud

Australian Standard 8001:2021 - Fraud and Corruption Control defines fraud as:

"Dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys or other property by persons internal and/or external to the organisation and/or where deception is used at the time, immediately before or immediately following the activity.

Note1: Property in this context also includes intellectual property and other intangibles such as information.

Note2: Fraud 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 benefit.

Note 3: While conduct must be dishonest for it to meet the definition of 'fraud' the conduct need not necessarily represent a breach of the criminal law.

Note 4: The concept of fraud within the meaning of the Standard can involve fraudulent conduct by internal and/or external parties targeting the organisation or fraudulent or corrupt conduct by the organisation itself targeting external parties."

Examples of fraud include unrecorded annual and sick leave, stealing cash or equipment, falsified payroll records, unauthorised use of credit cards and use of Council resources for personal gain. Additional examples of activities considered fraudulent or corrupt are included in appendix A.

1.4. Definition of corruption

Australian Standard 8001:2021 - Fraud and Corruption Control defines corruption as:

"Dishonest activity in which a person associated with an organisation (e.g. director, elected member, executive, manager, coordinator, supervisor, employee or contractor) acts contrary to the interests of the organisation and abuses their position of trust in order to achieve personal advantage or advantage for another person or organisation. This can also involve corrupt conduct by the organisation, or a person purporting to act on behalf of and in the interests of the organisation, in order to secure some form of improper advantage for the organisation either directly or indirectly.

Note1: The concept of corruption in this Standard is broader than the concept of bribe or bribery in AS ISO 37001. All acts of bribery would constitute corruption under IS 8001 but not all acts of corruption would constitute bribery under AS ISO 37001.

Note 2: While conduct must be dishonest for it to meet the definition of corruption, the conduct does not necessarily represent a breach of the law."

Examples of corruption include taking or offering a bribe, dishonestly using influence, misuse of information acquired at work, extortion, and blackmail. Additional examples of activities considered fraudulent or corrupt are included in appendix A.

2. Fraud and Corruption Control Strategies

Council is committed to providing an organisational culture to prevent fraud and corruption that is supported by appropriate policies and procedures.



2.1. Councils Attitude to Fraud and Corruption

Council has zero tolerance towards acts of fraud and corruption.

Council is committed to maintaining the integrity of the organisation, to act in the best interests of the community by upholding the good governance principles of honesty, integrity, and transparency to prevent fraud and corruption by:

- Promoting ethical and honest behaviour;
- A commitment to deterring, detecting, investigating, reporting and responding to actual or suspected incidents of fraud and corruption;
- Implementing effective preventative measures including training and awareness programs to minimise the risk of fraud and corruption;
- Providing strong protection from victimisation or reprisal to any person making a public interest disclosure; and

- Respecting the rights of individuals having regards to the *Human Rights and Responsibilities Act 2006* and/or the right to confidentiality under the *Public Interest Disclosures Act 2012*.

Any employee, contractor, subcontractor and agent suspected of fraud or corruption will be treated fairly and afforded natural justice should any investigation be necessary.

The principles behind this plan are based on the Australian Standard AS8001:2021 - Fraud and Corruption Control.

2.1.1. Related Policies and Procedures

- Code of Conduct for Elected Members;
- Employee Code of Conduct;
- Fraud Prevention and Control Policy;
- Code for Tenders and Contracts;
- Disciplinary Policy;
- Disciplinary procedure;
- Risk Management Policy;
- Risk Management Framework;
- Related Party Disclosure Policy and Procedure;
- Corporate Credit Card Policy and Procedure; and
- Public Interest Disclosure Procedure.

2.1.2. Foundation for Fraud and Corruption Control

Responsibilities

The roles and responsibilities of the various stakeholder groups with respect to fraud and corruption control are:

Audit Panel	<ul style="list-style-type: none"> • Overseeing the overall approach towards fraud and corruption control including the effectiveness of this plan; • Where appropriate, review investigation procedures when conducted into allegations that involve fraud or corruption; and • Receive reports of suspected fraud and to review investigation reports as applicable.
Elected Members	<ul style="list-style-type: none"> • Maintaining a corporate governance framework, including the Employee Code of Conduct, and the Fraud Prevention and Control Policy to minimise Council's vulnerability to fraud and corruption; • Establishing, maintaining and reviewing control systems to ensure the Council's resources are protected and the risk of fraud or corruption occurring is minimised; • Promote a culture and environment in which fraud and corruption is actively discouraged and is readily reported should it occur; • Protecting employees who report suspected fraud and corruption;

	<ul style="list-style-type: none"> • Providing leadership, guidance and support to employees in preventing fraud and corruption; • Identifying high fraud and corruption risk areas; • Participating in fraud and corruption risk reviews; and • Leading by example to promote ethical behaviour.
General Manager, Coordinators and Supervisors	<ul style="list-style-type: none"> • All employees are to adhere to the Employee Code of Conduct, Fraud Prevention Policy and other relevant policies; • Regularly reviews fraud and corruption risk assessments; • Setting up effective internal controls to detect fraudulent and corrupt activities, and regularly reviewing these controls; • Establishing adequate segregation of duties for all functions where the potential for fraud or corruption risk has been assessed as high; • Reinforcing the requirement for all employees to not engage in corrupt conduct, fraudulent activities or maladministration; • Encouraging the reporting of any suspected fraud, corrupt conduct or maladministration; and • Leading by example, to promote ethical behaviour.
All Employees	<ul style="list-style-type: none"> • Contributing to preventing fraud and corruption by following the Employee Code of Conduct, and complying with controls, policies, processes and resisting opportunities to engage in fraudulent or corrupt behaviour; • Acting appropriately when using Council resources and handling and using public funds, whether they are involved with cash or payment systems, receipts or dealing with suppliers; • Being alert to the possibility that unusual events or transactions could be indicators of fraud or corruption; • Reporting details immediately if they suspect that a fraudulent or corrupt act has been committed or see any suspicious acts or events; • Co-operating with whoever is conducting internal checks, reviews or investigations into possible acts of fraud or corruption; and • Protecting and maintaining the confidentiality of a person they know or suspect to have made a disclosure of a reportable conduct.
Volunteers, Contractors and Consultants	<ul style="list-style-type: none"> • Supporting Council's commitment to preventing fraud and corruption through reporting suspicious behaviour; and • Complying with Council policies and refraining from engaging in fraudulent and corrupt conduct.

2.2. Awareness Raising

Employees will be made aware of their responsibilities for fraud and corruption control, and of the expectations for ethical behaviour in the workplace during their new employee induction and through training, regular communications, performance reviews and information to all employees.

2.3. Risk Management

Departments will include fraud and corruption assessments in the Risk Management Framework register to establish base lines for the level, nature, form and likelihood of fraud and corruption with mitigation strategies.

Higher risk activities may include:

- Accounts payable;
- Assets, equipment and resources including motor vehicles;
- Conflict of interest;
- Destruction or concealment of records or assets;
- Electronic fraud;
- Employment practices (including recruitment);
- Exposure to theft, embezzlement, misappropriation or other misapplication of funds or assets (especially cash and portable and attractive equipment);
- False claims for reimbursement;
- Forgery or alteration of documents;
- Gifts and hospitality;
- Intellectual property;
- Investments, cash and credit cards;
- Payroll;
- Procurement, including collusive tendering or rigging of tenders; and
- Use of information.

2.4. Prevention

2.4.1. Promoting a sound integrity framework

Council recognises that the most effective way to prevent fraud and corruption is to promote an ethical environment fully supported and demonstrated by management, and in which internal control mechanisms have been implemented.

Fraud and Corruption prevention strategies include the following elements:

- The employee Code of Conduct and training outlining a statement of values and details of unacceptable behaviour;
- Recognition from management who adhere to, promote, and maintain an ethical culture and actively promote such a culture within the workplace; and
- A mechanism to report complaints or concerns inside and outside the normal channels of communication.

Operating with honesty and integrity at Flinders Council means:

- Treating Workers and Other Persons at the Workplace with honesty, respect and courtesy;
- Not taking improper advantage of their positions in order to obtain a benefit for others or themselves;
- Reporting dishonest, unethical, fraudulent or corrupt behaviour or maladministration by Workers or Other Persons at the Workplace;
- Not seeking or accepting any type of unauthorised compensation, fee/payment (i.e. monetary or non-monetary), commission or gratuity from a third party in connection with the operations of Council;
- Not offering or accepting any gift, hospitality, or other financial/non-financial benefit in accordance with the gifts and donations requirements in s56A of the

Local Government Act 1993 and s29A-D of the Local Government (General) Regulations 2015;

- Not making or taking any bribes, kickbacks, inducements or other illegal payments of any kind for the benefit of any person or party in connection with obtaining orders or favourable treatment or for any other purpose in connection with the operations of Council;
- Reporting in writing to the Nominated Council Delegate with the following details of any gifts, hospitality, or other financial/ non-financial benefit received by Councillors/Employees:
 - name of the councillor/employee;
 - description of the gift or donation;
 - name of the donor (if known);
 - recipients' relationship to the donor (if known);
 - suburb/locality where the donor resides (if known);
 - date on which the gift or donation was received; and
 - estimated monetary value of the gift or donation.; and
- Encouraging and supporting good faith reporting of breaches of the Employee Code of Conduct Policy without retribution.

2.4.2. Managing conflicts of interest

All employees and elected members are required to declare conflicts of interest, whether they are actual, perceived or potential. Council's Governance department is responsible for managing Council's Conflict of Interest Register.

2.4.3. Managing risks associated with gifts, benefits and hospitality

All employees and elected members are required to comply with the Office of Local Government '[Gifts and Donations guideline – August 2019](#)', they must record gifts, benefits and hospitality over \$50 in the Council Gift Register. Amounts exceeding \$50 are reportable as they are deemed to create a conflict of interest (see 2.4.2 above). Council's Governance department is responsible for managing Council's Gifts and Donations Register which is made accessible to the community on the Council website.

2.4.4. Internal control system

Internal control systems, policies and procedures are the first line of defence against fraud and corruption and Council will maintain a strong internal control system that addresses business processes, and in particular those assessed as having a higher risk exposure to fraud and corruption, including:

- A system of internal checks and controls;
- Multi factor authentication and approvals;
- Segregation of duties and roles; and
- Register of delegations;

2.4.5. Performance indicators and review

The following performance indicators have been established to assess and evaluate the risks associated with fraud and Corruption:

- FCCP reviewed and updated every four years;
- Total number of fraud incidents recorded over a two-year period [<3];
- Total cost of fraud incidents recorded over a two-year period [$<0.5\%$ revenue]; and
- Fraud risk assessments completed by 100% of departments.

2.4.6. Pre-employment screening

Workforce screening applies to all employees under Councils Employee Recruitment and Selection Policy and Procedure and is to be made before an offer is made to a candidate.

The recruitment process requires a series of pre-employment checks including:

- References;
- Evidence of identity; and
- Evidence of qualifications.

For certain roles, additional checks may be required:

- National police clearance;
- Bankruptcy check;
- Pre-employment medical assessment; and
- Working with vulnerable people check.

All new employees are subject to a minimum of three months' probationary period during which time delegations and access may be limited.

2.4.7. Supplier and contractor screening

Council will seek to verify the bona fides of new suppliers and contractors and periodically assess the credentials of ongoing service providers.

Prior to engaging new suppliers or contractors, the procurement team shall consider if any employee and supplier conflict of interest should be considered.

2.4.8. Preventing technology enabled frauds

Technology-enabled fraud includes exposure to criminal cyber activity that risks unauthorised access to information and systems.

To minimise the security risk of unauthorised access and to prevent and detect technology breaches, Council has the following controls:

- Use of Firewall and antivirus software;
- Penetration testing; and
- Third party monitoring.

Council's Information Technology (IT) framework serves a critical function in maintaining the integrity, security and efficiency of Council's technology-based information systems and includes:

- Password policy;
- Internet and Computer use policy;
- IT equipment replacement program;
- Onboarding and removal of employees from the IT system procedure;
- Cyber security plan; and
- Backup and recovery procedures.

2.4.9. Physical security and asset management

Council protects the misuse of its assets through a strong internal control system and internal control culture including:

- Key Register;
- Secure key safe;
- CCTV systems;
- Asset Disposal Policy and Procedure; and

- Mobile Phone Procedure.

2.5. Detecting and Responding

2.5.1. Transactions Review

Post transactional review of accounts payable and supplier data should be undertaken to detect potential suspicious transactions that may require further investigation and response by the relevant business area.

A member of the Flinders Council Audit Panel may undertake a credit card audit on a quarterly basis and report back to the Panel.

2.5.2. Analysis of accounting reports

Monthly reports are prepared by the finance team containing budget variance reports for the Coordinators and Managers to assess and respond to exceptions and variances.

Quarterly reports are prepared by the Contract Accountant and submitted at Ordinary Council meetings, the month directly following the quarter end. Where there are variances greater than 10% and \$50,000, commentary is provided by way of notes.

The Audit Panel review the quarterly accounts and budgets and the Tasmanian Audit Office undertakes audits to provide independent assurance to Parliament on the performance and accountability of the Flinders Council.

2.5.3. Early warning signs

Detection and reporting will include the consideration of red flags, for example:

- Inventory shrinkage;
- Missing documentation;
- Spikes in invoice volumes;
- Complaints of short or nonpayment;
- Excessive number of journal entries;
- Incomplete bank reconciliations;
- Staff living beyond perceived means; and
- Sharp drop in revenue.

2.5.4. Reporting channels

If an employee suspects fraud or corruption, they are encouraged to report it.

Employees may report suspected fraud or corruption either internally or to an external organisation. If anonymity is required, reports can be made in accordance with the PID Policy.

Note: All internal Non-PID reports will be referred to the General Manager.

Report fraud or corruption internally to:

Person or Unit	Details
Corporate Services Coordinator	Email: hr@flinders.tas.gov.au Writing: for the attention Corporate Services Coordinator (Marked Confidential) Telephone: 03 6359 5003
Public Interest	Email: governance@flinders.tas.gov.au

Disclosure Officer	Writing: for the attention Public Interest Disclosure Officer (Marked Confidential) Telephone: 03 6359 5009
General Manager	Email: governance@flinders.tas.gov.au Writing: for the attention General Manager (Marked Confidential) Telephone: 03 6359 5000
Manager, Coordinators & Supervisors	Employees may make a report to any person in a management or supervisory position
Councillors Only	<p>Any person can make a complaint under a Council's Code of Conduct. A complaint must be in writing and include the information required under section 28V of the <i>Local Government Act 1993</i>. A template form detailing the required information is available to complete Local Government Code of Conduct Complaint Form, 13 July 2023.</p> <p>Complaints must be lodged with the General Manager of the relevant council within six months of the alleged contravention.</p> <p>On receipt of a Code of Conduct complaint, the General Manager is required to assess it to ensure that it meets the requirements of section 28V of the Act. Where the complaint meets these requirements, the general manager must:</p> <ul style="list-style-type: none"> • if the complaint is against less than half of all the councillors of the council, refer it to the Code of Conduct Panel Executive Officer by email at lgconduct@dpac.tas.gov.au; or • if the complaint is against one half or more of all the councillors of the council, refer it to the Director of Local Government by email at localgovernment@dpac.tas.gov.au.

Report fraud or corruption externally to:

Authority	Details
Tasmania Police	For Criminal matter only Telephone: 000 (if the matter is urgent/an emergency) or 03 6359 2000 In person: At the local police station
Local Government Code of Conduct Panel (DPAC)	Online at: Department of Premier and Cabinet Email: lgconduct@dpac.tas.gov.au Phone: 03 6232 7220
Integrity Commission Tasmania	The first step is to follow Flinders Council internal reporting policy. Online at: https://www.integrity.tas.gov.au/reporting/making-a-complaint Telephone: 1300 720 289

	Email: contact@integrity.tas.gov.au
Ombudsman Tasmania	<p>Public Interest Disclosure: https://www.ombudsman.tas.gov.au/public-interest-disclosures</p> <p>Telephone: 1800 001 170</p> <p>Email: ombudsman@ombudsman.tas.gov.au</p> <p>The <i>Public Interest Disclosure Act 2002</i> (the Act) outlines the requirements that a disclosure must satisfy, in order to qualify as a PID.</p>

The Fraud and Corruption reporting process flowchart is at Appendix B.

2.6. Investigation and Reporting

2.6.1. Immediate action on discovery/reporting

Assessment under Public Interest Disclosure

All staff are obliged to report incidents or suspected incidents of fraud or corruption and can make a report to their Supervisor, Coordinator, General Manager or Council's PID Officer. Once a report is made the following may occur:

- An initial assessment will be undertaken to determine if the report is a PID or not, followed by notification to the General Manager.
- An assessment will be undertaken to consider notifying the Council's fidelity insurer.
- The matter must not be discussed with anyone other than the person to whom the report was made.
- Once agreed that the matter is a PID, then the PID guidelines shall be followed, and the General Manager will report the matter accordingly.
- Any disclosure or report involving a Councillor must be reported directly to the Local Government Code of Conduct Panel.
- Under no circumstances are any incidents or suspected incidents of fraud or corruption to be investigated or any action taken to control or mitigate losses unless authorised by the General Manager.

2.6.2. Investigation (non-PID)

Following preliminary enquiries or an investigation the General Manager may deem it appropriate to refer the matter to an external authority. Details for the relevant authorities for referral are outlined in 2.5.4 above.

Authority	Scope
Tasmania Police	Where the matter constitutes a criminal offence and where legal proceedings are likely.
Local Government Code of Conduct Panel (DPAC)	<p>To assess complaints against and/or in accordance with the Local Government code of conduct framework.</p> <p>Any person can make a complaint under a Council's Code of Conduct.</p> <p>The General Manager is required to forward all complaints pertaining to Elected Members for assessment/investigation by the DPAC Panel.</p>

Integrity Commission Tasmania	To prevent and investigate public sector misconduct.
Ombudsman Tasmania	To act as an independent body to resolve complaints and improve standards in the Tasmanian Public and Local Government sectors. The <i>Public Interest Disclosure Act 2002</i> (the Act) outlines the requirements that a disclosure must satisfy, in order to qualify as a PID.

An investigation into apparent or suspected fraud and corruption shall be conducted by appropriately skilled and experienced personnel who are independent of the business unit in which the alleged fraudulent or corrupt conduct occurred.

The independent party can be an external law enforcement agency, a senior person within Council, or an external consultant operating under the direction of an independent senior person within Council.

Details will be entered on the fraud and corruption register (see appendix C), and The General Manager will report fraud and corruption events to Councillors and at the Flinders Audit Panel Committee.

All persons contacted by the investigators or anyone otherwise involved in the investigation are subject to strict confidentiality requirements as the disclosure of information could compromise ongoing or future investigations and may breach legislative privacy provisions.

Enquiries and investigations involving employees:

Stage	Purpose	Staff involved
Preliminary (enquiries)	<ul style="list-style-type: none"> To identify the persons involved in the alleged conduct; To determine if the matter should be notified to Tasmania Police; To determine if there is enough evidence to conduct an investigation or if additional evidence is required; and/or To collect additional evidence to inform an assessment about the next appropriate steps. 	<ul style="list-style-type: none"> Notified Officer General Manager
Secondary (investigation)	<ul style="list-style-type: none"> An investigation is conducted to establish if fraud or corruption may have occurred, and if so, what action the Council can/should take in response. The investigation will determine the need to report the action to an appropriate external authority. 	<ul style="list-style-type: none"> General Manager <p>Appoints the investigator and over sees the investigation.</p> <p>If the investigation is in the form of misconduct, the matter will be referred to Human Resources for oversight and the disciplinary process.</p>

		<ul style="list-style-type: none"> • Investigator Appropriately skilled, experienced, and independent of the business unit. May be internal or external.
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Enquiries and investigation involving non-employees:

Stage	Purpose	Staff involved
Enquiries	<ul style="list-style-type: none"> • To identify the person/s involved in the alleged conduct; • To determine whether the matter should be referred to the Tasmanian Police; • To determine the cause of the alleged fraud to support internal control review processes; • To determine if the loss from the fraud is recoverable; and • To inform discussion with internal stakeholders to evaluate the effectiveness of internal controls. 	<ul style="list-style-type: none"> • Finance and Procurement teams provide advice where the external fraud incident occurred to assist with enquiries and to help identify the source of the fraud and take remedial action as appropriate.
Internal Control Review	<ul style="list-style-type: none"> • Post-incident internal control review may identify weaknesses that may have led to the occurrence of the fraud; and • Allow for continuous improvement of fraud prevention controls. 	<ul style="list-style-type: none"> • The General Manager is responsible for managing internal control review. • The General Manager may seek advice from internal expertise to assist the process.

2.6.3. Disciplinary Procedures (non-PID)

Where there is proven evidence of fraud and/or corruption, appropriate disciplinary measures may be undertaken in accordance with Councils O-HR-3 Disciplinary Policy and O-HR-3-P Disciplinary Procedure.

Depending on the nature of the matter, the General Manager may proceed with a misconduct investigation rather than a fraud and corruption investigation.

If disciplinary action is considered appropriate, the General Manager may refer the investigative findings to the Council's Corporate Services Coordinator for actioning.

2.6.4. Management following discovery (Non-PID)

The General Manager may authorise preliminary enquiries to assess whether the instance of alleged/suspected fraud or corruption merits a formal investigation or other action, such as referring the matter to the Tasmanian Police.

Preliminary enquiries may:

- Identify the person/s involved in the alleged fraud or conduct;

- Determine if any immediate action is required to:
 - minimise losses;
 - preserve physical or digital evidence; and
 - to minimise potential harm to clients or employees.

All actions taken as a result of preliminary enquiries are to be documented on the Fraud and Corruption Incident Register (Non-PID).

Where required under Council's policy of insurance, Council shall give notice to the insurer.

The General Manager will declare the matter as a potential or actual incident of fraud or corruption at the next available Audit Panel meeting.

All media enquiries should be referred to the General Manager.

2.6.5. Recovery of stolen funds and/or property (Non-PID)

Recovery actions will be undertaken at the direction of the General Manager.

The General Manager may consider legal proceedings to recover funds, or the value of assets lost due to fraud, corruption, or misappropriation.

2.6.6. Events involving business associates (Non-PID)

Where Council finds evidence of fraud or corruption by a supplier, contractor or other external party, the General Manager may appoint a team to oversee / undertake the following action:

- Referral to law enforcement or regulatory authorities;
- Civil action for recovery of damages (including via a claim on the insurer of the business associate);
- Renegotiation or termination of a contract;
- Agreement to reassign or dismiss relevant personnel;
- Debarment or refusal to enter into future business dealings;
- Enforcement of a contract penalty; and / or
- Closer monitoring or supervision.

2.6.7. Insuring against fraud or corrupt events (Non-PID)

Council maintains Cyber insurance and Industrial Special Risks Crime insurance to insure Council against the risk of loss arising from internal fraudulent or corrupt conduct, including insurance against the theft of Council's property.

2.6.8. Post detection, assessing internal and third-party controls, systems, and processes (Non-PID)

Following an incident of fraud or corruption the General Manager may conduct a review of controls to identify control weaknesses and implement improvements.

Advice may be provided to third parties to review their internal control environment to mitigate any reoccurrence.

2.6.9. Disruption (Non-PID)

Disruption controls may be implemented if the General Manager suspects that fraud or corruption events are occurring and the perpetrator cannot be identified, or where a prosecution is impractical or unlikely to succeed.

Disruption controls may include:

- Revoking delegation and/or financial authorities;

- Conducting random audits;
- Increase site inspections;
- Staff rotation; and
- Restricting data access.

2.7. Monitoring

The complaints register will be reviewed monthly by the General Manager to appraise possible indications of fraud or corruption.

The service request register will be presented quarterly at Council meetings to assess possible indications of fraud or corruption.

The adequacy of this FCCP will be reviewed at least every four years.

Review of Council's FCCP should consider the following:

- Does Council face new or evolving risks?
- Is Council exposed to new or evolving technologies?
- Has Council changed, or are they planning to change its operations in any significant way?
- Have awareness-raising and training activities been evaluated and shown to work well in practice?
- Are fraud countermeasures and treatments adequately addressing possible fraud or corruption instances?
- Is the current residual risk following the implementation of treatments and countermeasures acceptable to Council?

3. Scope

This Fraud and Corruption Control Plan applies across the whole of Council's operations and activities.

4. Legislation

Local Government Act 1993

Workplace Health and Safety Act

5. Fraud and Corruption Control Plan Responsibility

It is the responsibility of the General Manager, all Workers and Other Persons to ensure this plan is adhered to.

Appendix A – Examples of activities considered fraudulent or corrupt.

The following list contains examples of activities or actions that would be considered as Fraudulent or Corrupt in terms of this Plan. The list can be consulted when undertaking risk assessment activities to assist with the identification of possible fraud and corruption risks.

The list is indicative only and does not include all risks associated with activities undertaken at Council. Risks identified from this list should be investigated and considered in terms of this Plan.

1. Falsifying timesheets by taking personal time or performing personal activities during work time and not taking leave.
2. Using Council equipment for personal activities without authorisation.
 - a. This may include the use of administrative equipment such as stationery and office machines, or
 - b. Operational equipment such as tools, vehicles or plant.
3. Creating false creditors, with payments made to the offenders nominated bank account.
4. Obtaining/accepting commissions or bribes from suppliers or contractors.
5. Employees associates providing goods or services to Council at inflated prices.
6. Embellished or false reimbursement claims.
7. Falsifying financial data to receive performance-based bonuses.
8. Private purchases through business accounts or business cards without approval.
9. Not returning surplus material or inventory after job completion and using it for personal gain.
10. Providing information to suppliers who are in the process of completing a tender to Council without providing the same information at the same time to all contractors/suppliers who are tendering to deliver the same product or service whilst receiving a personal benefit in return.
11. Preferring and promoting the use of specific contractors/suppliers in return for any personal gain, that has not been disclosed to Council.
12. Taking or removing any property of Council without proper authorisation for personal use, including materials, cash, tools, equipment, stationary, or any other goods, even if the intent is to return the items after use.
13. Forging or falsifying any document (including purchase orders, receipts, payment advice, timesheets, Council letters etc.) to gain a benefit.
14. Not reporting the misappropriation of Council property in return for any benefit.
15. Altering customer pricing arrangements or payment terms in the rating system in return for a benefit
16. Issuing rebates, discounts or reimbursements in return for personal benefit.
17. Altering payment details of creditors or intercepting payments that are made to creditors to enable someone other than the intended recipient to gain a benefit.
18. Approving receipt of goods or services ordered without actually receiving the physical goods or services in return for a benefit.
19. Approving reimbursement of expenses that were not incurred on behalf of Council.
20. Utilising Council's equipment, materials or employees to perform private works for members of the public, any employee or for any Councillor in return for a personal benefit.
21. Using Council's internet, telephone or mobile phone for personal use without appropriate authorisation.

22. Disclosing customer information, including banking or credit card details, to any third party without appropriate authorisation or legal requirement to do so in return for a benefit.
23. Collusive tendering (the act of multiple tenderers for a particular contract colluding in preparation of their bids).
24. Payment or solicitation of donations for an improper political purpose.
25. Nepotism and cronyism, where the appointee is inadequately qualified to perform the role to which he or she has been appointed.

Appendix B – Fraud and Corruption Reporting Process flowchart



