

FRAUD AND CORRUPTION PREVENTION POLICY

SCOPE

This Policy applies to all people acting for on behalf of Banana Shire Council (Council), including Councillors, employees, consultants, volunteers and contractors.

LEGISLATION

Crime and Corruption Act 2001
Local Government Act 2009
Local Government Regulation 2011
Public Interest Disclosure Act 2010
Public Sector Ethics Act 1994

Related documentation

Fraud and Corruption Prevention Plan
Banana Shire Council Risk Management Framework
Employee Code of Conduct Policy and Procedure
Councillor Code of Conduct Policy
Public Interest Disclosure Procedure
Complaints Management Policy and Procedure

OBJECTIVE

To outline Council's commitment to maintaining the highest standards of integrity and transparency in all its activities.

DEFINITIONS

CEO	Chief Executive Officer of Banana Shire Council
Corruption	Dishonest activity in which a director, executive, manager, employee or contractor of an entity acts contrary to the interests of the entity and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity.
Corrupt conduct	Defined in s15 of the <i>Crime and Corruption Act 2001</i> : 1) Corrupt conduct means conduct of a person, regardless of whether the person holds or held an appointment, that— a) adversely affects, or could adversely affect, directly or indirectly, the performance of functions or the exercise of powers of— i. a unit of public administration; or

- ii. a person holding an appointment; and
 - b) results, or could result, directly or indirectly, in the performance of functions or the exercise of powers mentioned in paragraph (a) in a way that—
 - i. is not honest or is not impartial; or
 - ii. involves a breach of the trust placed in a person holding an appointment, either knowingly or recklessly; or
 - iii. involves a misuse of information or material acquired in or in connection with the performance of functions or the exercise of powers of a person holding an appointment; and
 - c) would, if proved, be—
 - i. a criminal offence; or
 - ii. a disciplinary breach providing reasonable grounds for terminating the person's services, if the person is or were the holder of an appointment.
- 2) Corrupt conduct also means conduct of a person, regardless of whether the person holds or held an appointment, that—
- a) impairs, or could impair, public confidence in public administration; and
 - b) involves, or could involve, any of the following—
 - i. collusive tendering;
 - ii. fraud relating to an application for a licence, permit or other authority under an Act with a purpose or object of any of the following (however described)—
 - A. protecting health or safety of persons;
 - B. protecting the environment;
 - C. protecting or managing the use of the State's natural, cultural, mining or energy resources;
 - iii. dishonestly obtaining, or helping someone to dishonestly obtain, a benefit from the payment or application of public funds or the disposition of State assets;
 - iv. evading a State tax, levy or duty or otherwise fraudulently causing a loss of State revenue;
 - v. fraudulently obtaining or retaining an appointment; and
 - c) would, if proved, be—
 - i. a criminal offence; or
 - ii. a disciplinary breach providing reasonable grounds for terminating the person's services, if the person is or were the holder of an appointment.

Council

Banana Shire Council

Fraud

Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys and other property by employees or persons external to the entity and whether or not deception is used at the time, immediately before or immediately following the activity.

This 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.

POLICY

Council has zero tolerance for fraud and corruption. Such conduct may damage the Council's ability to serve the community through financial loss, loss of assets, erosion of public trust and reputational damage.

The prevention, detection and reporting of fraud and corruption is a shared responsibility. All persons acting for or on behalf of the Council must actively prevent, identify and report suspected fraudulent or corrupt conduct.

To manage the risk of Fraud and Corruption, Council is committed to:

- fostering a culture that discourages fraud and corruption and encourages the reporting of suspected wrongdoing, while maintaining integrity and transparency
- implementing effective systems to prevent and detect fraud and corruption
- responding promptly and appropriately on reports of fraudulent or corrupt conduct
- reporting all potential or actual acts of fraud or corruption to the relevant authority for investigation and action as appropriate; and
- pursuing recovery of losses arising from acts of fraud and corruption where feasible.

Council will demonstrate its commitment by:

- maintaining and implementing a Fraud and Corruption Prevention Plan
- conducting a fraud and corruption risk assessment at least every two years
- providing regular training and awareness programs
- maintaining accessible and confidential reporting mechanisms for suspected fraud and corruption activities
- investigating all suspected instances of fraud or corruption
- treating all reports of suspected fraud or corrupt conduct confidentially to the extent possible by law, and
- keeping adequate records of fraud and corruption risks, incidents and outcomes.

Any concerns or suspicions about fraudulent or corrupt activity must be reported through Council's designated reporting channels.

Council's Audit Committee provides independent assurance regarding the effectiveness of fraud and corruption controls, including the design and operation of those controls. Following each fraud and corruption risk assessment, this Policy and the associated Plan will be reviewed and updated as necessary and reported to the Audit Committee.

Council acknowledges that under the *Public Interest Disclosure Act 2010*, it has obligations to any person who makes a public interest disclosure to offer support and confidentiality.

Council is committed to ensuring that all persons who report suspected fraud or corruption in good faith are treated fairly and protected from reprisal. Reports will be handled confidentially to the extent permitted by law, and information will only be disclosed on a need-to-know basis to support proper assessment and investigation.

Council will not tolerate any form of detrimental action, victimisation, or retaliation against a person who makes a report in good faith. Any such behaviour will be treated as a serious breach of this Policy and may result in disciplinary action.

All persons acting for or on behalf of Council must comply with this Policy and the associated Fraud and Corruption Plan.

Proven fraudulent or corrupt conduct may result in disciplinary action, up to and including termination, and referral to law enforcement agencies.

This Council Policy acknowledges the importance of fundamental human rights.

Council is committed to recognising and protecting these rights when creating policies and procedures that shape the frameworks, standards, behaviours, and actions of the Banana Shire Council.

An assessment of this Policy determined that it does not limit or affect any human rights under the *Human Rights Act 2019*.

PROCEDURE

Procedures as approved and issued by the Chief Executive Officer, and subject to further revision, amendment and issue under the authority of the Chief Executive Officer.

CERTIFICATION



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**ACTING CHIEF EXECUTIVE OFFICER
BANANA SHIRE COUNCIL**

30 September 2026

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DATE