

## Policy Details

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| <b>Directorate:</b>                             | Organisational Services  |
| <b>Branch:</b>                                  | Corporate Governance   |
| <b>Responsible Manager:</b>                     | Corporate Governance Manager   |
| <b>Date adopted:</b>                            | 04/12/2019 (minute number 188/2019)  |
| <b>Date for review:</b>                         | 2 years from the date of adoption or date of last review   |
| <b>Legislative basis:</b>                       | <i>Local Government Act 2009</i><br><i>Local Government Regulation 2012</i><br><i>Crime and Corruption Act 2001</i>  |
| <b>Related Documents - forms and procedures</b> | Fraud and Corruption Prevention and Reporting Procedure (DM: 13315244)<br>Public Interest Disclosure Policy (DM: 13315418)<br>Public Interest Disclosure Procedure (DM: 13315438)<br>Code of Conduct for staff (DM: 13269084)<br>Code of Conduct for Councillors in Queensland |

### 1. Policy Purpose

The purpose of this policy is to:

- support high standards of professional conduct and honest and ethical business practices within Logan City Council; and
- outline Council’s commitment to effectively preventing, detecting and responding to incidents of fraud and corruption.

### 2. 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.

### 3. Policy Statement

#### Principles

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.

Logan City Council has zero-tolerance towards fraud and corruption, with all incidents regarded as serious. Everyone in Council is responsible and accountable for managing the risk of potential fraud and corruption.

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; and
- 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;
- Effectively assessing and dealing with suspected wrongdoing.

#### **Response**

- 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:
  - applying a disciplinary process which may result in termination of employment
  - referral of fraud matters to the Queensland Police Service
  - de-registering suppliers so they are unable to perform work for Council
  - pursuing the recovery of losses
  - implementing action to prevent reoccurrence
- Identifying and modifying any weaknesses in Council's control systems to prevent the same instance of fraud occurring again

#### **Fraud and Corruption Prevention and Reporting Procedure**

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.

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## 4. Reporting

All Councillors and Council employees must report suspected fraud and corruption immediately. Any instance of suspected fraud or corruption must be reported, regardless of whether the situation is brought to their direct attention, or if they have received the information indirectly.

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## 5. Definitions

The following definitions apply to this Policy and to the Fraud and Corruption Prevention and Reporting Procedure.

| TERM       | DEFINITION  |
|------------|---|
| Councillor | all elected representatives including the Mayor.  |
| 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. |
| Employee   | any person employed directly by Logan City Council regardless of their employment status, and contractors undertaking duties on behalf of Council.  |
| 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> .   |

### Document Control

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|-----------------------|--|------------------------|-----------------|
| <b>File:</b>          | 621912-1                                     | <b>Document Id:</b>    | 13315228        |
| Amendment History     |  |                        |                 |
| <b>Version Number</b> | <b>Description of Change</b>                 | <b>Author / Branch</b> | <b>Date</b>     |
| 1.0                   | Creation                                     | Corporate Governance   | 4 December 2019 |
| 2.0                   | Updated doc Id for Code of Conduct for staff | Corporate Governance   | 10 June 2020    |
| 3.0                   | Amended                                      | Corporate Governance   | 28 October 2020 |