

Fraud, Corruption and Misconduct Control Council Policy

Responsible directorate: Office of the Chief Executive Officer

Objective: To communicate the City's zero-tolerance approach and response actions to fraudulent, corrupt and/or misconduct behaviours within the performance of its functions and interactions with contractors and suppliers, the community and all other stakeholders of the City.

1. Application:

This policy applies to all City of Joondalup public officers.

2. Definitions:

“corruption” means dishonest activity in which a person associated with an organisation (eg director, executive, manager, employee or contractor) acts contrary to the interests of the organisation and abuses their position of trust in order to achieve personal advantage or advantage for another person or organisation. This activity can also involve corrupt conduct by the organisation, or a person purporting to act on behalf and in the interests of the organisation, in order to secure some form of improper advantage for the organisation, either directly or indirectly (as per the Australian Standard AS8001:2021 Fraud and Corruption Control).

“fraud” means dishonest activity causing actual or potential gain or loss to any person or organisation, including theft of monies or other property by persons internal and/or external to the organisation, and/or where deception is used at the time, immediately before or immediately following the activity. This activity 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 for personal financial benefit. Property in this context also includes intellectual property or other intangibles, such as information (as per the Australian Standard AS8001:2021 Fraud and Corruption Control).

“minor misconduct” has the same meaning as that ascribed under Sections 3 and 4 of the *Corruption, Crime and Misconduct Act 2003*.

“public officer” means a member, officer or employee of an authority, board, corporation, commission, local government, council of a local government, council or committee or similar body established under a written law (as per the *Criminal Code Act Compilation Act 1913*).

“**serious misconduct**” has the same meaning as that ascribed under Section 3 and 4 of the *Corruption, Crime and Misconduct Act 2003*.

3. Statement:

Elected Members, committee members, local government election candidates and employees must act in compliance with the City’s Codes of Conduct. The Codes set out the principles and standards of behaviour that Elected Members, committee members and employees must observe when performing their functions and during their interactions with each other, the community and all stakeholders of the City.

In addition, the City’s business partners, contractors, suppliers, consultants and outsourced service providers must act in compliance with the City’s Statement of Business Ethics. The statement provides guidance on the values and ethical standards the City upholds when conducting business, and the conduct and standards the City expects from external parties in return, particularly to act ethically, fairly and legally and provide goods and services in compliance with contract and purchasing requirements.

4. Details:

4.1. Integrity Framework:

The City’s Integrity Framework guides the organisation in providing the highest level of integrity for its community, and brings together the instruments, processes and structures within the organisation that foster integrity and help prevent corruption and misconduct from taking place. The Framework includes areas with responsibilities for defining, supporting, controlling and enforcing integrity across the organisation.

The Framework also outlines responses to integrity breaches, and the oversight provided by the Chief Executive Officer, Council and the Audit and Risk Committee.

4.2. Zero-tolerance approach:

The City has a zero-tolerance approach to fraudulent, corrupt and/or misconduct behaviours:

- a. All allegations, notifications and disclosures received, or any evidence obtained, that relates to potential fraudulent, corrupt and/or misconduct behaviours, will be systematically assessed to determine its veracity.
- b. Where there are reasonable grounds to suspect serious or minor misconduct, a matter will be investigated, with the appropriate external oversight agency to be notified, and the appropriate disciplinary and recovery actions will be taken.

4.3. Reporting improper conduct:

4.3.1. Chief Executive Officer:

The City’s Chief Executive Officer, as the principal officer of a notifying authority, is responsible for:

- notifying the Corruption and Crime Commission in writing of any matter that, on reasonable grounds, concerns or may concern serious misconduct (as per Section 28 of the *Corruption, Crime and Misconduct Act 2003*); or

- notifying the Public Sector Commission in writing of any matter that, on reasonable grounds, concerns or may concern minor misconduct (as per Section 45H of the *Corruption, Crime and Misconduct Act 2003*).

Where misconduct also involves a breach of the *Criminal Code Act Compilation Act 1913*, the Western Australian Police Force will be notified in writing by the Chief Executive Officer.

4.3.2. Public officers and other persons:

City of Joondalup public officers or any other persons may:

- report to the Corruption and Crime Commission or the Public Sector Commission any matter which that person suspects, on reasonable grounds, concerns or may concern serious or minor misconduct (as per the *Corruption, Crime and Misconduct Act 2003*); and/or
- report to one of the City's Public Interest Disclosure Officers (Manager Audit, Risk and Executive Services, or Integrity Officer) any matter which that person suspects relates to corrupt or other improper conduct, including mismanagement of public resources (as per the *Public Interest Disclosure Act 2003*).

4.3.3. Audit and Risk Committee:

Reports will be provided to the City of Joondalup Audit and Risk Committee on the trends, number of incidences and findings of any fraudulent, corrupt and/or misconduct behaviour, in accordance with the Committee's terms of reference, namely: *(f) enquiring with the Internal Auditor or the Administration about processes to detect and prevent fraud or corruption and to their awareness of any suspected, alleged or actual fraud or corruption and the City's response to it (subject to confidentiality considerations).*

4.4. Disciplinary actions or sanctions:

Fraudulent, corrupt and/or misconduct behaviours will result in disciplinary actions or sanctions from the City of Joondalup administration or a State or Federal Government agency, such as the Corruption and Crime Commission, Public Sector Commission, Department of Local Government, Sport and Cultural Industries, Local Government Standards Panel or State or Federal Police.

4.4.1. Employees:

Disciplinary actions or sanctions for employees may include the following:

- Behavioural expectations
- Formal written warning
- Termination of employment with notice or payment in lieu of notice
- Summary dismissal.

4.4.2. Elected Members and committee members:

Disciplinary actions or sanctions for Elected Members and committee members may include the following:

- A public censure
- Public apology
- Participation in training
- An order to make a payment to the relevant local government to cover the costs of dealing with the complaint.

4.4.3. External contractors and service providers:

Disciplinary actions or sanctions for those involved in providing goods or services to the City, such as business partners, contractors, suppliers, consultants and outsourced service providers, may include the following:

- Termination of contracts and loss of future work with the City
- Exclusion from quotation and tendering processes
- Referral to the relevant external oversight agencies, such as the Corruption and Crime Commission and/or the Public Sector Commission
- Referral for criminal investigation.

4.5. Recovery action:

The City will seek to recover any costs or losses it may have suffered through fraudulent, corrupt and/or misconduct behaviours. This may include, and is not limited to, the District Court of Western Australia or State Administrative Tribunal.

Creation date:	December 2016 (CJ227-12/16)
Formerly:	
Amendments:	CJ245-11/23
Last reviewed:	November 2023 (CJ245-11/23)
Related documentation:	<ul style="list-style-type: none">• AS 8001:2021 — Fraud and Corruption Control• Code of Conduct for Elected Members, committee members and local government election candidates• Code of Conduct for Employees• Complaint Investigation Council Policy• Corruption, Crime and Misconduct Act 2003• Criminal Code Act Compilation Act 1913• Integrity Framework• Local Government Act 1995• Public Interest Disclosure Act 2003• Risk Management Framework• Statement of Business Ethics
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