



# **Blackall-Tambo** Regional Council

## **Fraud Control Policy**

Policy Number: Strategic 12	Effective Date: 17 March 2021
Version Number: Three	Review Date:
Policy Compiled by: Director of Finance Corporate and Community Services	
Policy Approved by: Chief Executive Officer	

### **OVERVIEW**

The Fraud Control policy reflects the commitment of the Council to effective fraud risk management. It also requires the commitment, cooperation and involvement of all personnel in preventing, detecting and responding to all allegations of fraud.

### **SCOPE AND APPLICATION**

This policy applies to the entire range of the Council's activities and for this policy the term "personnel" refers to all employees, councillors, consultants and contractors.

The Council has adopted the following definition of fraud:

*"Dishonestly obtaining or attempting to obtain a benefit or advantage for any person or dishonestly causing or attempting to cause a detriment to the Council"*

Fraud against the Council is an offence under various provisions of State legislation.

### **POLICY PRINCIPLES**

#### **The Council's Attitude to Fraud**

- (a) The Council has a zero tolerance to fraud
- (b) The Council is committed to minimising the incidence of fraud through the development, implementation and regular review of fraud prevention, detection and control strategies.

#### **The Council's Approach to Fraud**

- (a) The Council will ensure that all personnel are aware of the fraud reporting procedures and actively encouraged to report suspected fraud through appropriate channels.
- (b) The Council will ensure that members of the public have access to appropriate fraud reporting procedures and actively encouraged to report suspected fraud through these channels.

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- (c) The Council has adopted a clear framework and approach to fraud detection and prevention, the full details of which are in its Fraud Control Plan. This approach is based on the Australian Standard for Fraud and Corruption Control AS 8001:2008.
- (d) Council will conduct fraud risk assessments on a regular basis to assist Council to understand its fraud risk exposure, identify gaps and weaknesses in internal controls and develop strategies to mitigate those risks.
- (e) All information about suspected fraudulent conduct will be collected, classified and handled appropriately having regard to privacy, confidentiality, legal professional privilege and the requirements of procedural fairness and natural justice.
- (f) If fraud against the Council is detected the Chief Executive Officer will make all decisions and communicate them as appropriate.
- (g) If the fraud is alleged against the Chief Executive Officer, it shall be reported to the Mayor who may refer the matter to an independent body for investigation.

### **Expectations of Council Personnel**

- (a) Council personnel are expected to act in a professional and ethical manner, follow legal requirements, care for property, maintain and enhance the reputation of Council.
- (b) Council personnel are expected to remain vigilant to any suspected fraud behaviour that maybe occurring around them and are expected to fully cooperate with any investigations and the implementation of fraud control strategies.
- (c) Council personnel who become aware of suspected fraudulent conduct must report the matter in accordance with this policy.
- (d) Council personnel must retain strict confidentiality on any Council fraud incidents of which they have knowledge.
- (e) Managers must uphold and monitor fraud control strategies within their area of responsibility.
- (f) Any failure by Council personnel to comply with this policy may result in disciplinary action or the termination of consulting or other contracts.

### **Examples of What Constitutes Fraud**

The following list, while not exhaustive, provides examples of the types of conduct that would be included within the Council's definition of fraud.

- (a) Theft of property e.g. inventory, cash and equipment;
- (b) Dishonestly obtaining or using property that belongs to Council;
- (c) Causing a loss to the Council that is dishonest, or avoiding or creating a liability for the Council by deception;



- (d) Knowingly making or using forged or falsified documents;
- (e) Dishonestly falsifying invoices for goods and services;
- (f) Dishonestly using purchase or order forms to gain a personal benefit;
- (g) Receiving or giving kickbacks or secret commissions to or from third parties.

## PROCEDURES

### If You Suspect Fraud - Reporting Procedure

- (a) In the first instance, report any suspected fraud incident to your supervisor.
- (b) If, for any reason, you feel that reporting the incident through your supervisor would be inappropriate, report the matter to the Director in charge of your department.
- (c) All Council personnel are required to act in good faith and reasonably in reporting alleged fraudulent activity.
- (d) The Chief Executive Officer must communicate non-trivial instances of suspected fraud or actual fraud to the Mayor.
- (e) The Chief Executive Officer is to report all incidents of fraud no matter how small to the Queensland Audit Office in writing.
- (f) In certain circumstances, the alleged fraud is to be reported to the Crime and Corruption Commission and the Queensland Police Service in accordance with relevant legislation.

## CHANGES SINCE LAST REVISION

Policy revision to reflect current procedures.

## RECORDS

The signed hard copy of the policy is filed in the Master File and placed on website.  
Electronic copies are saved in the appropriately labelled folder in Magiq.