
Fraud and Misconduct Control and Resilience Policy

Policy Owner: Governance and Legal
Contact Person: Executive Manager Governance and Legal
Date of Approval: 10 August 2021 (CE02-08/2)

POLICY STATEMENT

In adopting a zero tolerance approach to Fraud and Misconduct, the City will appropriately address all allegations and suspected instances of Fraud and Misconduct. This includes notifying, reporting or referring any such instances to the appropriate authority for investigation and possible prosecution. The City will seek to recover any losses incurred after considering all relevant issues.

POLICY OBJECTIVE

To articulate the City of Wanneroo's commitment to a zero-tolerance approach to Fraud, Misconduct, Bribery and Corruption and to building resilience through the implementation of strategies to prevent, detect and respond to Fraud and Misconduct.

SCOPE

The management of Fraud and Misconduct is a collective responsibility of all persons engaged or closely associated with the City in any capacity, which includes but is not limited to Council Members, Employees and contractors.

The City's 'Statement of Business Ethics' outlines the integrity and ethical standards expected by the City to ensure business relationships between the City (and its Employees), suppliers and/or service providers demonstrate the highest standards of integrity when conducting business.

IMPLEMENTATION

The City has adopted a Fraud and Misconduct Control and Resilience Framework (the Framework) that is aligned with the Australian Standard AS8001:2008 Fraud and Corruption Control.

This Policy along with the Code of Conduct, the City's values, culture and its governance and risk management frameworks all operate in synergy to prevent, detect and respond to potential or actual Fraud and Misconduct.

The Framework establishes the strategies and processes by which the City will determine specific practices, plans and procedures to manage the prevention and detection of fraudulent activities, the related investigation and, where appropriate, referral of incidents to the appropriate authorities.

Reporting Serious or Minor Misconduct

A Public Officer or any other person may report to the Corruption and Crime Commission or the Public Sector Commission any matter which that person suspects on reasonable grounds concerns or may concern serious or minor misconduct respectively. Information on reporting to the appropriate authority is available on the City's website.

Public Interest Disclosure

Any person may make an appropriate disclosure of public interest information to a proper authority which includes a local government. The legislation which governs such disclosures is the Public Interest Disclosure Act 2003 (PID Act).

A disclosure can be made by anyone and may be made anonymously. If disclosures are made in accordance with the PID Act, the person making them is protected from reprisal. This means that the person enjoys immunity from civil or criminal liability and is protected from any disciplinary action or dismissal.

The PID Act requires local governments to appoint a PID Officer to whom disclosures may be made. The PID Officer should be consulted when considering whether to make a disclosure. Information on public interest disclosures and the City's PID Officers are available on the City's public website.

Disciplinary and Recovery Action

The City will respond to all instances of Fraud and Misconduct in accordance with its disciplinary process which may lead to termination. The City will also seek to recover any losses it may have suffered through Fraud and Misconduct.

ROLES AND RESPONSIBILITIES:

The roles and responsibilities of the CEO, Executive Manager Governance and Legal, Directors and Managers, Audit and Risk Committee, Governance and Legal Service Unit, People and the Culture Service Unit and all Employees in respect of this Policy are articulated in detail in the Framework.

DISPUTE RESOLUTION:

All disputes in respect of this Policy must be referred to the Executive Manager Governance and Legal in the first instance, and if unresolved, to the CEO.

EVALUATION AND REVIEW PROVISIONS

This Policy will be reviewed at least every three years, however the Framework is dynamic and will be reviewed as frequently as required to ensure it is implemented appropriately and that it remains relevant to address the identified risks.

DEFINITIONS

Any definitions listed in the following table apply to this Policy only.

Term	Definition
Bribe	The offering, giving, receiving, or soliciting of something of value for the purpose of influencing the action of an official in the discharge of his or her public or legal duties
CEO	Chief Executive Officer
Code of Conduct	The documented code that sets out the principles, values, ethical standards, appropriate behaviour and accountability that guides the conduct and decisions of all Employees
Corruption	Dishonest activity in which a director, executive, manager, employee, or contractor of an entity acts contrary to the interests of the entity and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity. The concept of "corruption" [within this standard] can also involve corrupt conduct by the entity, or a person purporting to act on behalf of and in the interests of the entity, in order to secure some form of improper advantage for the entity
Employee	A person employed by a local government in accordance with section 5.36 of the LGA including the CEO, Directors, Managers, officers, casual and contract employees
Fraud	<p>Dishonest activity causing actual or potential financial loss to any person 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 purpose or the improper use of information or position for personal financial benefit.</p> <p>The theft of property belonging to an entity by a person or persons internal to the entity but where deception is not used is also considered 'fraud' [for the purposes of this standard] (Source: AS8001:2008).</p>
LGA	Local Government Act 1995
Minor Misconduct	<p>Minor misconduct occurs if a Public Officer engages in conduct that:</p> <ul style="list-style-type: none"> (a) adversely affects the honest or impartial performance of the functions of a Public Authority or Public Officer, whether or not the Public Officer was acting in their Public Officer capacity at the time of engaging in the conduct; or (b) involves the performance of functions in a manner that is not honest or impartial; or (c) involves a breach of the trust placed in the Public Officer; or (d) involves the misuse of information or material that is in connection with their functions as a Public Officer, whether

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	<p>the misuse is for the benefit of the Public Officer or the benefit or detriment of another person;</p> <p>and</p> <p>constitutes, or could constitute, a disciplinary offence providing reasonable grounds for termination of a person's office or employment. (<i>Corruption, Crime and Misconduct Act 2003</i>)</p>
Misconduct	<p>Means when a Public Officer abuses their position and/or authority for personal gain, to cause detriment to another person, or acts contrary to the public interest (Source: Corruption and Crime Commission)</p>
PID Officer	<p>The person who holds the specified position as the proper authority to receive public interest disclosures within the sphere of responsibility of the public authority. This person is designated by the Principal Executive Officer (PEO) under section 23(1)(a) of the PID Act.</p>
Public Interest Information	<p>Means information that tends to show, in relation to its public function a public authority, a public officer, or a public sector contractor is, has been, or proposes to be, involved in:</p> <ul style="list-style-type: none"> (a) improper conduct; or (b) an act or omission that constitutes an offence under a written law; or (c) a substantial unauthorised or irregular use of, or substantial mismanagement of, public resources; or (d) an act done or omission that involves a substantial and specific risk of – <ul style="list-style-type: none"> (i) injury to public health; or (ii) prejudice to public safety; or (iii) harm to the environment; <p>or</p> <ul style="list-style-type: none"> (e) a matter of administration that can be investigated under section 14 of the <i>Parliamentary Commissioner Act 1971</i>. (<i>Public Interest Disclosure Act 2003</i>)
Public Officer	<p>Includes a member, officer, or employee of an authority, board, corporation, commission, local government, council, committee or other similar body established for a public purpose under an Act. (<i>Corruption, Crime and Misconduct Act 2003</i>)</p>
Public Authority	<p>Includes an authority, board, corporation, commission, council, committee, local government, regional local government or similar body established under a written law. (<i>Corruption, Crime and Misconduct Act 2003</i>)</p>
Serious Misconduct	<p>Serious misconduct occurs when:</p> <ul style="list-style-type: none"> (a) a public officer corruptly acts or corruptly fails to act in the performance of the functions of the public officer's office or employment; or (b) a public officer corruptly takes advantage of the public officer's office or employment as a public officer to obtain a

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	benefit for himself or herself or for another person or to cause a detriment to any person; or (c) a public officer whilst acting or purporting to act in his or her official capacity, commits an offence punishable by two or more years' imprisonment. (Corruption, Crime and Misconduct Act 2003)

RELEVANT POLICIES, MANAGEMENT PROCEDURES, DOCUMENTS OR DELEGATIONS

Council Member, Committee Member and Candidate Code of Conduct
 Employee Code of Conduct
 Corporate Governance Framework
 Enterprise Risk Management Framework
 Fraud and Misconduct Control and Resilience Framework
 Minor and Serious Misconduct Management Procedure
 Public Interest Disclosure Guidelines
 Receiving and Conducting Investigations into Allegations of Misconduct under the Corruption and Crime Misconduct Act 2003
 Statement of Business Ethics

REFERENCE

In developing the Policy reference has been made to relevant guidance and/or legislation as follows:

- Australian Standard for Fraud and Corruption Control (AS8001:2008)
- Australian National Audit Office – Fraud Control in Australian Government Entities
- Corruption, Crime and Misconduct Act 2003
- Corruption & Crime Commission: Agency Misconduct Management Systems and Misconduct Resistance Framework
- Public Interest Disclosure Act 2003
- Public Sector Commission: Code of Ethics Principles Conduct Guide and Accountable and Ethical Decision Making Modules

RESPONSIBILITY FOR IMPLEMENTATION:

Executive Manager Governance and Legal

Version	Next Review	Record No:
CS06-06/14	June 2016	14/145219
2 – 1 May 2018	May 2020	14/145219v2
3 – 10 August 2021	May 2024	14/145219v3