# Council Policy
## Fraud, Corruption and Misconduct

## 1. Purpose

The purpose of this policy is to establish the Shire of Boddington's (Shire) framework for preventing, detecting and responding to fraud, corruption and misconduct.

## 2. Scope

This policy applies to all Council Members, employees, contractors and volunteers engaged by the Shire. It applies to all activities, services and operations undertaken by, or on behalf of, the Shire.

## 3. Definitions

| Term | Definition |
|---|---|
| Corruption | Dishonest or improper conduct where a person uses their position to gain a personal benefit or to advantage another party, in a way that is not in the best interests of the Shire. |
| Fraud | Any deliberate act involving deception that results in, or could result in, financial or other loss to the Shire or another party. |
| Misconduct | Behaviour that is inappropriate, unethical or inconsistent with the duties of a person's role, and which may breach legislation, policies or codes of conduct. |

## 4. Practice Statement

The Shire takes a zero-tolerance approach to fraud, corruption and misconduct.

All suspected or actual instances are reported, assessed and addressed in a manner that supports confidentiality, procedural fairness and appropriate outcomes.

The Shire may take disciplinary action, seek recovery of losses and refer matters to external agencies, including the Corruption and Crime Commission, law enforcement or other regulators where appropriate.

<u>Roles and Responsibilities</u>

| Role | Responsibilities |
|---|---|
| Council | Council adopts this policy and provides leadership in promoting a culture of integrity and accountability. |
| Chief Executive Officer | The CEO is accountable for the overall prevention, detection and response to fraud and corruption. This includes ensuring appropriate systems, controls and reporting mechanisms are in place and that resources are applied effectively to manage risk.<br>The CEO reports suspected misconduct to external authorities in accordance with the Corruption, Crime and Misconduct Act 2003 (WA). |
| Executive Management | Executive Management promotes effective risk management practices and demonstrates behaviour consistent with the Shire's values, Code of Conduct and governance framework. |

| | |
|---|---|
| Governance | This function supports fraud and corruption prevention through coordination of risk assessments, maintenance of registers, advice on compliance and support for investigations and reporting. |
| Employees, Contractors and Volunteers | All personnel act honestly, perform duties with integrity and comply with the Shire's policies and procedures.<br>Suspected or actual instances of fraud, corruption or misconduct are reported through approved channels. |
| Audit and Risk Committee | The Audit and Risk Committee oversees risk management, including fraud and corruption. Internal audit activities provide independent review of controls, governance and risk management processes. |

Public Interest Disclosure

The *Public Interest Disclosure Act 2003* provides a framework for reporting wrongdoing in the public sector.

A Public Interest Disclosure involves reporting information that indicates improper conduct, unlawful activity, substantial mismanagement of public resources, or risks to public safety or the environment.

The Chief Executive Officer is designated as the Shire's authorised Public Interest Disclosure Officer. Public interest disclosures are managed confidentially and in accordance with the Act, with protections applying where reports are made under the Act.

Fraud and Corruption Prevention

The Shire applies a range of measures to reduce the likelihood of fraud and corruption and support early detection.

Awareness is supported through policies, procedures, training and communication. Internal controls, including financial systems, procurement processes, delegations, recordkeeping and conflict of interest management, form a key part of prevention.

Fraud and corruption risks are identified, assessed and monitored through the Shire's risk management framework, with attention given to higher-risk activities such as procurement, payroll, financial transactions, asset management and information security.

Detection

Fraud and corruption detection is supported through reporting pathways, internal audit activities, financial and operational review, and general oversight of business processes.

Monitoring of high-risk areas and regular review of controls assists in identifying potential issues.

Reporting Fraud and Misconduct

Suspected fraud, corruption or misconduct is reported through the Shire's authorised reporting pathways as soon as practicable.

Reports are handled confidentially and in accordance with legislative and organisational requirements. Matters may be referred to external agencies, including the Corruption and Crime Commission, WA Police or other regulators.

Investigation

Allegations and incidents are assessed and investigated in a manner proportionate to the circumstances.

Investigations are conducted with independence, objectivity and procedural fairness, and external parties may be engaged where appropriate.

Response

Where fraud, corruption or misconduct is identified, appropriate action is taken. This may include disciplinary action, recovery of losses, referral to external agencies and strengthening of internal controls.

Recording and Internal Reporting

All reported incidents are recorded within the organisations records management system. Records include relevant details such as the nature of the matter, how it was identified, individuals involved where appropriate, financial impact and actions taken.

This information supports oversight, reporting and continuous improvement.

Review and Improvement

Following any incident, internal controls are reviewed and improvements are implemented where required.

Lessons learned from incidents, audits and risk assessments inform ongoing improvements to systems and processes.

Implementation

This policy is communicated through induction, training and internal communication channels. It operates in conjunction with the Shire's broader governance framework, including policies, procedures and risk management practices.

| | |
|---|---|
| Responsible Officer | Executive Manager Corporate Services |
| Delegated Authority | Nil |
| Relevant Legislation | *Local Government Act 1995*<br>*Public Interest Disclosure Act 2003*<br>Corruption, Crime and Misconduct legislation and guidelines<br>Risk Management Framework and internal procedures |
| Related Documentation | Code of Conduct for Council Members, Committee Members and Candidates<br>Code of Conduct for Employees<br>Council Policy: Public Interest Disclosure (Whistleblower)<br>Council Policy: Complaints Management Policy<br>Council Policy: Internal Control<br>Council Policy: Risk Management<br>Council Policy: Purchasing of Goods and Services<br>Operational Practice: Disciplinary Action |

| | | | |
|---|---|---|---|
| Version Control | Version No. | Resolution No. | Adoption Date |
| | V1.0 | (58/26) | 27 May 2026 |
| Review Frequency | 2 years | | |

***Document Control Statement*** – The electronic reference copy of this Policy is maintained by the Governance Team. Any printed copy may not be up to date and you are advised to check the electronic copy at Council Policies » Shire of Boddington to ensure that you have the current version. Alternatively, you may contact the Governance Team.