

Organisational policy

Fraud and Corruption Prevention

Corporate Plan reference	<p>An outstanding organization</p> <p><i>A high performing, customer focused organization marked by great people, good governance and regional leadership</i></p> <ul style="list-style-type: none"> - Strong and accountable leadership enabling Councillors, individuals and teams to be their best - Information, systems and process underpin quality decisions and enhance the customer experience
Endorsed by Chief Executive Officer	26 March 2010
Manager responsible for policy	Manager Corporate Governance, Offices of the Mayor and CEO

Policy purpose

The purpose of this policy is to set out the organisational requirements to prevent, detect, respond to and report fraud and corruption at the Sunshine Coast Regional Council (Council).

Policy scope

This policy applies to all facets of Council's operations, including administration, service delivery and performance. This policy also applies to all employees, contractors, consultants, suppliers and volunteers (all employees and others).

This policy does not apply to Councillors. Arrangements for Councillors are contained elsewhere.

Policy statement

Fraud and corruption will not be tolerated at the Sunshine Coast Regional Council. At Council we are committed to the prevention of all fraud and corruption related incidents. This obligation, together with the requirement to detect, respond to and report, is set out in the Employee Code of Conduct, legislation and subordinate documents. To protect our assets and enhance integrity and effectiveness, risk management principles and control measures will be applied across all facets of Council's operations.

Fraud and corruption are official misconduct. The Chief Executive Officer (CEO) is required to report all information about official misconduct to the Crime and Misconduct Commission (CMC). The CEO will deal with information about a fraud and corruption matter in accordance with this policy and in the way the CEO considers most appropriate, subject to the CMC's monitoring role and the provisions of the *Crime and Misconduct Act 2001*.

The CEO recognises the important contribution employees make in reporting suspect activity. All employees and others are encouraged to make reports. In the case of reports about fraud and corruption, Council will apply whistleblower protection practices consistent with the *Whistleblowers' Protection Act 1994*. Reprisals against employees for reporting fraud or corruption are not tolerated or condoned.

This policy is supported by a Better Practice Note and should be read in conjunction with that note and the SCC Employee code of conduct and whistleblowers protection material. Prevention material developed by the Crime and Misconduct Commission should also be considered.

Guiding principles

The following principles apply to fraud and corruption prevention at Council:

- the management of fraud and corruption prevention and incidents is an integral part of Council's business processes and the responsibility of all employees and others
- all employees and others are accountable for their own conduct
- all employees and others are encouraged to report fraudulent and corrupt activity, and will be supported in this
- risk management principles will be applied in the management of fraud and corruption.

Roles and responsibilities

The CEO has a specific role in reporting official misconduct to the Crime and Misconduct Commission, and may also receive reports of fraud and/or corruption incidents.

Members of the Board of Management (BOM) have a specific responsibility for setting the ethical tone of the organisation, consistent with the ethics principles set out in the *Public Sector Ethics Act 1994*. BOM's role in the general administration of the organisation is also relevant here, particularly as it relates to risk management. And, more specifically, BOM members have a key role in their Group to set the scene and oversee the implementation, monitoring and reviewing of fraud and corruption prevention strategies, reports of incidents and decisions about continual improvement.

Managers have a specific responsibility for putting in place and managing systems and processes that integrate fraud and corruption prevention strategies into business processes within their sphere of influence. Specifically, managers should ensure that clear lines of accountability exist in branch structures, position descriptions, service protocols, and operating procedures; that identification, assessment, mitigation and detection strategies are being applied; that processes for responding to and reporting incidents are in place and known; and that all necessary documentation, education and training are in place and in use. Managers may also participate in the investigation of incidents.

People and Culture Branch in the Business Performance Group has a specific responsibility for providing advice about employee conduct and obligations, and employer responsibilities to BOM, Managers and employees. The Manager People and Culture is responsible for receiving reports of incidents, liaising with the Manager Corporate Governance, and coordinating investigations about misconduct matters as they relate to breaches of the Employee Code of Conduct.

The Manager Corporate Governance, has a specific responsibility for coordinating the reporting and investigation of official misconduct by all employees and others. Information about incidents, trends and improvements will be provided by the Manager Corporate Governance to BOM and the Audit Committee on a regular basis.

All employees and others have a specific responsibility for safeguarding assets, complying with the ethics principles at all times, assisting in the development and implementation of robust systems and processes, and reporting suspect activity.

Policy implementation

The intent of this policy should be applied in the everyday activities of all employees and others. In the performance of their duties, and in undertaking their roles and responsibilities set out above, all employees and others should have regard to:

- *Policy application*: including the application of this policy, Council's risk management / contract management / development assessment / sponsorship arrangements and all other relevant policies and legislation.
- *SCCC Employee Code of Conduct*: particularly the ethical standards and employee obligations.
- *Reporting requirements and protections*: as set out in the *Crime and Misconduct Act*, *SCC Employee Code of Conduct* and *Whistleblowers Protection Act*.
- *Business planning*: including project and performance management, the design and application of systems and processes, and the application of a continual improvement system.

Definitions

Corruption

Dishonest activity by staff or others that is contrary to the interests of Council. Corruption includes fraud, misuse of position or authority, breach of confidentiality or other unacceptable activity that may cause loss to Council, its clients or the general community.

Board of Management (BOM)

Council's Executive team, comprising the CEO and Group Executives.

Fraud

Deliberate, intentional and premeditated dishonest activity, or omission of activity, that causes actual or potential *financial loss* to any person or to Council. Fraud is a major subset of corruption and may include theft of monies or other property; the deliberate falsification, concealment or destruction of documentation; or the improper use of information or position.

Official Misconduct

Has the same meaning as in the *Crime and Misconduct Act 2001*, that is, it is conduct that if proved could be:

- a criminal offence or
- a disciplinary breach providing reasonable grounds for terminating the person's services.

Reprisal

Causing, or attempting to conspire to cause, detriment to another person because, or in the belief that, anybody has made or may make, a public interest disclosure (whistleblowing). A reprisal is a criminal offence and a civil wrong, and is also official misconduct.

Risk Management

The method employed by Council of identifying, analysing, assessing, managing and communicating risks associated with any activity, function or process to enable it to minimise potential losses and maximise opportunities.

Related documents

SCC Organisational Better Practice Note – Fraud and Corruption Prevention

SCC Employee Code of Conduct

SCC Complaints Management Policy

SCC Discipline Guidelines

Local Government Act 1993

Local Government Finance Standard 2005

Public Sector Ethics Act 1994

Crime and Misconduct Act 2001

Whistleblowers Protection Act 1994

Crime and Misconduct Commission fraud and corruption prevention publications

www.cmc.qld.gov.au

Australian Standard AS 8001-2008 Fraud and corruption control

Version control:

Version	Reason/ Trigger	Change (Y/N)	Endorsed/ Reviewed by	Date
1.0	Create new policy		Chief Executive Officer	26/03/2010
1.1	Update department names and rebranding	N	Corporate Governance	19/1/2017
1.2	Update as per new Organisational Structure		Corporate Governance	22/11/2017

© Sunshine Coast Regional Council 2009-current. Sunshine Coast Council™ is a registered trademark of Sunshine Coast Regional Council.