

Introduction

This policy defines and establishes a commitment to the identification and management of the risk of fraud and corruption within the Shire of Capel and in its dealings with key stakeholders.

Definitions

In Australian Standard 8001-2008 the following definitions apply -

Corruption is dishonest activity in which an employee or contractor of an organisation acts contrary to the interests of the organisation and abuses his/her position of trust in order to achieve some personal gain or advantage for themselves, or another person or organisation.

Fraud is dishonest activity causing actual or potential financial loss to any persons or entity including theft of moneys or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or for improper use of information or position for personal financial benefit.

The Shire of Capel considers fraud to be a deliberate act by an individual or group that is always intentional and dishonest.

Purpose

The objective of this policy is to make clear Council's commitment to the prevention, deterrence, detection and investigation of all forms of fraud or corruption.

Policy statement

1. The Shire of Capel is committed to good governance and ethical behaviour.
2. The Shire recognises that fraud and corruption are illegal and contrary to the Shire's organisational values. A proactive stance is taken to prevent fraudulent or corrupt activities and behaviours.
3. Fraud and corruption constitute a significant risk to any organization, and a culture of ethical conduct must exist to recognise and avoid fraud.
4. Fraud and corruption can lead to financial loss, negative publicity and a loss of public confidence. Robust systems and procedures must be in place to ensure that the risk of impropriety is minimised and there is a prompt and effective response where instances do occur.
5. All employees are accountable for and have a role to play in fraud and corruption prevention and control. The Shire requires employees to disclose actual or suspected fraudulent or corrupt activity to the Chief Executive Officer.
6. The Shire will ensure that employees are made aware of their responsibilities in respect to the prevention, detection, reporting and investigation of fraudulent or corrupt behaviour.
7. When identified, all suspected fraudulent or corrupt activity will be promptly investigated, and where appropriate, legal remedies available under the law will be pursued. Wherever possible, the Shire will

protect the anonymity of those responsible for reporting the activity. The matter will also be reported to the Corruption and Crime Commission or Public Sector Commission as appropriate.

Application

This policy applies to all employees, Councillors, and contractors working for the Shire of Capel.

Procedure

Department:	Corporate Services	Next review:	December 2021
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