

WAGAIT SHIRE COUNCIL

FRAUD PROTECTION PLAN

The Wagait Shire Council is committed to protecting its revenue, expenditure and property from any attempt, either by members of the public, contractors, elected members or its own employees, to gain by deceit, financial or other benefits.

Aims of Plan

To protect public funds and other assets, protect the integrity, security and reputation of the Council and its employees and assist in maintaining high levels of services to the community.

To be committed to detecting, investigating and prosecuting individual cases of criminal behaviour, including fraud.

Objectives of Plan

1. Definition of Fraud

For the purpose of this Plan, fraud against Council is described as:

“The willful misuse of Council’s resources or using one’s position and power for personal gain.”

A basic test for fraud could include the following questions:

- Was deceit used?
- Was the action unlawful?
- Did it result in money or other benefits being received to which the person was not entitled?
- Was an attempt made to do this?

2. Council Expectations

Council expects its elected members and staff to maintain a high standard of ethical conduct in all activities, in particular with respect to Council resources, information and authority. The community rightly expects Council to conduct its business in a fair and honest manner.

Council management is responsible for fostering an environment of responsibility which makes asset protection a responsibility of all staff, for issuing clear standards and developing and implanting procedures to minimise the potential for fraud.

All staff are expected to develop, encourage, insist upon and implement sound financial, legal and ethical decision making within their responsibility levels.

Measures to prevent fraud will be continually monitored, reviewed and developed.

Council expects all elected members and staff to be familiar with and act in accordance with Council's Code of Conduct. Unacceptable behaviors and guidelines for appropriate behaviour for staff are contained in the Code. Council expects similar standards from people, agencies or organizations that do business with Council.

Decision making processes are to be as open and public as possible.

Fraudulent conduct breeds in an environment where systems, standards and procedures are open to exploitation. It is in the best interest of asset protection for decision making to be visible and unambiguous to staff, elected members and the community as a whole. Visibility is the corner stone of public accountability.

Asset protection is concerned ultimately with the effective use of resources and minimising waste, mismanagement and fraud. Effective accountability for the use of Council resources helps strengthen the asset protection environment of the Council.

3. Ethics

Ethics is defined as:

"A system of moral principles by which human actions and proposals may be judged good or bad or right or wrong."

Council's Code of Conduct guides members and staff in what is accepted practice and behaviour and sets out ethical standards at a level above the law.

Asset protection goes beyond monitoring the effectiveness of financial controls. It also requires maintaining an ethical climate which encourages all staff to be active in protecting Council's funds and assets, and in reporting any breaches of acceptable standards.

Management must be mindful of their responsibility to foster and develop the high standards of ethical behaviour and commitment to a highly ethical workforce culture.

4. Fraud Prevention

Fraud flourishes in an administrative environment where opportunities exist for waste, abuse and mismanagement. Council believes that an emphasis on fraud prevention rather than fraud investigation will lead to a reduction of these opportunities.

The underlying thrust of Council's Plan on fraud prevention is to encourage the public and staff to understand that fraudulent acts against Council are unacceptable, may constitute a criminal offence and may be prosecuted.

Any effective asset protection strategy must recognize that prompt action needs to be taken when fraud is detected, both to bring the fraud to an end and to discourage others who may be inclined to commit similar conduct.

5. Reporting Fraud

Council supports and upholds the Whistleblower legislation and principles.

This provides protection to people reporting 'public interest information' to the appropriate authority in accordance with the *Public Interest Disclosure Act 2008*.

Adopted By Council:

16 December 2009

Revised by Council: