

FRAUD AND CORRUPTION PREVENTION POLICY

OBJECTIVE

The purpose of this policy is to outline the responsibilities of staff and the standard of behaviour in regarding the prevention, detecting and investigation of fraud and corruption in Tamworth Regional Council.

It is the aim of this policy to protect the assets, funds, resources, community confidence and corporate reputation of Tamworth Regional Council from improper or unethical use or in providing personal benefit to employees, councillors, community members and representatives, contractors, volunteers and third parties.

DEFINITIONS

Fraud as defined by the NSW Audit Office is:

“a deliberate and premeditated turn of events which involves the use of deception to gain advantage from a position of trust and authority. The type of events include: acts of omission, theft, the making of false statements, evasion, manipulation of information and numerous other acts of deception”.

Fraud and corruption can be committed by one person or in collusion with others. Such persons may be employees of Council, Councillors, volunteers, external companies, external individuals, contractors or consultants.

Corruption as defined by the *Independent Commission Against Corruption Act 1988* (NSW) includes but is not limited to:

- a) any conduct of any person (whether or not a public official) that adversely affects, or could adversely affect, either directly or indirectly, the honest or impartial exercise of official functions by any public official, any group or body of public officials or any public authority;
- b) any conduct of a public official that constitutes or involves the dishonest or partial exercise of any of his or her official functions;
- c) any conduct of a public official or former public official that constitutes or involves a breach of public trust; or
- d) any conduct of a public official or former public official that involves the misuse of information or material that he or she has acquired in the course of his or her official functions, whether or not for his or her benefit or for the benefit of any other person.

POLICY

Fraud and Corruption has the potential to significantly impact Tamworth Regional Council's activities. Fraud and corruption is a risk to Council and can have the following consequences:

- inability to meet Strategic Plan objectives;
- reduced confidence in Council by other tiers of government and the community;
- loss of assets including equipment, cash and information;
- reputational impact;
- diversion of management energy;
- organisational morale;
- organisational disruption;
- loss of employment;
- reduced performance; and/or
- diminished safety.

This policy will assist in building a corruption resistance culture at Tamworth Regional Council by promoting ethical behaviour and encouraging accountability and transparency in Council processes and dealings with external parties.

This policy applies to all Tamworth Regional Council employees, councillors, community members and contractors representatives, contractors, volunteers and third parties.

Tamworth Regional Council will not tolerate corrupt conduct by employees, councillors, community members and contractors representatives, contractors, volunteers and third parties. Tamworth Regional Council through the Councillors, Executive Management Team and Audit, Risk and Improvement Committee will create a culture that is committed to:

- minimising the opportunities for corrupt conduct by employees, members of the public, Councillors, contractors and customers;
- creating awareness of this policy and encourage the reporting of possible risks;
- detecting, investigating and disciplining/prosecuting fraud and corruption;
- reporting corrupt conduct to appropriate authorities;
- strengthening systems where fraud is detected, and implementing controls to mitigate the chance of repetition or further fraudulent activity; and
- encouraging confidence in Council's ability to manage fraudulent and corrupt behaviour.

Supporting Documents:

- Fraud and Corruption Community Factsheet
- Fraud and Corruption Employee Factsheet
- Fraud and Corruption Prevention Plan
- Public Interests Disclosures Policy

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♦ **HISTORY** – Adopted at Ordinary Council Meeting 23 April 2024 Min No: 79/24

Adopted Ordinary Council 27 September 2016 Min No: 272/16

Adopted as Tamworth Regional Council Policy at Ordinary Council Meeting Min No 349/13