FRAUD AND CORRUPTION

POLICY NO: 1.2.21

OBJECTIVE

The objective of this Policy is to articulate the level of commitment for the prevention, detection, response and monitoring of any fraudulent or corrupt activities within the operations of the Town of Cambridge ('the Town').

POLICY STATEMENT

This Policy sets the direction for identifying and managing fraud and corruption risks through best practice principles, which have been developed in accordance with Australian Standard AS8001-2008 - 'Fraud and Corruption Control'. These are as follows:

1. The Town is committed to a culture where fraudulent or corrupt conduct is not tolerated, including mismanagement of resources by its Elected Members, Officers, Employees and Contractors.

2. The prevention of fraud or corruption requires that all Elected Members, Officers, Employees and Contractors act ethically, appropriately, and in accordance with the Town's Code of Conduct.

3. The Town will ensure that Employees and others are made aware of their responsibilities to disclose any actual or suspected fraudulent or corrupt activity.

4. Employees and others shall be encouraged to contact any of the Town's designated Public Interest Disclosure (PID) Officers to seek guidance. Any disclosures shall be promptly and thoroughly investigated under the Town's PID provisions, and where appropriate, legal remedies will be pursued.

5. The Town will actively protect the anonymity of anyone making a PID disclosure.

6. A Fraud and Corruption Control Plan has been developed to assist the Town in meeting the objectives of this Policy.

DEFINITIONS

'Fraud' is defined by Australian Standard AS8001-2008 as:

"Dishonest activity causing actual or potential financial loss to any person or entity, including theft of monies 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 deliberative falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or for improper use of information or position."
Fraud can take many forms, including:

- the misappropriation of assets;
- the manipulation of financial reporting; and
- corruption involving abuse of position for personal gain.

'Corruption' is defined under AS8001-2008 as:

"Corruption is dishonest activity in which an employee or contractor of the entity acts contrary to the interests of the entity and abuses their position of trust in order to achieve some personal gain or advantage for themselves or for another person or organisation."

Corruption can take many forms, including:

- failure to disclose financial and/or proximity interest;
- failure to disclose acceptance of gifts or hospitality;
- acceptance of a bribe; or
- release of confidential information or intellectual property.

ROLES AND RESPONSIBILITIES

The roles and responsibilities for identifying and managing fraud and corrupt conduct are identified in the Fraud and Corruption Control Plan.

APPLICABLE LEGISLATION

1. Public Interest Disclosure Act 2003
6. Fraud and Corruption Control Standards (AS8001-2008)
7. Town of Cambridge Code of Conduct