



ORDINARY MEETING OF COUNCIL

20 MAY 2020

14.1 COUNCIL POLICY - FRAUD AND CORRUPTION AWARENESS AND PREVENTION POLICY

EXECUTIVE MEMBER: KYLIE BENNETTS, DIRECTOR, OFFICE OF THE CEO

PREPARED BY: JULIE SNOWDEN, CO-ORDINATOR RISK AND ASSURANCE

1. PURPOSE

- 1.1 To seek Council's endorsement of the revised Fraud and Corruption Awareness and Prevention Policy

2. EXECUTIVE SUMMARY

- 2.1 As per Council's Policy Architecture Framework, policy documents are to be reviewed on a regular cyclical basis and/or in response to a change in process, procedures or environment. The previous Fraud and Corruption Control Policy was endorsed by Council in November 2017.
- 2.2 The Audit and Risk Committee's Annual Calendar of Activities requires an annual update on Council's Fraud Planning. The last Fraud update was provided to the Audit and Risk Committee on 25 February 2020.
- 2.3 The update included a revised Fraud and Corruption Awareness and Prevention Policy reflecting the current operating environment, which was approved by the Committee for endorsement by Council.

3. RECOMMENDATION

That Council:

- 3.1 Endorses the updated Fraud and Corruption Awareness and Prevention Policy in Attachment 1.
- 3.2 Delegates authority to the Chief Executive Officer to make amendments to the Policy to correct any minor drafting errors that do not materially alter the intent of the Policy.

4. KEY POINTS/ISSUES

- 4.1 The Fraud and Corruption Awareness and Prevention Policy sets out the responsibilities and obligations for Councillors, Council employees, contractors and volunteers in preventing and reporting instances of fraud and corruption. This policy is supported by and consistent with other relevant policies including the Employee and Councillor Codes of Conduct.
- 4.2 The Policy (**refer Attachment 1**) has been updated to reflect Council's current operating environment, and to better align with the Fraud and Corruption Control standard AS8001-2008 as recommended in a Fraud review undertaken by our previous Internal Audit provider.
- 4.3 Feedback from SRIA was sought at the December 2019 meeting to help inform the updates to this policy.
- 4.4 Some of the major changes include:



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- Changing the Policy title from Fraud and Corruption Control Policy to Fraud and Corruption Awareness and Prevention Policy (to align with the e-learning module)
- Adding a message from the Mayor
- Adding pre-employment screening (as per standards)
- Adding supplier and customer vetting (as per standards)
- Adding fostering an organisational culture of ethical behaviour (as per standards)
- Updated training information to reflect the current environment
- Replacement of any reference to the Fraud and Corruption Control Reference Group (FCCRG) with Strategic Risk and Internal Audit (SRIA) as the Fraud and Corruption Control Reference Group no longer exists
- Adding reference to insurance arrangements (as per standards)
- Updating roles and responsibilities to reflect the current environment
- Updating IBAC reporting section
- Reference segregation of duties (include some examples of internal controls)

4.5 The Policy will be placed on Council's website and intranet and used as the basis for organisation wide training of staff on fraud and corruption awareness.

5. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

5.1 Council Plan Strategic Direction 6: Our commitment to you: A financially sustainable, high performing, well-governed organisation that puts the community first

6. IMPLEMENTATION STRATEGY

6.1 NEXT STEPS

6.1.1 Development of a formalised Fraud Control Plan to be endorsed by SRIA

6.1.2 Roadshow to inform staff of the Policy and Fraud Control Plan and what it means for them.

6.1.3 Development and implementation of targeted training for particular Departments.

6.1.4 Development of annual refresher training.

7. OFFICER DIRECT OR INDIRECT INTEREST

7.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

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ATTACHMENTS 1. Fraud and Corruption Awareness Policy FINAL signed by Mayor