

Fraud and Corruption Prevention Policy

Council Policy



Owner	Elected Members		
Responsible Officer	Chief Executive Officer		
Decision Number	R-223-2025	Approval Date	28/10/2025
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1 Purpose

This policy outlines Council’s commitment to ensuring controls are in place for preventing, detecting, and responding to fraud and improper conduct, of which corrupt conduct is a form of.

2 Definitions

For the purpose of this policy, the following definitions apply:

Term	Definition
Corrupt conduct	Corrupt conduct is a serious form of improper conduct that can result in imprisonment for two or more years, dismissal or termination, a severe breach of public trust, or violations of the <i>Independent Commissioner Against Corruption Act 2017</i> (ICAC Act) or the <i>Criminal Code Act 1983</i> . Examples of corrupt conduct include: <ul style="list-style-type: none"> • fraud • collusive tendering • mismanagement of conflicts of interest • unauthorised use of official information • falsifying information in applications • misuse of public resources • dishonestly obtaining or retaining public office or employment.
Fraud	Dishonestly obtaining a financial benefit or causing an actual or potential loss through deception. The benefit might be of direct value (money) or indirectly (obtaining information which is used to obtain tangible benefits). Fraudulent conduct includes, but is not limited to: <ul style="list-style-type: none"> • misappropriation of assets, funds, or intellectual property • falsification of records, accounts, or documents for personal gain for themselves or other parties • unauthorised use of Council assets • false or exaggerated payroll claims • misuse of leave entitlements.
Improper conduct	Refers to unethical and unlawful behaviour as defined by the <i>ICAC Act 2017</i> and the ICAC Mandatory Reporting Directions and Guidelines for Public Officers, categorised as: corrupt conduct, anti-democratic conduct, misconduct, and unsatisfactory conduct.
Misconduct	Misconduct involves actions similar to corrupt conduct but with lesser impacts. It may result in penalties such as imprisonment of less than two

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	years, disciplinary actions, or alterations to an individual's employment status. Although it breaches public trust, misconduct is generally less severe than corrupt conduct.
Nominated recipient	Public officers nominated by Chief Executive Officer to receive protected communications in accordance with section 97 of the Act
Prescribed public officer	The Chief Executive Officer of Council and its nominated recipients.
Unsatisfactory conduct	Unsatisfactory conduct is a less severe form of improper conduct. It involves behaviour marked by negligence, incompetence, or impropriety, leading to mismanagement or misuse of public resources.
Whistleblower	An individual reporting suspected improper conduct within a public body, or any activity deemed illegal, immoral, unsafe, or fraudulent under legislation.
Workplace participants	Refers to Elected Members, Council Committee representatives, the Chief Executive Officer, senior Executive, employees, contractors and volunteers of Alice Springs Town Council
Vexatious allegation	False or misleading allegations of suspected fraud or corrupt conduct with the intent to disrupt or cause harm to another, or to gain an advantage for the person making the allegations.

3 Policy Statement

This policy and the associated Fraud and Corruption Prevention and Control Manual form part of Council's Fraud and Corruption Control Policy Protection Plan, as required under Regulation 6(1)(d)(i) of *the Local Government (General) Regulations 2021*.

3.1 Principles

3.1.1 As per its Risk Appetite Statement, Council has no appetite for fraud, theft, and improper conduct.

3.1.2 Workplace participants, regardless of their level, share responsibility for managing and controlling fraud and improper conduct.

3.1.3 Workplace participants are in trusted positions, and are required to adhere to their applicable Code of Conduct, and act with integrity, ethically, and in the public interest at all times.

3.1.4 Council is committed to preventing fraud and improper conduct by integrating effective prevention measures into daily operations, alongside fostering a culture of continuous improvement.

3.1.5 Allegations, suspicions, or incidents of fraud and improper conduct will be taken seriously, investigated thoroughly, and addressed appropriately in line with relevant legislation, policies, and procedures.

3.1.6 Council is committed to providing training to help workplace participants understand and identify fraud and improper conduct, and ensure their awareness of reporting obligations.

3.1.7 Workplace participants and third parties are required to follow mandatory reporting guidelines as per the *Independent Commissioner Against Corruption Act 2017*.

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3.1.8 Council will handle allegations of fraud or improper conduct with the utmost confidentiality, in accordance with applicable laws and best practice.

3.1.9 Council is committed to the principles of natural justice and procedural fairness, where a person is innocent until proven otherwise.

3.2 Fraud and corruption prevention and detection framework

To proactively detect and mitigate risks related to fraud and improper conduct, Council will proactively integrate into its planning, decision-making, and operations a range of controls and strategies to prevent, detect and manage fraud and improper conduct. These controls are detailed in the Fraud and Corruption Prevention and Control Manual.

3.3 Reporting suspected fraud or improper conduct

Workplace participants must report any suspected fraud or improper conduct as soon as practicable in accordance with Council's policies and procedures, and the ICAC Act. This includes following mandatory reporting guidelines by reporting suspected corrupt or anti-democratic conduct to the ICAC. Prescribed public officers are also required to report suspected misconduct and unsatisfactory conduct to the ICAC, within four weeks of receiving a disclosure. In accordance with Regulation 27 of the *Local Government (General) Regulations 2021*, the CEO is required to report to Police any loss or damage (attributable to fraud) that exceeds \$500, or the loss or damage to an asset or assets exceeds \$2,000. See Council's Fraud and Corruption Prevention and Control Manual for detailed reporting and investigation procedures.

3.4 Investigation

All reports of suspected fraud or improper conduct in relation to Council will be subject to thorough investigation. The CEO is responsible for arranging investigations and ensuring relevant matters have been referred to bodies such as the ICAC, the Ombudsman, or the Northern Territory Police, unless the matter is about the CEO, where it is then the Mayor's responsibility.

3.4 Disciplinary actions for fraud and improper conduct

All allegations and suspicions of fraud and improper conduct will be investigated, and all substantiated cases will be dealt with appropriately either by criminal, disciplinary or administrative mechanisms suitable to the particular case. In regard to Elected Members, the provision of the *Local Government Act 2019* in relation to disciplinary matters will also apply, in addition to referral to the ICAC.

3.5 Review of internal controls

Where fraud or improper conduct is detected, and with advice from the Risk Management and Audit Committee, Council will review the adequacy of its internal controls, and strengthen processes and procedures, to mitigate the risk of future fraud or improper conduct. All changes to internal controls will be developed, documented, implemented, and communicated as soon as practicable.

3.6 Vexatious allegations

Provision of misleading information related to fraud and improper conduct to the ICAC or Fair Work Commission can be a criminal offence, and may also result in disciplinary action from Council if in breach of the Code of Conduct. Council will not penalise any person for making an allegation that is subsequently proved to be groundless, where the allegation was made in good faith. Council will provide support avenues to any person subject to false or unsubstantiated allegations.

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3.7 Protected disclosures

Reports and disclosures made under the *ICAC Act 2017*, are considered protected disclosures. Protections are subject to specific tests outlined in the Act. Council will not penalise or take retributory action for good faith reporting of any suspected or actual incident of fraud or improper conduct. Engaging in retaliation is a serious offence under the *ICAC Act 2017* – see Council’s Whistleblower Policy for more information.

4 Responsibilities

This section outlines some of the key responsibilities of stakeholders within or associated with Council regarding the prevention and management of fraud and improper conduct. Additional responsibilities can be found in the Fraud and Corruption Prevention and Control Manual.

Chief Executive Officer (CEO)

- Establish a zero-tolerance stance on fraud, corruption, and retaliation, fostering a culture of proactive management.
- Ensure a robust internal control environment for risk management, including proper delegation and documentation.
- Oversee compliance with legislative obligations.
- Promote the continual evaluation and improvement of Council’s fraud and corruption prevention controls.
- Ensure that all allegations, suspicions, or incidents of fraud are taken seriously, investigated thoroughly, and addressed appropriately in line with relevant legislation, policies, and procedures.

Workplace participants (inclusive of CEO)

- Familiarise themselves with their applicable Code of Conduct and relevant legislation, appropriately reporting any suspected fraud or improper conduct, including retaliation.
- Maintain confidentiality regarding reported matters.
- Make decisions within delegated authority and comply with Council’s policies and procedures.
- Identify and report risks related to fraud and improper conduct.
- Declare and manage conflicts of interest and offers of gifts and benefits in line with Council policy.
- Attend training on fraud prevention and corruption.

Mayor

- Ensure that all allegations, suspicions, or incidents of fraud related to the CEO are investigated thoroughly, and addressed appropriately in line with relevant legislation, policies, and procedures.

Executive and Managers

- Support the CEO in promoting an ethical culture and enforcing a zero-tolerance policy towards fraud and corruption.
- Demonstrate a strong commitment to fraud control through visible leadership.
- Ensure compliance with Council’s policies, providing guidance and support to employees.

Finance Manager

- Ensure financial policies and procedures support the mitigation of risk related to fraud and corruption.
- Conduct compliance checks on financial transactions.
- Implement internal controls.
- Ensure staff who are in control positions are appropriately trained in fraud awareness.

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Governance Manager

- Develop and maintain the Fraud and Corruption Prevention Policy and Manual.
- Support the Risk Management and Audit Committee, and maintain its internal audit register.

Risk Management and Audit Committee

- Oversee risk management processes, including fraud and corruption control.
- Review governance frameworks and audit plans to ensure they address fraud and corruption risks.

Prescribed public officers (CEO and nominated recipients)

- Receive and manage disclosures from workplace participants.
- Ensure protections for workplace participants, including safeguarding against retaliation.
- Facilitate the submission of disclosures to the Office of the ICAC.
- Provide guidance on the disclosure process.
- Maintain confidentiality and protect the identity of the disclosing individual.

5 Related Legislation and Documents

- *Local Government Act 2019*
- *Local Government (General) Regulations 2021 (NT)*
- *Independent Commissioner Against Corruption Act 2017 (NT)*
- *Information Act 2002 (NT)*
- *Criminal Code Act 1983 (NT)*
- CEO Code of Conduct
- Code of Conduct
- Team Member Code of Conduct
- Conflict of Interest Policy
- Conflicts of Interest Policy (Council Members and CEO)
- Delegations Registers
- Employment Related Benefits Policy
- Gifts and Benefits Policy (CEO)
- Gifts and Benefits Policy Council Members
- Gifts and Benefits Policy (Team Members)
- Privacy Policy
- Recruitment, Selection and Promotions Policy
- Procurement Policy
- Whistleblower Policy
- Accounting Manual
- Fraud and Corruption Prevention and Control Manual
- Risk Management Framework

6 Communication and Training

Will this policy be communicated through consultation to teams?	Yes
Where will this policy be available?	Council website
Will training needs arise from this policy? If yes, who will be responsible.	CEO & Manager Finance