

# Fraud prevention policy

## Policy No. 1056.100.E.R

### 1 Purpose

The purpose of this policy is to outline City of Darwin's approach to preventing fraud within and against City of Darwin and promote a culture of compliance and awareness to minimise the risk of fraud.

### 2 Scope

This policy applies to all activities undertaken by City of Darwin.

### 3 Policy statement

#### 3.1 Principles

City of Darwin will not tolerate fraud from Elected Members, workplace participants or others using fraudulent practices against City of Darwin, regardless of who would benefit.

This Policy and the Fraud Prevention Procedure form part of City of Darwin's Fraud and Corruption Control Policy Protection Plan as required under *Local Government (General) Regulations 2021*.

City of Darwin's policy on fraud prevention is based on the following principles:

- Elected Members and workplace participants are in trusted positions and are required to act with integrity, to protect public money and property, and build public confidence in City of Darwin
- City of Darwin prevents and detects fraud through effective operational controls and procedures
- City of Darwin manages all cases of alleged fraud in accordance with relevant policies and procedures
- Elected Members and workplace participants must report suspected fraud or improper conduct in accordance with the *Independent Commissioner Against Corruption Act 2017* (NT) (ICAC Act).

#### 3.2 Risk

Through a strategic risk assessment, City of Darwin has identified fraud as a risk to achieving its strategic objectives.

City of Darwin will continue to work to reduce the risk of fraud through:

- an organisational culture that incorporates fraud prevention measures into all activities
- providing the framework and tools for managers to monitor and respond
- enforcing City of Darwin's Codes of Conduct for Elected Members and workplace participants

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Responsible Officer: General Manager Corporate

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- compliance with relevant legislation and conformity with Australian Standard 8001:2021 Fraud and Corruption Control (the Standard).

### 3.3 Framework

City of Darwin's commitment to preventing fraud is supported by the development and implementation of controls, procedures and strategies.

City of Darwin informs Elected Members and workplace participants about the ethical standards and conduct expected of them through a suite of policies, procedures and training.

### 3.4 Conflicts of interest

City of Darwin Elected Members and workplace participants must disclose any actual or perceived conflicts of interest that may arise in the performance of their duties. All perceived and actual conflicts must be declared to the Chief Executive Officer. Elected Members are required to manage their conflicts of interest consistent with their legal obligations.

### 3.5 Reporting

All Elected Members and workplace participants must report suspected improper conduct, which includes fraud and corruption, in accordance with the ICAC Act. Elected Members and workplace participants are encouraged to be constantly vigilant and report any matter that they regard as suspicious.

### 3.6 Breach

City of Darwin will manage reports of suspected fraud in accordance with the Fraud Prevention Procedure, Independent Commissioner Against Corruption Procedure and ICAC Act.

A breach of this policy may constitute a breach of Code of Conduct and/or criminal offence. Any workplace participant engaging in fraud may be subject to disciplinary action, legal action to recover losses and/or criminal proceedings.

### 3.7 Vexatious complaints

Vexatious complaints may constitute improper conduct under the ICAC Act, be an offence under the *Local Government Act 2019* (NT) and will be subject to disciplinary action.

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## 4 Definitions

**Fraud** means, in accordance with the Standard, ‘dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys 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 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 for personal financial benefit’.

**Vexatious complaint** means false or misleading allegations of suspected fraud with the intent to disrupt or cause harm to another or to gain an advantage for the person making the allegations.

## 5 Legislative references

*Independent Commissioner Against Corruption Act 2017 (NT)*

*Local Government Act 2019 (NT)*

*Local Government (General) Regulations 2021 (NT)*

## 6 Procedures/related documents

1100.010.E.R Independent Commissioner Against Corruption Procedure

1056.010.I.R Fraud Prevention Procedure

2310.100.E.R Risk Management Policy

2310.010.I.R Risk Management Procedure

4000.010.I.R City of Darwin Staff Code of Conduct

AS 8001:2021 Fraud and corruption control

Elected Members Code of Conduct

## 7 Responsibility/application

The Chief Executive Officer is responsible for the implementation of this policy.

The General Manager Corporate is accountable for the overall management of this policy.

All Elected Members and workplace participants are responsible for adhering to this policy.

This Policy will be reviewed every two years or as required.

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