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# GLEN EIRA CITY COUNCIL

## FRAUD AND CORRUPTION POLICY AND PROCEDURE

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# FRAUD AND CORRUPTION POLICY AND PROCEDURE

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## 1. Purpose

The purpose of this Policy is to:

- 1.1 declare Council's zero tolerance for Fraud and Corruption;
- 1.2 maintain established processes and procedures for preventing, detecting and investigating Fraud and Corruption;
- 1.3 affirm Council's commitment to protecting Council's revenue, property, integrity and reputation from any misuse, misappropriation or corrupt dealing;
- 1.4 promote a shared organisational understanding of, and support for, integrity, honesty, fairness and transparency in all dealings and continue fostering a culture in which Councillors and staff are enabled and encouraged to act honestly and freely disclose any actual or suspected Fraud and Corruption; and
- 1.5 set out the roles and responsibilities of Council staff in relation to managing Fraud and Corruption risks.

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## 2. Objective

The objectives of this Policy are to:

- 2.1 minimise the occurrence and impact of Fraud and Corruption by clearly setting out, at a high level:
  - 2.1.1 prevention measures designed to help reduce the risk of Fraud and Corruption occurring in the first place;
  - 2.1.2 detection measures designed to uncover incidents of Fraud and Corruption as and when they occur; and
  - 2.1.3 response measures designed to take corrective action and minimise the harm caused by Fraud and Corruption.
- 2.2 assist Council staff to recognise and detect Fraud and Corruption and to facilitate the proactive disclosure of actual or suspected Fraud and Corruption; and
- 2.3 support Council's Fraud and Corruption Control System, which details the roles and accountabilities and processes and procedures associated with Council's prevention of, and response to, Fraud and Corruption risks.

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## 3. Scope

This Policy applies to all employees, Councillors, Contractors, agents, volunteers and customers of Council.

### 3.1 Definitions

In this Policy, the following words and phrases have the following meaning:

- 3.1.1 "Act" means the *Local Government Act 2020*;
- 3.1.2 "Audit and Risk Committee" means the committee established by Council under s 53 of the Act;
- 3.1.3 "Australian Standard" means AS8001:2021 - Fraud & Corruption Control;

- 3.1.4 “CEO” means the Chief Executive Officer of Council and includes a person acting in that position;
- 3.1.5 “CFO” means the Chief Financial Officer of Council and includes a person acting in that position;
- 3.1.6 “Complaint” includes the communication, whether orally or in writing, to Council by a person of their dissatisfaction with:
- (a) the quality of an action taken, decision made, or service provided by or on behalf of a member of Council staff;
  - (b) a delay or failure in providing a service, taking an action, or making a decision by or on behalf of Council; or
- 3.1.7 “Contractor” means a third party engaged by Council to carry out services, supply goods or perform works or functions on behalf of Council;
- 3.1.8 “Corruption” has the meaning given in clause 6 of this Policy;
- 3.1.9 “Fraud” has the meaning given in clause 5 of this Policy;
- 3.1.10 “Governance and Risk Committee” means the consultative committee which is responsible for providing governance and risk related advice to the Executive;
- 3.1.11 “IBAC” means the Independent Broad-based Anti-corruption Commission;
- 3.1.12 “PID Act” means the *Public Interest Disclosures Act 2012*;
- 3.1.13 “Public Interest Disclosure” means a disclosure made in accordance with Part 2 of the PID Act.
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#### **4. What constitutes Fraud?**

- 4.1 The Australian Standard defines Fraud in the following way:
- 4.2 “Dishonest activity causing actual or potential gain or loss to any person or organization including theft of moneys or other property by persons internal and/or external to the organization and/or where deception is used at the time, immediately before or immediately following the activity.”
- 4.3 The Australian Standard provides the following clarifying notes to the above definition:
- 4.3.1 property includes intellectual property and other intangibles such as information;
  - 4.3.2 Fraud 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 for financial benefit;
  - 4.3.3 while conduct must be dishonest for it to meet the definition of Fraud the conduct need not necessarily represent a breach of the criminal law; and
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#### **5. What constitutes Corruption?**

- 5.1 The Australian Standard defines Corruption in the following way:
- 5.2 Dishonest activity in which a person associated with an organization (e.g. director, executive, manager, employee or contractor) acts contrary to the interests of the organization and abuses

their position of trust in order to achieve personal advantage or advantage for another person or organization.

- 5.3 The Australian Standard provides the following clarifying notes to the above definition:
- 5.3.1 the concept of Corruption is broader than the concept of bribery (i.e. all acts of bribery would constitute Corruption, but not all acts of Corruption constitutes or involves bribery);
  - 5.3.2 while conduct must be dishonest for it to meet the definition of Corruption the conduct need not necessarily represent a breach of the criminal law.
- 5.4 This definition is to be read in conjunction with the definition of 'Improper Conduct' within the meaning of the PID Act.
- 5.5 Examples of Corruption include, but are not limited to:
- 5.5.1 bribery;
  - 5.5.2 collusive tendering;
  - 5.5.3 failure to disclose and manage a conflict of interest in accordance with the Act;
  - 5.5.4 nepotism and cronyism, e.g. where a person is appointed to a role because of their existing relationships, rather than merit;
  - 5.5.5 manipulation of procurement processes to favour one tenderer over others; and
  - 5.5.6 the receipt of gifts and hospitality other than in accordance with the applicable gifts policies adopted by Council under the Act.

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## **6. Preventing Fraud and Corruption**

- 6.1 Council has implemented a range of controls, initiatives, processes and procedures that either directly, or indirectly, contribute to the proactive prevention of Fraud and Corruption. Some of these matters are set out at a high level below. For more details about all of the ways in which Council seeks to prevent Fraud and Corruption from occurring, refer to the Fraud and Corruption Control System.
- 6.2 *Fostering an ethical culture*
- 6.2.1 Council acknowledges that people in leadership positions set the ethical tone of Council and are key to building organisational integrity and corruption resistance. With strong cultural leadership and good systems in place, employees and Councillors will understand their roles and responsibilities and how to discharge them in accordance with Council's internal controls as well as the behaviours valued by the Council.
  - 6.2.2 The CEO, the Executive Team and managers embrace, and are committed to establishing and maintaining, a culture of honesty and integrity and to actively promote such a culture. They will do this by:
    - (a) leading by example in adhering to Council's Fraud and Corruption controls;
    - (b) promoting a work environment and culture that fosters behaviour that is consistent with the highest ethical standards;
    - (c) identifying exposures to Fraud and Corruption risks and establishing controls and procedures for prevention and detection of such risks;
    - (d) educating employees and Councillors about Fraud and Corruption prevention and detection; and

- (e) holding the Executive, Directors, managers and coordinators accountable for their conduct under this Policy.

### 6.3 Ongoing risk assessments

6.3.1 The management of Fraud and Corruption risks forms part of Council's broader Risk Management Framework and Policy. Council assesses Fraud and Corruption risks on an ongoing basis by:

- (a) identifying operational areas that are, or may be, vulnerable to Fraud and Corruption;
- (b) implementing risk avoidance, prevention and minimisation procedures in day-to-day operations;
- (c) collating and tracking identified Fraud and Corruption risks and mitigation strategies in Council's risk registers; and
- (d) utilising the results of these assessments as part of its continuous improvement efforts in relation to detecting and preventing Fraud and Corruption.

### 6.4 Fraud and Corruption Control System and other internal controls

6.4.1 Council recognises that there is a strong link between Fraud and Corruption and poor, or poorly understood, internal Fraud and Corruption control systems. It follows that ensuring that there are robust, well documented and clear internal controls is key to minimising Fraud and Corruption.

6.4.2 Council's framework for addressing Fraud and Corruption is comprehensively set out in the Fraud and Corruption Control System, which details how Council will implement and monitor its key Fraud and Corruption prevention, detection and response initiatives. The Fraud and Corruption Control System was prepared in accordance with the Australian Standard and is reviewed at least every three years by the Chief Financial Officer with the Coordinator Risk Management in consultation with the Audit and Risk Committee.

6.4.3 Council also maintains other effective internal controls and procedures which contribute to the detection and prevention of Fraud and Corruption. These include:

- (a) internal and external audit functions;
- (b) segregation of duties;
- (c) effective and accurate recordkeeping; and
- (d) continuous improvement and review of internal controls.

6.4.4 Council implements a range of procedures for assessing the operating effectiveness of its internal Fraud and Corruption controls. One such procedure is 'pressure testing', which involves simulated acts of Fraud or Corruption to observe how existing controls respond and whether the controls are operating as intended. This may include, for example, submitting a false invoice or sending fake phishing emails to staff. All pressure testing will be targeted, conducted under strict supervision and well-documented.

### 6.5 Pre-employment screening

6.5.1 Council uses thorough pre-employment screening to reduce its exposure to internal Fraud and Corruption. The objective of the screening process is to reduce the risks of Fraud and Corruption and to obtain a higher level of assurance as to the integrity, identity and credentials of Council staff.

6.5.2 Council conducts a range of pre-employment screening checks which may include, depending on the risks associated with the role:

- (a) police and criminal history checks;
- (b) working with children checks;
- (c) reference checks;
- (d) verification of qualifications, work experience, licenses, and proof of eligibility to work;
- (e) medical/functional capacity assessment;
- (f) entitlement to work in Australia;
- (g) any necessary mandatory vaccinations; and
- (h) a statement by the applicant as to whether they believe that there is anything that would prevent them from fulfilling the inherent requirements of the particular role, including any criminal conviction, charges, cautions, other legal or pending cases or workplace disciplinary action.

6.5.3 Workplace screening may also be considered for internal applicants and when staff are promoted or are acting in positions considered higher risk than their ordinary duties. This is not a reflection on the integrity or trustworthiness of the member of staff, but to ensure that Council applies consistent workplace screening controls for high risk roles.

6.5.4 All recruitment is merit-based and conducted in accordance with Council's Recruitment Policy and the Act.

## 6.6 Ongoing workplace controls

6.6.1 It is a condition of employment that Council staff comply with the Act, the Code of Conduct for Members of Council Staff and other policies and statutory obligations.

6.6.2 Many of these obligations directly or indirectly contribute to the prevention and mitigation of Fraud and Corruption risks, including:

- (a) ongoing disclosure obligations for conflicts of interest;
- (b) requiring approval for external employment;
- (c) prohibiting employees from working for Council under contract arrangements (i.e. employees cannot act as staff and suppliers simultaneously); and
- (d) compliance with gift disclosure obligations.

## 6.7 Screening third parties

6.7.1 Council acknowledges that procurement is vulnerable to corruption because it involves the distribution of monies and devolved decision-making. Council has implemented a range of controls to address Fraud and Corruption in its procurement processes, including through the Procurement Policy.

6.7.2 Key controls include:

- (a) requiring suppliers to comply with the Supplier Code of Conduct, which sets out minimum expectations in relation to integrity, ethics and conduct, conflicts of interest and gifts, benefits and hospitality;
- (b) verifying the identity of a supplier, its key personnel and other bona fides as part of competitive processes (e.g. by requiring suppliers to provide details of capabilities and references for previous work performed);

- (c) depending on the value and risk of the transaction, undertaking probity checks and due diligence, including:
  - (i) company director searches for bankruptcy and disqualification;
  - (ii) credit searches;
  - (iii) litigation searches for pending proceedings and judgments entered; and
  - (iv) media searches;
- (b) regulating and supervising the contact between suppliers and Council staff; and
- (c) imposing contractual obligations on suppliers to cooperate with audits initiated by Council.

## 6.8 Technology-enabled Fraud

- 6.8.1 Council acknowledges the increasing prevalence of technology-enabled Fraud (e.g. cyber-attacks, phishing and malware) and that maintaining a robust information security management system is key to preventing risks associated with cyber fraud.
- 6.8.2 Council's Information Services team have a sound understanding of Council's potential exposure to cyber based Fraud and how Council's information security management system can mitigate against those risks.

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## 7. Detecting Fraud and Corruption

- 7.1 Council has implemented a range of controls, initiatives, processes and procedures that either directly, or indirectly, contribute to the proactive detection of Fraud and Corruption. Some of these matters are set out at a high level below. For a detailed discussion of all of the ways in which Council seeks to detect Fraud and Corruption, refer to the Fraud and Corruption Control System.
- 7.2 Council acknowledges that not all Fraud or Corruption will be expressly reported in accordance with this Policy and that it is necessary to implement controls to proactively detect Fraud and Corruption.
- 7.3 Council will ensure that its staff are trained to detect Fraud and Corruption from a range of sources, including:
  - 7.3.1 complaints, both internal and external (i.e. from members of the public) – complaints are handled in accordance with Council's Complaints Handling Policy, but any actual or suspected Fraud or Corruption discovered as part of the complaint handling process will be reported and managed in accordance with this Policy;
  - 7.3.2 Public Interest Disclosures;
  - 7.3.3 internal and external audits and analysis of data or transactions;
  - 7.3.4 exit interviews with departing members of staff;
  - 7.3.5 early warning signs or 'red flags' discovered informally or on an ad hoc basis, such as discrepancies in purchase orders, unusually high/low value or frequency transactions, unusually close relationships between a contractor and a staff member, unexplained lifestyle changes and overriding internal controls without explanation or documentation.

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## **8. Training and awareness**

- 8.1 Council acknowledges that a key element of successful Fraud and Corruption prevention and detection involves ensuring all employees understand:
- 8.1.1 the types of behaviours that constitute Fraud and Corruption, including 'red flag' behaviours;
  - 8.1.2 key Fraud and Corruption risks and issues, both particular to their role and for Council more broadly; and
  - 8.1.3 how to report suspected Fraud and Corruption.
- 8.2 It is beneficial to Council and its staff, Councillors, residents and contractors if Fraud and Corruption is identified and reported at an early stage and that they understand, and have confidence in, Council's Fraud and Corruption systems. All staff and Councillors are provided with compulsory training and other information on Fraud and Corruption to ensure that they are well versed in Council's Fraud and Corruption initiatives. Targeted training and resources may be available to employees working in high risk areas (e.g. procurement and finance).
- 8.3 Further, to foster an appropriate Fraud and Corruption resistant culture, the Executive Team and managers lead from the top by adopting transparent and participative management practices that empower staff in their operational roles and build commitment within the administration.

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## **9. Reporting Fraud and Corruption**

- 9.1 Council staff, volunteers, Councillors, contractors, tenderers and any other person may report any actual or suspected Fraud or Corruption in accordance with the procedures described in this clause 10.
- 9.2 *No detriment*
- 1.1.2 Under no circumstances will any individual, including members of staff and external third parties, who;
    - (a) makes a good faith allegation of suspected Fraud or Corruption; or
    - (b) participates in the investigation of alleged Fraud or Corruption,be subjected to any reprisal, victimisation or other detriment for reporting their concerns or otherwise participating in the investigation.
  - 9.2.1 Subject to Council's legal obligations and except to the extent specified in this Policy or the Fraud and Corruption Control System:
    - (c) all reports and allegations are treated confidentially and will only be disclosed on a 'need to know' basis; and
    - (d) the identity of a person who reports alleged Fraud or Corruption and the person who is the subject of allegations or an investigation will be protected as much as practicable.
- 9.3 Reports by staff
- 9.3.1 If a member of staff detects any actual or suspected Fraud or Corruption, the staff member:
    - (e) should report the Fraud or Corruption to their direct manager; and

- (f) should not attempt to investigate the suspected Fraud or Corruption or discuss the matter with other people.

9.3.2 Where a staff member does not feel comfortable reporting their suspicions to their direct Manager, they should report their suspicions to, in order of precedence:

- (g) the Director of the directorate in which the staff member works;
- (h) Director Customer and Corporate Affairs ;
- (i) Chief People Officer; or
- (j) Manager Legal, Risk and Governance.

#### 9.4 Contractors and members of the public

9.4.1 Contractors, tenderers or any other person may become aware of, or have information indicating, Fraud and Corruption or other unfair or unethical activity. Council encourages such persons to come forward and report their concerns to Council.

9.4.2 Allegations by any persons external to Council should be directed to the CEO.

9.4.3 Contractors, tenderers and residents may feel reluctant to report suspected Fraud or Corruption or other behaviour for fear of repercussions affecting their future dealings with Council. In such circumstances, an anonymous complaint may be made and/or the allegations reported as a Public Interest Disclosure.

#### 9.5 Anonymous reports

9.5.1 If a person does not wish to reveal their identity, anonymous reports of Fraud and Corruption may be directed to the CEO.

9.5.2 Anonymous reporters are encouraged to provide sufficient supporting information to enable the allegations to be investigated or to enable the making of further enquiries to determine whether there is sufficient evidence to warrant investigation.

#### 9.6 Public Interest Disclosures

9.6.1 Reports of Fraud or Corruption can also be made as Public Interest Disclosures under the PID Act in accordance with Council's Public Interest Disclosure Policy.

9.6.2 Allegations that are Public Interest Disclosures will be managed in accordance with the PID Act and Council's Public Interest Disclosure Policy. Please see the Public Interest Disclosure Policy for further information.

9.6.3 Public Interest Disclosures may be made directly to IBAC and are encouraged where any person wishes to access the additional statutory protections afforded by the PID Act.

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### 10. Responding to allegations of Fraud and Corruption

10.1 Once reported, Council will follow the procedures described below in responding to allegations of Fraud or Corruption. For a detailed discussion of Council's response, refer to the Response and Recovery Plan, which forms part of the Fraud and Corruption Control System.

#### 10.2 *Referral to Director Customer and Corporate Affairs and CEO*

10.2.1 Except where allegations of Fraud or Corruption have been made as a Public Interest Disclosure, on receiving a report of suspected Fraud or Corruption, the Director or Manager must:

- (k) record details of the report, including the time and date the report is made and details of matters raised;
- (l) immediately report the allegations to the CEO; and
- (m) refer the report to the Director Customer and Corporate Affairs.

10.2.2 The Director Customer and Corporate Affairs will comply with clause 11.3 and examine the initial information to determine whether a formal investigation is warranted.

### 10.3 Immediate action and investigation

10.3.1 Before commencing an investigation into any suspected Fraud or Corruption, the Director Customer and Corporate Affairs must immediately determine:

- (a) if any actions are appropriate or necessary to prevent any ongoing risks, for example:
  - (i) freezing any Council accounts or cards to prevent pending unauthorised transactions; or
  - (ii) suspending workers, volunteers or contractors involved in the alleged Fraud or Corruption, including deactivating their physical and digital access; and
- (b) if any actions are appropriate or necessary to secure any evidence or information relating to the allegations, for example:
  - (i) quarantining, capturing or collating any digital, documentary or other evidence; or
  - (ii) securing any information or material that is at risk of being removed, altered or destroyed.

10.3.2 In addition to the immediate actions set out above, the Director Customer and Corporate Affairs must determine whether, on the balance of probabilities, the allegation has a legitimate basis and if it warrants formal investigation. If so, arrangements for such an investigation will be made in accordance with Council's Fraud and Corruption Control System.

### 10.4 Investigation

10.4.1 Depending on the nature of the allegations, investigations will be undertaken in accordance with sound investigative practices and the procedures described in the Fraud and Corruption Control System. In particular:

- (a) allegations may be handled internally by an 'investigation committee' formed in accordance with the Fraud and Corruption Control System;
- (b) allegations may be referred to an independent expert third party for investigation, as appropriate;
- (c) allegations may be referred to an external agency (e.g. Victoria Police, IBAC or the Local Government Inspectorate); and
- (d) if the allegation is a Public Interest Disclosure, the investigation will be managed in accordance with the PID Act and Council's Public Interest Disclosure Policy.

### 10.5 Outcome

10.5.1 Following the completion of an investigation, Council will undertake the following:

- (a) if Fraud or Corruption is detected, Council will enliven its crisis management system as appropriate to the matter;

- (b) details of the incident will be communicated to all relevant Directors and managers to ensure that the Business Unit is not exposed to the same, or a similar, risk;
- (c) details of the incident will be internally reported and recorded on Council's Fraud and Corruption Incident Register;
- (d) details of the incident will be externally reported to any appropriate external agencies (e.g. Victoria Police, IBAC or the Local Government Inspectorate);
- (e) review the findings of the investigation and analyse the cause and effect of the incident and the sufficiency of Council's existing processes in light of Council's response to the incident;
- (f) do anything necessary or appropriate to remedy the damage caused by the Fraud or Corruption and to ensure appropriate controls are introduced to prevent a reoccurrence of the issue.

10.5.2 Depending on the outcome and findings of the investigation, Council may take any of the following actions against the parties involved:

- (n) the CEO may take disciplinary action against any staff, contractors or volunteers involved in the incident;
- (o) Council may review its relationship with any third parties involved in the incident and take appropriate actions; and
- (p) Council will consider whether it is appropriate to take any legal proceedings to seek compensation or damages for any loss that it has suffered in connections with the Fraud or Corruption.

## 10.6 Impact on third parties

10.6.1 As part of its response to allegations of Fraud or Corruption, Council will consider the impact of the Fraud or Corruption on third parties, including:

- (a) residents, who may have experienced service disruptions, or lower quality services or increased costs as a result;
- (b) the community, which may suffer as a result of the resources lost as a result of the Fraud or Corruption or in the burden on Council's resources in investigating and responding to the Fraud or Corruption;
- (c) contractors and industry, who may have diminished trust in Council or who may have suffered competitive disadvantage due to Fraud or Corruption;
- (d) security and privacy, which may have been compromised depending on the nature of the Fraud or Corruption.

10.6.2 If Council is legally required to do so, or if the CEO/Director Customer and Corporate Affairs /Chief Financial Officer determines it is appropriate to do so, Council will notify third parties affected by any Fraud or Corruption that it detects or prevents.

## 10.7 Disruption

10.7.1 Council acknowledges that there may be circumstances in which it knows or strongly suspects that Fraud or Corruption is occurring or may occur, but it may not be possible to identify the perpetrators or to deal with them via investigation.

10.7.2 In such circumstances, Council may take action to 'disrupt' the activity instead of, or in addition to, conducting an investigation. This may include, for example:

- (a) increased audit activity in the business activity concerned;

- (b) increased post-transactional review targeting in particular the transactions of concern;
- (c) changing performance targets to more carefully consider and identify fraud and corruption red flags (e.g. slowing the speed of recruitment, processing invoices or a competitive process);
- (d) additional fraud and corruption awareness training focusing on the specific fraud or corruption event being experienced;
- (e) requiring a more robust competitive procurement process in relation to a particular contract for goods, services or works; and/or
- (f) soliciting fresh conflict of interest disclosures from the persons involved.

10.7.3 Council will not take 'disruptive' action unreasonably and will ensure that any acts of disruption are consistent with its legal obligations.

## 10.8 Media and confidentiality

10.8.1 Council's media process must be observed at all times, and no staff member, Councillor or other person associated with Council shall make any public comment in relation to any suspected fraud or corrupt conduct, whether proven or otherwise.

10.8.2 Matters concerning alleged Fraud or Corruption, including the investigation of the incident, may constitute 'confidential information' for the purposes of the Act and therefore be subject to the restrictions set out in s 125 of the Act. Council will ensure that confidentiality requirements form part of its Fraud and Corruption training and awareness program.

## 10.9 Audit and Risk Committee

10.9.1 All incidents of suspected, detected, investigated and proven Fraud and Corruption will be reported to the Audit and Risk Committee at the next scheduled meeting.

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## 11. Roles and responsibilities

11.1 Responsibility for the prevention and detection of Fraud and Corruption is organisation-wide, with all staff at all levels of management responsible for the implementation and operation of controls within their respective areas of responsibility.

11.2 That said, ultimately, the CEO has principal responsibility and accountability for ensuring that there are adequate Fraud and Corruption measures in place.

11.3 Further, responsibility for implementing, reviewing and monitoring this Policy and the Fraud and Corruption Control System and otherwise managing Fraud and Corruption controls is within the remit of the CFO and the Coordinator Risk Management. This is reflected in their respective position descriptions.

<b>CEO</b>	<ul style="list-style-type: none"> <li>• Ultimate accountability for: <ul style="list-style-type: none"> <li>○ Fraud and Corruption control within Council;</li> <li>○ ensuring policies and procedures are complied with; and</li> <li>○ ensuring that appropriate governance structures are in place and are effective.</li> </ul> </li> <li>• Disciplining staff under this Policy, as appropriate.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Compliance with s 54(6) of the Act in relation to the Audit and Risk Committee.</li> <li>• Championing ethical behaviour and Council's commitment to controlling Fraud and Corruption risks.</li> <li>• Ensuring Fraud and Corruption control is embedded into Council's Risk Management Framework and Policy.</li> </ul>
<b>Executive Team</b>	<ul style="list-style-type: none"> <li>• Championing ethical behaviour and Fraud and Corruption awareness within Council.</li> <li>• Maintaining awareness of Council's key Fraud and Corruption exposures.</li> <li>• Assisting with the handling of any Fraud or Corruption allegations or investigations, as appropriate.</li> <li>• Contributing to training and awareness of Fraud and Corruption across the organisation.</li> </ul>
<b>Managers</b>	<ul style="list-style-type: none"> <li>• Identifying Fraud and Corruption risks within their Business Unit.</li> <li>• Establishing controls and procedures for the prevention and detection of Fraud and Corruption.</li> <li>• Providing guidance and instruction to all staff in relation to their responsibilities and reporting requirements in relation to Fraud and Corruption.</li> <li>• Maintaining effective and up-to-date auditing and reporting on key financial systems.</li> <li>• Ensuring that Fraud and Corruption risks are assessed as part of their Business Unit risk register reviews.</li> <li>• Implementing treatment/action plans identified in risk assessments to eliminate or reduce the risk of Fraud and Corruption.</li> <li>• Monitoring and actively managing excessive outstanding leave of staff in risk exposure areas.</li> <li>• Championing ethical behaviour and Fraud and Corruption awareness within their Business Unit.</li> <li>• Receiving reports of actual or suspected Fraud or Corruption.</li> <li>• Recruiting, training and empowering staff to identify, prevent and respond to Fraud and Corruption in accordance with this Policy and the Fraud and Corruption Control System.</li> <li>• Managing conflicts of interest in the Complaint process.</li> </ul>

<b>Council staff</b>	<ul style="list-style-type: none"> <li>• Familiarising themselves with this Policy, the Fraud and Corruption Control System and Council's Fraud and Corruption processes and procedures.</li> <li>• Assisting in the identification, management and reporting of actual or suspected Fraud and Corruption.</li> </ul>
<b>Councillors</b>	<ul style="list-style-type: none"> <li>• Familiarising themselves with this Policy, the Fraud and Corruption Control System and Council's Fraud and Corruption processes and procedures.</li> <li>• Leading by example and genuinely committing to Fraud and Corruption control by raising awareness and ensuring that associated risks are considered in their dealings with the CEO, Council officers and members of the public.</li> <li>• Assisting in the identification, management and reporting of actual or suspected Fraud and Corruption.</li> </ul>
<b>Audit and Risk Committee</b>	<ul style="list-style-type: none"> <li>• Monitoring and providing advice on risk management and fraud prevention systems and controls and overseeing internal and external audit functions.</li> <li>• Receiving, considering and advising on reports of suspected, detected and proven Fraud and Corruption.</li> <li>• Familiarising themselves with this Policy and Council's Fraud and Corruption controls.</li> </ul>

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## 12. Human Rights Charter Compatibility

- 12.1 This Policy has been assessed as being compatible with the *Charter of Human Rights and Responsibilities Act 2006*.

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## 13. Associated Documents

- 13.1 The following documents are referred to in, or associated with, this Policy:

- 13.1.1 Corporate Data Ownership Policy;
- 13.1.2 Councillors' Code of Conduct;
- 13.1.3 Credit Card Security Incident Response Plan;
- 13.1.4 Fraud and Corruption Control System;
- 13.1.5 Internet and Email Policy;
- 13.1.6 Payment Card Policy (PCI);
- 13.1.7 Risk Management Policy;
- 13.1.8 Security and Use of Council Computer Equipment Policy;
- 13.1.9 Staff Code of Conduct.

## 13.2 References and Resources

This Policy is informed by the following resources:

- 13.2.1 AS 8001-2021 Fraud and Corruption Control;
- 13.2.2 AS/NZ ISO 31000:2018 Risk Management;
- 13.2.3 Charter of Human Rights and Responsibilities Act 2006;
- 13.2.4 Independent Broad-Based Anti-Corruption Commission Act 2011;
- 13.2.5 Local Government Act 1989;
- 13.2.6 Local Government Act 2020;
- 13.2.7 Public Interest Disclosures Act 2012.



GLEN EIRA  
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