

Fraud and Corruption Control Policy

Policy Author	General Manager Strategy and Corporate
Date of next review	March 2023

1. Statement of Intent

Council is committed to acting in the best interest of the community and to upholding the principles of honesty, integrity and transparency, which are all key components of good governance. A culture of acting lawfully, ethically and in a socially responsible manner is promoted throughout the organisation and all workers expected to act in an ethical manner at all times in the performance and discharge of duties in association with their role with Council.

The Council is strongly committed to an environment of sound governance, robust internal controls and a culture that will safeguard Council resources. This policy reflects best practice in accordance with the Australian Standard for Fraud and Corruption Control and a commitment to the prevention and detection of fraud, corruption and other criminal conduct, misconduct and maladministration.

This policy together with relevant procedures, is intended to:

- Reinforce that Council has a zero tolerance to fraud, corruption and other criminal conduct, misconduct and maladministration;
- Promote and foster an environment that upholds the prevention of fraud, corruption and other criminal conduct, misconduct and maladministration;
- Maintain procedures which ensure workers understand their obligations to prevent fraud, corruption and other criminal conduct, misconduct and maladministration;
- Implement detection, prevention and response strategies.

Council's Foundation Principles - Full Disclosure and Do No Harm are two clear boundaries that everyone in the organisation works within. These two principles are non-negotiable and help create an environment where all workers can make the most of their skills and experience and genuinely contribute to the community.

The principle, Full Disclosure is applicable to this Policy as it means no surprises and encourages workers to share the right information, with the right people, at the right time. Full Disclosure serves to create an environment in which workers feel they can readily report any suspected fraud and/or corruption. The principle, Do No Harm means do no physical or psychological harm to other people, but also extends to Council's assets, environment and the community. Do No Harm encourages workers to act and undertake their duties in an honest, respectful and ethical manner.

This Policy is intended to complement and be implemented in conjunction with other relevant Council policies, procedures and codes including:

- Public Interest Disclosure Procedure
- Code of Conduct for Council Employees
- Code of Conduct for Council Members

- Council Member Support Policy
- Council Member Support Procedure
- Worker Code of Conduct
- Procurement Policy
- Procurement Procedure
- Expense Card Procedure
- Unsolicited Proposal Procedure
- WHS Commitment Policy

1.1 Obligations and responsibilities

- 1.1.1 All workers of the Council, Council Members and Independent Members are accountable for the efficient and effective use of Council resources and must exhibit the highest levels of ethical behaviour and act in accordance with all relevant standards of conduct applicable to their position.
- 1.1.2 The Independent Commissioner Against Corruption (ICAC) is established under the ICAC Act. The ICAC has issued *Directions and Guidelines for Public Officers* (the Directions and Guidelines) under the Act that are binding on public authorities including councils and Public Officers.
- 1.1.3 The Council will ensure it complies with its obligations as a public authority and provide training and information to workers and other Public Officers, regarding their obligations under the Directions and Guidelines when performing official functions and duties in connection with the activities of the Council.
- 1.1.4 All workers, Council Members and Independent Members will demonstrate their commitment to the prevention, detection and reporting of any actual or suspected fraud, corruption and other criminal conduct, misconduct and maladministration by behaving in a manner consistent with the significant ethical obligations on them including under the Directions and Guidelines and the Code of Conduct for Council Members and Code of Conduct for Council Employees respectively.

1.2 Australian Standard AS 8001-2008 Fraud and Corruption Control

- 1.2.1 The Australian Standard AS 8001-2008 (the Standard) views fraud and corruption control as a holistic concept involving implementation and continuous monitoring across prevention, detection and response areas. The Council will endeavour to implement those elements of the Standard as relevant and appropriate to local government and having regard to level of risk, resourcing, efficacy and efficiencies.
- 1.2.2 This policy should be viewed as part of a control framework within the Council which encompasses the following key areas:
 - Governance and Ethics
 - Awareness and Training
 - Prevention
 - Reporting, Detection and Response
 - Monitoring and Review

1.2.3 The control framework includes:

- policies, procedures and codes implemented by the Council, or as prescribed by legislation; applying to the prevention, detection and control of fraud, corruption and other criminal conduct, misconduct and maladministration and in connection with the activities of the Council;
- the promotion of an ethical culture and the prevention, identification and reporting of any actual or suspected instances of fraud, corruption and other criminal conduct, misconduct and maladministration; and
- awareness training, education and information regarding fraud, corruption and other criminal conduct, misconduct and maladministration relevant to roles, functions and duties.

1.3 Prevention of Fraud, Corruption and other Criminal Conduct, Misconduct and Maladministration

1.3.1 A key strategy for managing the risk of fraud, corruption and other criminal conduct, misconduct and maladministration is the proactive prevention of such conduct through the facilitation of a sound ethical culture. The Council will provide training and education for workers, Council Members and Independent Members performing official functions and duties in connection with the activities of the Council in relation to ethics, incorporating awareness of fraud, corruption and other criminal conduct, misconduct and maladministration.

1.3.2 Such training and education will aim to provide workers, Council Members and Independent Members with:

- An understanding of the responsibilities of their positions;
- Familiarisation with Council policies, procedures and similar documents relevant to fraud, corruption and other criminal conduct, misconduct and maladministration;
- An understanding of what is meant by fraud, corruption, other criminal conduct, misconduct and maladministration;
- An awareness of the strategies implemented by the Council to prevent, detect and respond to fraud, corruption and other criminal conduct, misconduct and maladministration; and
- Information regarding their reporting obligations under the Directions and Guidelines.

1.4 Reporting, Detection and Response

The risk of fraud, corruption and other criminal conduct, misconduct and maladministration within the Council will be systematically identified, analysed and evaluated on a regular basis.

1.4.1 The Council will implement and maintain appropriate internal control mechanisms to detect fraud, corruption and other criminal conduct, misconduct and maladministration. In addition to the Directions and Guidelines, the Council will provide instruction to workers, Council Members and Independent Members for the reporting of suspected or alleged fraud, corruption and other criminal conduct, misconduct and maladministration.

1.4.2 The Council will provide information to members of the public for the making of complaints regarding suspected or alleged fraud, corruption and other criminal conduct, misconduct and maladministration.

- 1.4.3 All reports or complaints of suspected or alleged fraud, corruption and other criminal conduct, misconduct and maladministration will be dealt with in accordance with relevant legislation including but not limited to the *Independent Commissioner Against Corruption Act 2012* and the *Public Interest Disclosure Act 2018*.
- 1.4.4 Any report to the Office for Public Integrity (OPI) regarding corruption or systematic or serious misconduct or maladministration must be made using the online report form available on the ICAC website. Particulars of what a report should include are available in the Directions and Guidelines.
- 1.4.5 Where a worker, Council Member or Independent Member has or acquires knowledge of actual or suspected fraud or other similar conduct that does not constitute corruption or systematic or serious misconduct or maladministration (and is therefore not required to be reported to OPI), that knowledge should be reported to the Council's Responsible Officer(s). Such a report, will be processed in accordance with the Public Interest Disclosure Procedure.

2. Scope

This policy applies to the performance and discharge of the functions and duties of the Council and the activities of workers of the Council, Council Members and Independent Members while undertaking their functions and duties.

3. Legislation and References

- *Local Government Act 1999*, Section 8, Section 125
- *Independent Commissioner Against Corruption Act 2012*
- *Independent Commissioner Against Corruption South Australia Directions and Guidelines for Public Officers*
- *Public Interest Disclosure Act 2018*
- AS 8001-2008 Fraud and Corruption Control Standards Australia
- Complaints Handling Policy
- Complaints Handling Procedure
- Public Interest Disclosure Procedure
- Code of Conduct for Council Employees
- Code of Conduct for Council Members
- Worker Code of Conduct
- Procurement Policy
- Procurement Procedure
- Expense Card Procedure
- Unsolicited Proposal Procedure
- WHS Commitment Policy
- Integrated Risk Management Framework
- City of Playford Global Glossary
- This Policy should not be considered as the only document that may relate to fraud and corruption, other tiers of government, agencies or organisations may have legislation or policies that also apply.

4. Application

Council	Ensure all powers and authorities are appropriately delegated in order to minimise the risk of fraud, corruption, misconduct or maladministration.
Council Members Independent Members Workers	<p>Comply with this Policy and any related legislation, policies or procedures.</p> <p>Promote a culture of acting lawfully, ethically and in a socially responsible manner.</p> <p>Report any suspected or actual occurrences of fraud and corruption.</p> <p>Undertake awareness training or education regarding fraud, corruption, maladministration and misconduct as required.</p>
Chief Executive Officer	<p>Promote a culture of acting lawfully, ethically and in a socially responsible manner.</p> <p>Create an environment in which fraud and corruption is discouraged and readily reported.</p> <p>Ensure all powers and authorities are appropriately sub-delegated in order to minimise the risk of fraud, corruption, misconduct or maladministration.</p> <p>Ensure that workers, Council Members and Independent Members are aware of their responsibilities in relation to fraud and corruption through the provision of appropriate and regular training.</p> <p>Ensure workers are aware of their reporting obligations and have the appropriate skills and knowledge to identify fraud and corruption.</p> <p>Ensure effective screening of workers is undertaken as required.</p>
General Managers	<p>Promote a culture of acting lawfully, ethically and in a socially responsible manner.</p> <p>Create an environment in which fraud and corruption is discouraged and readily reported.</p> <p>Ensure that workers are aware of their responsibilities in relation to fraud and corruption through the provision of appropriate and regular training</p> <p>Ensure workers are aware of their reporting obligations and have the appropriate skills and knowledge to identify fraud and corruption.</p> <p>Ensure effective screening of workers is undertaken as required.</p>

Managers	<p>Promote a culture of acting lawfully, ethically and in a socially responsible manner.</p> <p>Create an environment in which fraud and corruption is discouraged and readily reported.</p> <p>Ensure workers are aware of their reporting obligations and have the appropriate skills and knowledge to identify fraud and corruption.</p>
Responsible Officers	Receive Public Interest Disclosure reports and process in accordance with the Public Interest Disclosure Procedure.
Public Officers	<p>Must report to the OPI any matter the public officer reasonably suspects involves corruption, serious or systemic misconduct or maladministration in public administration unless the public officer knows the matter has already been reported to the OPI.</p> <p>Undertake awareness training or education regarding fraud, corruption, maladministration and misconduct as required.</p>

5. Relevance to Risk Appetite Statement

Reputation

The City of Playford has a **LOW** appetite for negative perceptions that compromise its credibility and reputation.

This Policy addresses this risk by outlining Council's commitment to good governance and to mitigating the possibility of fraud and corruption within the organisation.

Regulatory Compliance

The City of Playford has **ZERO TOLERANCE** for non-compliance with applicable legislation.

This Policy, although not legislatively required, promotes the legislative requirements prescribed within the *Independent Commissioner Against Corruption (ICAC) Act 2012* and the *Public Interest Disclosure Act 2018*.

Financial Sustainability

The City of Playford has a **LOW** appetite for short-term financial risk that adversely impacts on the delivery of the Long Term Financial Plan (LTFP) and the City of Playford's overall financial stability and sustainability.

This Policy addresses this risk by providing a commitment to fraud and corruption control, that when implemented with other control measures, legislation and codes; seeks to prevent fraud and the consequential financial impacts fraudulent activities could incur.

6. Feedback

Your feedback on this policy is invited and can be directed to the Manager Governance via email to governance@playford.sa.gov.au or by calling the Customer Contact Team on 8256 0333.

Administration use only

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1	25 May 2021	Council – Resolution 4626	New Policy
