

# Fraud and Corruption Prevention Policy

**Version 1**

*Date: 1 September 2021*



## Policy Contacts

<b>Custodian</b>	General Manager, Finance & Administration
<b>Authorising Person</b>	Chief Executive Officer
<b>Policy Section</b>	Corporate

## Related Documents

<b>Document</b>	<b>Name</b>
<b>Procedure</b>	
<b>Policies</b>	Whistleblower Policy, Risk Management Policy, Conflict of Interest Policy, Complaints Handling Policy, Employee Code of Conduct.
<b>Forms</b>	

## Related Legislation

<b>Name</b>	<b>Details</b>
Crimes Act 1900 (Section 4B)	<a href="#">Click Here for the link</a>

## Document Control

<b>Version</b>	<b>Version Date</b>	<b>Date Approved</b>	<b>Next Review Date</b>
1.0	August 2021	1 September 2021	1 September 2024

# 1. PURPOSE

The purpose of this Policy is to promote a workplace culture where fraud and corrupt conduct is not acceptable and to protect the reputation of Lifeline Macarthur and Western Sydney (LLMWS).

The Policy is to ensure all LLMWS workers are aware of their responsibilities in identifying, responding to and preventing fraudulent and corrupt conduct from occurring.

# 2. SCOPE

This Policy applies to all workers, including the LLMWS Board of Directors.

# 3. DEFINITION

## Fraud

Dishonestly obtaining a benefit, or causing a loss, by deception or other means. Examples of fraud include:

- Theft such as stealing property, petty cash, gift cards, donations, client funds or corporate assets.
- Falsification of records, accounts or documents to deceive.
- Dishonestly destroying or concealing accounts or records.
- Embezzlement or misappropriation of funding or other assets.
- Misuse of assets or property for personal benefit (e.g. vehicles).
- Forgery or issuing false or misleading statements with intent to obtain financial advantage or deceive.

## Corruption

Dishonestly obtaining a benefit by misuse of power, position, authority, or resources. Examples of corruption include:

- Bribery, extortion, or blackmail.
- Secretly permitting personal interests to override corporate interests.
- Secretly giving or accepting gifts and benefits in return for preferential treatment to the giver.
- Collusion, false quotes, false invoices, or price fixing.
- Manipulating design and specifications or processes for personal gain or to conceal defects.
- Complicity in excessive billing or submission of false support documents or concealment of documents.
- Nepotism (favoring relatives).
- Privacy breaches or data manipulation with intent to cause harm.

## **Worker/s**

Includes paid workers, LLMWS Board of Directors, contractors and sub-contractors and their workers, labour hire workers, outworkers, apprentices and trainees, work experience students and volunteers.

## **4. POLICY**

LLMWS has no tolerance for fraud and corrupt conduct in the workplace. All workers are responsible in preventing fraud and corrupt conduct occurring in the workplace. If workers suspect any fraud and/or corrupt conduct, they must report immediately to their relevant Leadership Team member and the Human Resources Manager. In the case where either the Leadership Team member or the Human Resources Manager may be involved in the fraud or corruption, workers must report the suspected incident to:

- The Chief Executive Officer (CEO) or
- The Chair of the Board.

All incidents of suspected fraud and corruption will be investigated and initially reported to the CEO. The outcome of the investigation will be reported to the CEO with the final action to the incident approved by the CEO. If appropriate, the incident may be reported to external parties.

### **4.1 Roles and Responsibilities**

LLMWS will take measures to prevent, identify and respond to fraud and corruption conduct. These are outlined below.

#### **4.1.1 Board of Directors**

- The Board together with the CEO sets and monitors ethical practices that form the foundation of an ethical anti-fraud or corruption culture.

#### **4.1.2 Board Audit and Compliance Committee**

- Review and monitor policies for preventing and detecting fraud and corruption.
- Ensure there are financial internal controls in place and clear financial delegation guidelines.
- Review any reports relating to fraud and corruption incidents from the Leadership Team and auditors.

#### **4.1.3 Chief Executive Officer**

- Sets the ethical tone within the organisation to create a culture of high ethics and integrity.
- Implements policies and procedures to prevent fraud and corruption.
- Approve and endorses final action to be taken in response to actual incidents of fraud or corruption.

#### **4.1.4 Leadership Team**

- Ensures there are controls in place, including risk assessments, within their departments to address risk

including fraud and corruption and that controls are effective.

- Oversees daily operations in which fraud or corruption risks may arise.
- Be actively involved in planning activities to prevent, detect and respond to suspected fraud and corruption incidents.
- Works with the Human Resources Manager to investigate every suspected fraud and corruption claim made within their department and keep the CEO informed of the progress and/ or outcome.

#### **4.1.5 All Workers**

- Not engage in any fraudulent or corrupt conduct.
- Be continually alert to the possibility of fraud or corruption incidents.
- Inform their relevant Leadership Team member and the Human Resources Manager of any suspected incidents or control lapses or weaknesses.

#### **4.1.6 Human Resources Manager**

- Prepares investigation terms of reference and investigation plans.
- Consults with the Leadership Team about the best course of action when suspected fraud or corruption incidents are raised.
- Consults with appropriate line managers and specialist personnel during inquiries or investigation into fraud or corruption.
- Ensures there is a quality internal investigative capability independent of line management.
- Provides notice to external parties of fraud or corruption incidents after approval by the CEO.
- Facilitates fraud and corruption awareness and education for all workers.
- Maintains a database of fraud or corruption incidents and provide trend analysis to the Leadership Team.

## **5. REVIEW AND COMPLIANCE**

This Policy should be reviewed every three (3) years unless legislation or workplace processes change which constitutes an earlier review.

Adherence to this Policy is a condition of employment with LLMWS. Failure to comply with any part of this Policy may result in disciplinary action being taken against you that may result in the termination of your employment. If you are unsure about any aspect of this Policy or require further clarification you should speak to your manager or the Human Resources Manager.