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|  | <p><b>LG537</b><br/><b>Fraud Prevention</b></p>   |
| <p><b>Key Focus Area</b><br/>Leadership and Governance</p>                        | <p><b>Responsible Directorate</b><br/>Governance and People</p> <p><b>Relevant Council Delegation</b><br/>Nil</p> |

### Purpose

The purpose of this policy is to articulate the Town of Claremont's (**the Town**):

1. Commitment to integrity and zero tolerance of fraud, corruption and bribery in all forms.
2. Support for the development of systems and processes to obstruct fraudulent activities, ensure adequate oversight, separation of duties, detection, identification and reporting of breaches.
3. Requirement that all Elected Members, committee members and employees are accountable and behave with integrity, ethically and honestly when performing their duties and during their interactions with stakeholders.

### Policy

To support this vision the Town will implement a coordinated approach to manage the risk of fraud by:

- Assessing fraud risks across the organisation.
- Support the development of systems and processes to obstruct fraudulent activities, ensure adequate oversight, separation of duties, detection, identification and reporting of breaches.
- Developing a Fraud and Corruption Control Plan and reviewing it at least every 2 years.
- Developing and implementing a periodic fraud awareness and prevention training program for employees and Elected Members.
- Ensuring that all conflicts of interest and financial interests are disclosed, recorded and assessed.
- Creating a strong ethical culture that sets the standard of behaviour, including the identification of fraud risks and reporting mechanisms and obligations to act accordingly.
- Ensuring clear internal processes and systems to report any potential fraud, including anonymous reporting.
- Periodic reporting to the CEO and Audit and Risk Management Committee.
- Investigating all identified or suspected fraudulent or corrupt conduct.
- Ensuring appropriate reporting, disciplinary action, prosecution and recovery actions are initiated by the Town.
- Collecting and analysing information received about potential fraud to identify any trends or emerging issues.
- Maintaining policies and procedures to verify the identity and integrity of employees, contractors and suppliers.

This policy, in conjunction with the Code of Conduct, the Integrated Risk Management Framework and the Public Interest Disclosure policy aligns with the Town’s corporate culture and values to prevent, detect and respond to potential or actual fraud and misconduct and minimise risks to the Town, its people and its assets.

| <b>Document Control Box</b> |   |                  |                           |
|-----------------------------|---|------------------|---------------------------|
| <b>Business Unit:</b>       | Governance  |                  |                           |
| <b>Legislation:</b>         | <i>Local Government Act 1995</i><br><i>Local Government (Rules of Conduct) Regulations 2007</i><br><i>Local Government (Financial Management) Regulations 1996</i><br><i>Local Government (Audit) Regulations 2007</i><br><i>Local Government (Administration) Regulations 2007</i><br><i>Local Government (Functions and General) Regulations 1996</i> |                  |                           |
| <b>Organisational:</b>      | Code of Conduct<br>Integrated Risk Management Framework<br>LG536 - Public Interest Disclosure Policy<br>Gifts and Entertainment Policy<br>LG509 - Purchasing Policy<br>LG512 - Corporate Purchasing Cards<br>Human Resources Recruitment and Selection Guidelines   |                  |                           |
| <b>Review Frequency:</b>    | Annual  | <b>Next Due:</b> | 2022                      |
| <b>Version #</b>            | <b>Decision:</b>  | <b>OCM Date:</b> | <b>Resolution Number:</b> |
| 1.                          | Adopted   | 16 February 2021 | 020/21                    |