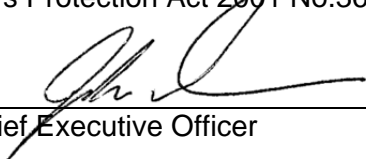


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RELATED LEGISLATION:	Whistleblowers Protection Act 2001 No.36
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Signed by Chief Executive Officer

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Policy documents are amended from time to time, therefore you should not rely on a printed copy being the current version. Please consult the Loddon Shire website to ensure that the version you are using is up to date.

This document is available in alternative formats (e.g. larger font) if requested.

1 PURPOSE

The purpose of this policy is to support Loddon Shire Council in preventing fraud and corruption, and to:

- avoid any incidence of fraud
- minimise opportunities for fraud through effective internal control, risk analysis, and appropriate supervision
- encourage ethical dealing at all levels of accountability and
- provide a clear position on how any party found guilty of fraud will be dealt with.

2 SCOPE

This policy applies to Councillors, staff, suppliers, contractors and customers of Loddon Shire Council.

3 POLICY

Loddon Shire Council will not tolerate fraud in any form by Councillors, staff, suppliers, contractors or customers.

Fraud involves dishonest conduct in order to obtain some unjust advantage over another party.

Council has a fiduciary duty to ensure that reasonable measures are in place for the prevention and detection of fraud. Council will establish an environment in which fraud is not tolerated, and in which Councillors and all employees alike act honestly, and they take all practicable steps to ensure any dealings with Council's contractors, suppliers and customers also prevent fraudulent activity. This environment will promote a culture where all fraudulent activities, once noticed or legitimately suspected, are reported to the appropriate level of management, investigated and resolved in a timely and fair manner.

Council will ensure that systems, procedures and management practices are in place to minimise and prevent the occurrence of fraudulent activities.

Council and the Chief Executive Officer will work closely with the Internal Auditors and Council's senior management to ensure that systems and procedures are regularly tested as a fraud prevention mechanism. Council is committed to:

- ensuring that staff are educated about fraud prevention and detection
- promoting ethical and honest behaviour of staff members
- encouraging staff to report instances of fraud when they become aware of it
- handling matters relating to fraud in the strictest confidence
- ensuring that staff have the qualifications that they assert they have
- promoting the principles of good corporate governance.

3.1 Responsibilities

The Management Executive Group will implement the policy and establish and maintain proper internal controls that provide security and accountability for Council's resources. It is expected that all managers be alert, recognise risks and exposures inherent in their area of responsibility, and be aware of the symptoms of fraudulent or corrupt acts.

It is a condition of employment, and the responsibility of all members of the Council to prevent, detect and report fraud. There are penalties at law for being aware of fraud and not reporting it, as there are for any perpetrator of fraud.

The Internal Audit Committee is required to act within its Charter, which provides an oversight in relation to fraud.

3.2 Confidentiality and fair treatment

The highest degree of confidentiality will be applied to reporting and investigating fraud. Confidentiality of employees who report fraud is guaranteed, and the reputation of those accused must also enjoy the highest level of protection until a definite decision is reached. There are significant penalties under the Protected Disclosure Act 2012 for breach of confidentiality, to protect those who report fraudulent activity.

In order to avoid damaging the reputations of innocent persons initially suspected of wrongful conduct, and to protect the Council from potential civil liability, the results of the audits/investigations will be disclosed or discussed only with those persons who require knowledge of each such investigation in the proper performance of their office or function.

Where appropriate, Council will seek advice from its solicitor to ensure that appropriate documentation of the facts has been achieved in order to permit:

- appropriate personnel action
- protection of innocent persons
- appropriate civil or criminal actions
- documentation of claims against Council's insurers
- preservation of the integrity of any criminal investigation and prosecution
- avoidance of any unnecessary litigation.

A member of staff who feels that their confidentiality has been breached may initiate grievance action under Council's dispute resolution and grievance processes.

Council will treat reported cases of suspected fraud with seriousness and confidentiality at all times. Employees who make complaints will not be victimised or disadvantaged. The person against whom the complaint is made will be treated with procedural fairness.

Any person who feels they have been victimised as part of this process has recourse to Council's dispute resolution processes, and to the Whistleblowers Protection Act 2001 No. 36.

4 HUMAN RIGHTS STATEMENT

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights Act (2007). Loddon Shire Council is committed to consultation and cooperation between management and employees. The Council will formally involve elected employee Health and Safety Representatives in any workplace change that may affect the health and safety of any of its employees.

5 REVIEW

The Director Corporate Services will review this policy for any necessary amendments no later than 3 years after adoption of this current version.