

**POLICY TITLE            FRAUD CONTROL POLICY**

**POLICY NUMBER        CPOL/CORP226**

**1. PURPOSE**

Council is committed to protecting its assets and resources from any attempt, either by members of the public, contractors, agents, intermediaries or its own employees from dishonestly obtaining a benefit, or causing a loss, by deceit, bias or dishonest conduct.

The objectives of this Policy are to:

- protect public resources, including information and property,
- protect the integrity, security and reputation of Council, and
- maintain a high level of service to the community consistent with good governance.

This policy should be read in conjunction with the Staff Code of Conduct and Councillor Code of Conduct.

**2. SCOPE**

This policy applies to all contractors, Councillors, committee members, volunteers and employees of Swan Hill Rural City Council.

**3. DEFINITIONS**

**Fraud** is defined as a dishonest activity causing actual or potential financial loss to any person or entity including theft of money or other property by employees or persons external to the entity and whether or not 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 the improper use of information or position. *Standards Australia 2008, Fraud and Corruption Control (AS 8001–2008)*

**4. POLICY**

Council does not tolerate dishonest or fraudulent behaviour and is committed to deterring and preventing such behaviour in the performance of its operations.

Council demonstrates its commitment to preventing fraud and deterring fraudulent behaviour by establishing and maintaining a fraud control framework that includes:

- thorough regular assessment of fraud risks particular to the operating environment of Council and the programs Council administers;

- the development and implementation of processes and systems to effectively prevent, detect and investigate fraud;
- the application of appropriate prosecutorial, administrative or disciplinary action to remedy the harms from fraud; and
- the training of all employees in fraud awareness and specialised training of employees involved in fraud control activities to establish a culture of sound ethics and integrity at Council.

## 5. RESPONSIBILITIES

The **Chief Executive Officer** is responsible for ensuring there are adequate fraud control strategies and structures in place to ensure compliance with the Policy.

The **CEO and Directors** are responsible for fostering an environment that promotes the highest standards of ethical behaviour.

The **Audit and Risk Committee** is responsible for monitoring and providing advice on risk management and fraud prevention systems and controls.

The **Organisational Development Unit** has responsibility for policy and management of fraud prevention and fraud control.

All **staff** have a role in preventing and detecting fraud and must immediately report suspected or known incidents of fraud.

## 6. RELATED POLICIES/PROCEDURES/DOCUMENTS

Councillor Code of Conduct CPOL/GOV026  
 Risk Management Policy CPOL/CORP216  
 Gifts, Benefits and Hospitality Policy CPOL/GOV027  
 Attractive Assets Policy POL/CORP221  
 Tendering Policy POL/CORP217  
 Procurement Policy CPOL/CORP229  
 Serious Misconduct, Negligence and Fraud Policy POL/STAFF123  
 Recruitment Policy POL/STAFF 110  
 Staff Code of Conduct POL/STAFF127  
 Risk Management Framework PRO/CORP251  
 Public Interest Disclosure Procedure PRO/GOV018  
 Police Check Procedure PRO/STAFF141

## 7. RELATED LEGISLATION

*Public Interest Disclosures Act 2012 (VIC)*  
*Local Government Act 1989 (VIC)*  
*Local Government Act 2020 (VIC)*  
*Independent Broad-based Anti-corruption Commission Act 2011*  
 Standards Australia 2008, Fraud and Corruption Control (AS 8001–2008)

## 8. DOCUMENT HISTORY

Version Number	Issue Date	Description of Change
1.0	September 2008	Initial release
1.1	November 2014	Review
1.2	December 2017	Review
1.3	March 2021	Review

Signed: **Bill Moar** \_\_\_\_\_ Mayor Date: **18/03/2021** \_\_\_\_\_