POLICY 2.14
Governance
Fraud, Corruption, Misconduct & Maladministration Prevention
Version: 5 **| Next Review:** November 2030

DISTRICT COUNCIL of TUMBY BAY

1. INTRODUCTION

The District Council of Tumby Bay (the Council) is committed to maintaining the highest standards of integrity, accountability and transparency in the conduct of its functions and delivery of services to the community.

The Council recognises that fraud, corruption, misconduct and maladministration undermine public confidence, damage organisational reputation and may result in significant financial and operational impacts. The Council therefore adopts a zero-tolerance approach to such conduct.

This Policy establishes a framework for the prevention, detection, reporting and appropriate management of fraud, corruption, misconduct and maladministration within the Council. It supports a culture of ethical behaviour, reinforces the responsibilities of Public Officers, and promotes compliance with applicable legislative obligations.

This Policy should be read in conjunction with the Council's Public Interest Disclosure Procedure, Code of Conduct for Council Members, internal control framework and other relevant governance policies.

2. POLICY OBJECTIVE

The purpose of the Fraud, Corruption, Misconduct & Maladministration Prevention Policy (the Policy) is to ensure that Council:

2.1 properly fulfils its responsibilities under the *Independent Commissioner Against Corruption Act 2012* (ICAC Act),

2.2 takes appropriate steps towards compliance with relevant legislation, policies and instruments,

2.3 provides a clear statement to all Elected Members and employees through practices, policies and procedures that Fraudulent or Corrupt conduct, Misconduct and/or Maladministration is not acceptable and will not be tolerated,

2.4 protects Council assets, interests and reputation from the risks associated with Fraudulent or Corrupt conduct, Misconduct and/or Maladministration,

2.5 outlines the Council's approach to the prevention and detection of, and response to, Fraud, Corruption, Misconduct and Maladministration,

2.6 fosters an ethical environment and culture which is conscious of, actively discourages, does not tolerate and appropriately deals with Fraud, Corruption, Misconduct and Maladministration,

2.7 identifies the relevant responsibilities of Elected Members, employees, the Chief Executive Officer (CEO), managers and the Audit and Risk Committee,

2.8 educates Elected Members and employees about their obligations to report conduct reasonably suspected of being Fraud, Corruption, Misconduct and/or Maladministration,

2.9 evaluates practices, policies and procedures it has in place in order to further advance Council systems for preventing or minimising Fraud, Corruption, Misconduct and Maladministration, and

2.10 develops a consistent approach to the management of relevant conduct across the Council through the establishment and maintenance of effective systems and internal controls to guard against Fraud, Corruption, Misconduct and Maladministration.

3. POLICY STATEMENT

3.1 The Council has established policies and procedures to assist with the prevention and control of Fraud, Corruption, Misconduct and Maladministration, and this Policy forms part of that suite of documents.

3.2 The effectiveness of these policies and procedures will be regularly reviewed and assessed and will remain up to date with any future developments in Fraud, Corruption, Maladministration and Misconduct prevention control techniques.

3.3 The Policy is intended to complement and be implemented in conjunction with other relevant Council policies and procedures.

3.4 This Policy applies to all Elected Members, employees, contractors, consultants and volunteers of the Council.

4. LEGISLATIVE REQUIREMENTS

The Council is required to comply with a range of legislative obligations in relation to the prevention, detection and reporting of fraud, corruption, misconduct and maladministration.

Key legislation applicable to this Policy includes, but is not limited to:

4.1 The *Independent Commissioner Against Corruption Act 2012* establishes the Independent Commission Against Corruption (ICAC) and the Office for Public Integrity (OPI), imposes mandatory reporting obligations on Public Officers under section 20, and provides for confidentiality and publication restrictions under section 54.

4.2 The *Ombudsman Act 1972* defines misconduct and maladministration in public administration and provides for investigation of administrative acts of public authorities.

4.3 The *Public Interest Disclosure Act 2018* establishes a framework for reporting matters of public interest and provides protections for persons making appropriate disclosures - Requires the appointment of Responsible Officers.

4.4 The *Local Government Act 1999* establishes governance and accountability obligations for councils and sets out the requirements of appropriate standards of conduct by Council Members and Council Staff.

4.5 The *Criminal Law Consolidation Act 1935* creates offences relevant to corruption, dishonesty and fraud, including offences under Part 5 (dishonesty offences) and Part 7 Division 4 (offences relating to public officers).

4.6 The *Lobbyists Act 2015* regulates interactions between public officers and lobbyists.

4.7 The *Public Sector (Honesty and Accountability) Act 1995* and *Public Corporations Act 1993* contain additional offences relevant to corruption in public administration.

The Council must also comply with directions and guidelines issued by the Independent Commissioner Against Corruption under section 20 of the ICAC Act, directions and guidelines issued under section 14 of the *Public Interest Disclosure Act 2018*, and any applicable Auditor-General or other regulatory guidance.

All Public Officers of the Council must comply with their statutory obligation to report any reasonable suspicion of corruption, or serious or systemic misconduct or maladministration in public administration to the Office for Public Integrity (OPI) in accordance with section 20 of the ICAC Act and relevant Directions and Guidelines.

5. DEFINITIONS

Commission means the Independent Commission Against Corruption established under the ICAC Act.

Commissioner means the person holding or acting in the office of the Independent Commissioner Against Corruption per section 4 of the ICAC Act, who has the powers and functions described at section 7 of the ICAC Act.

Corruption in public administration, as provided for in section 5(1) of the ICAC Act, means conduct that constitutes:

(a) an offence against Part 7 Division 4 (offences relating to public officers) of the *Criminal Law Consolidation Act 1935*, which includes the following offences:

  i) bribery or corruption of public officers,

  ii) threats or reprisals against public officers,

  iii) abuse of public office,

  iv) demanding or requiring benefit on basis of public office,

  v) offences relating to appointment to public office, or

(b) an offence against the *Public Sector (Honesty and Accountability) Act 1995* or the *Public Corporations Act 1993*, or an attempt to commit such an offence, or

(c) an offence against the *Lobbyists Act 2015*, or an attempt to commit such an offence, or

(d) any other offence (including an offence against Part 5 (offences of dishonesty) of the *Criminal Law Consolidation Act 1935* committed by a public officer while acting in his or her capacity as a public officer or by a former public officer and related to his or her former capacity as a public officer, or by a person before becoming a public officer and related to his or her capacity as a public officer, or an attempt to commit such an offence, or

(e) any of the following in relation to an offence referred to in a preceding paragraph:

  i) aiding, abetting, counselling or procuring the commission of the offence,

  ii) inducing, whether by threats or promises or otherwise, the commission of the offence,

  iii) being in any way, directly or indirectly, knowingly concerned in, or party to, the commission of the offence,

  iv) conspiring with others to affect the commission of the offence.

Directions and Guidelines means the Directions and Guidelines issued by the Commissioner and as in force from time to time pursuant to section 20 of the *ICAC Act* and/or section 14 of the *Public Interest Disclosure Act 2018,* which are available on the Commissioner's website (www.icac.sa.gov.au).

Employee refers to all the Council's employees whether they are working in a full-time, part-time or casual capacity.

False disclosure is a disclosure of information relating to Fraud or Corruption, Maladministration or Misconduct that is made by a person who knows the information to be false.

Fraud includes an intentional dishonest act or omission done with the purpose of deceiving.

Note: There is no statutory or agreed common law definition of Fraud. Offences addressed under Part 5 and Part 6 of the *Criminal Law Consolidation Act 1935* are considered to constitute Fraud offences. An ordinary or lay meaning of Fraud is 'to obtain dishonestly that which the person is not entitled to'. Fraud is a broad label applicable to conduct/practices that involve knowingly dishonest or deceitful behaviour meant to obtain an unjust benefit. Dishonesty is the key element in fraudulent behaviour, as provided for under section 131 of the *Criminal Law Consolidation Act 1935*.

ICAC Act is the Independent Commissioner Against Corruption Act 2012.

Maladministration in public administration is defined in section 4 of the *Ombudsman Act 1972* (**Ombudsman Act**) and

(a) means:

  i) conduct of a public officer, or a practice, policy or procedure of a public authority, that results in an irregular and unauthorised use of public money or substantial mismanagement of public resources

  ii) conduct of a public officer involving substantial mismanagement in or in relation to the performance of official functions.

(b) includes conduct resulting from impropriety, incompetence or negligence.

(c) is to be assessed having regard to relevant statutory provisions and administrative instructions and directions.

Misconduct in public administration is defined in section 4 of the Ombudsman Act and means an intentional and serious contravention of a code of conduct by a public officer while acting in their capacity as a public officer that constitutes a ground for disciplinary action against the officer.

Office for Public Integrity (***OPI***) is the office established under the ICAC Act that has the functions described at section 17 of the ICAC Act.

PID Act means the *Public Interest Disclosure Act 2018.*

Public administration is defined is defined at section 4 of the ICAC Act and, without limiting the acts that may comprise public administration, an administrative act within the meaning of the Ombudsman Act will be taken to be carried out in the course of public administration. For the purposes of this Policy, references to Corruption, Misconduct and Maladministration are taken to mean references to such conduct in public administration.

Public Officer has the meaning given by Schedule 1 of the ICAC Act*,* and includes:

(a) a council member

(b) an employee of the Council

(c) a person performing contract work for the Council.

Publish is defined in section 4 of the ICAC Act*,* and means publish by:

(a) newspaper, radio or television

(b) internet or other electronic means of creating and sharing content with the public or participating social networking with the public

(c) any similar means of communication with the public.

Relevant Authority for the purposes of the PID Act means the person or entity that receives an appropriate disclosure of public interest information in accordance with the PID Act.

Responsible Officer is a person who has completed any training courses approved by the Commissioner for the purposes of the *Public Interest Disclosure Regulations 2019* and has been designated as a responsible officer under section 12 of the PID Act.

For the purposes of the Ombudsman Act, Misconduct or Maladministration in public administration will be taken to be S*erious or Systemic* if the Misconduct or Maladministration:

(a) is of such a significant nature that it would undermine public confidence in the relevant public authority, or in public administration generally, and

(b) has significant implications for the relevant public authority or for public administration generally (rather than just for the individual public officer concerned).

6. ROLES AND RESPONSIBILITIES

The table in Appendix A to this Policy outlines the roles and responsibilities of key individuals and groups with respect to Fraud, Corruption, Misconduct and Maladministration prevention within the Council.

7. PREVENTION

7.1 The Council recognises that the occurrence of Fraud, Corruption, Misconduct and Maladministration will be more likely to prevail in an administrative environment where opportunities exist for waste and abuse.

7.2 The Council also recognises that the most effective way to prevent the occurrence of Fraud, Corruption, Misconduct and Maladministration is to instil and continually reinforce a culture across the Council of acting lawfully, ethically and in a socially responsible manner, and to support this culture with the implementation of appropriate internal control mechanisms.

7.3 The Council expects employees and Elected Members to assist in facilitating a sound ethical culture and preventing Fraud, Corruption, Misconduct and Maladministration by:

(a) Understanding the responsibilities of their positions.

(b) Familiarising themselves with Council policies and procedures and adhering to them.

(c) Understanding what behaviour constitutes Fraudulent or Corrupt conduct, Misconduct and/or Maladministration.

(d) Maintaining an awareness of the strategies that have been implemented by Council to minimise Fraud, Corruption, Misconduct and Maladministration.

(e) Being continuously vigilant to the potential for Fraud, Corruption, Misconduct and Maladministration to occur in the Council environment.

(f) Reporting suspected or actual occurrences of Fraud, Corruption, Misconduct and Maladministration in accordance with clauses 7.3(c) and 7.3(d) of this Policy.

8. EDUCATING FOR AWARENESS

The Council recognises that the success and credibility of this Policy will largely depend upon how effectively it is communicated throughout the Council and beyond.

The Council will, therefore, take proactive steps towards ensuring that the wider community is aware of the Council's zero-tolerance stance towards Fraud, Corruption, Misconduct and Maladministration.

9. REPORTING CORRUPTION, OR SYSTEMIC OR SERIOUS MISCONDUCT AND MALADMINISTRATION

9.1 Any Public Officer who has or acquires knowledge of actual or suspected Corruption, or Systemic or Serious Misconduct or Maladministration in the Council or in other public administration must report this information to the OPI as soon as practicable.

9.2 All reasonable suspicions of Corruption or Systemic or Serious Misconduct or Maladministration must be reported to the OPI in accordance with the reporting requirements as identified in the Guidelines.

Note: A report to the OPI must be made using the online report form. Particulars of what a report should include are available in the Guidelines.

9.3 When reporting actual or suspected Corruption, or Systemic or Serious Misconduct or Maladministration in the Council or in other public administration to the OPI under the Ombudsman Act, the requirements of any other relevant Council documents should also, to the extent possible, be adhered to.

9.4 Nothing in this section is intended to prevent a Public Officer from reporting suspected Corruption or Systemic or Serious Misconduct or Maladministration in the Council or in other public administration to a Relevant Authority, such as a council's Responsible Officer, for the purposes of the PID Act. Such a disclosure may be protected under the PID Act and, if made to the Council's Responsible Officer, will be managed in accordance with the Council's Public Interest Disclosure Procedure.

9.5 Public Officers are encouraged to have regard to the Council's Public Interest Disclosure Procedure when determining where to direct a disclosure.

10. REPORTING FRAUD, MISCONDUCT OR MALADMINISTRATION

Where an employee or Elected Member has or acquires knowledge of actual or suspected Fraud or other similar conduct that does not constitute Corruption or Systemic or Serious Misconduct or Maladministration (and is therefore not required to be reported to the OPI), that knowledge should be reported to the Council's Responsible Officer. Such a disclosure may be protected under the PID Act and will be managed in accordance with the Council's Public Interest Disclosure Procedure.

11. CONFIDENTIALITY AND PUBLICATION PROHIBITIONS

11.1 A person who receives information knowing that the information is connected with a matter that forms or is the subject of a complaint, report, assessment, investigation, referral or evaluation under the ICAC Act must not disclose that information, other than in the limited circumstances set out in section 54(3) of the ICAC Act.

11.2 A person must not, other than as authorised by the Commission or the OPI, publish or cause to be published any of the following:

(a) Information tending to suggest that a particular person is, has been, may be, or may have been, the subject of a complaint, report, assessment, investigation or referral under the ICAC Act.

(b) Information that might enable a person who has made a complaint or report under the ICAC Act to be identified or located.

(c) The fact that a person has made or may be about to make a complaint or report under the ICAC Act.

(d) Information that might enable a person who has given or may be about to give information or other evidence under the ICAC Act to be identified or located.

(e) The fact that a person has given or may be about to give information or other evidence under the ICAC Act.

(f) Any other information or evidence which the Commission has prohibited from publication.

11.3 A failure to comply with the requirements in this clause can constitute an offence. A Council employee who fails to comply with these requirements may also face disciplinary action.

11.4 In addition to the requirements in this clause, Elected Members and employees should also be mindful of the confidentiality provisions in the Council's Public Interest Disclosure Procedure.

12. ACTION BY THE CHIEF EXECUTIVE OFFICER

12.1 Unless otherwise directed by the OPI or South Australia Police (SAPOL), the CEO will investigate how the alleged Fraud, Corruption, Misconduct or Maladministration occurred to determine the cause for the breakdown in controls and identify if any recommendations as to changes in policies, procedures or internal controls should be made to the Council.

12.2 The investigation by the CEO should:

(a) occur as soon as practicable after the alleged incident,

(b) not impose on or detract from any investigation being undertaken by the OPI or SAPOL, and

(c) have regard to any recommendations in any report received from the Commissioner or SAPOL on the incident.

12.3 The CEO will, in conducting the investigation and deciding whether and how to report on the investigation to Council, have regard to the provisions of the Public Interest Disclosure Procedure, and any confidentiality requirements under relevant legislation including the PID Act and/or ICAC Act.

12.4 Action taken by the CEO following an investigation into alleged Corruption, Fraud, Misconduct or Maladministration may include disciplinary action against any Council employee involved in the incident.

13. FALSE DISCLOSURE

A person who knowingly makes a false disclosure or a false or misleading statement in a complaint or report will be guilty of an offence under the ICAC Act and the PID Act.

A Council employee who makes a false disclosure may also face disciplinary action.

14. POLICY REVIEW

This Policy will be reviewed every four (4) years, following the periodic election. The Council has the right to review this policy at any time, if considered desirable.

15. AVAILABILITY OF POLICY

This Policy will be available for inspection at the Council's offices during ordinary business hours and via the Council's website www.tumbybay.sa.gov.au. Copies will also be provided to the public upon request, and upon payment of a fee in accordance with the Council's Schedule of Fees and Charges.

16. FURTHER INFORMATION

File reference	R26/10282
Responsibility	Chief Executive Officer
Version	5
Effective date	14/07/2026
Last revised date	13/05/2025
Minutes reference	18c/72026
Next review date	November 2030
Applicable Legislation	*Independent Commissioner Against Corruption Act 2012* *Ombudsman Act 1972* *Public Interest Disclosure Act 2018* *Local Government Act 1999* *Criminal Law Consolidation Act 1935* *Lobbyists Act 2015* *Public Sector (Honesty and Accountability) Act 1995* *Public Corporations Act 1993*
Related Policies	Policy 2.06 - Elected Members Allowances and Benefits Policy 2.15 - Public Interest Disclosure Procedure Policy 2.24 - Risk Management Policy 2.29 - Elected Member Behavioural Management Policy 2.30 - Elected Member Behavioural Support Policy 5.31 - Internal Controls
Related Documents	*Behavioural Standards for Council Members* *ICAC Public Interest Disclosure Guidelines*

AUTHORITY:

Adopted by Council:	10/10/2011	{Motion 19c/102011}
Reviewed by Council:	10/11/2015	{Motion 7c/112015}
Amended by Council:	12/05/2020	{Motion 3c/52020}
Adopted by Council:	13/05/2025	{Motion 4c/52025}
Adopted by Council:	14/07/2026	{Motion 18c/72026}

SIGNED: 

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Responsible Officer

DATED: 14/07/2026

APPENDIX A

Roles, responsibilities and accountability for Fraud, Corruption, Misconduct and Maladministration prevention actions

Responsibility		Elected Members	Chief Executive Officer	Managers	Employees	Audit and Risk Committee	Other (e.g. contractors and volunteers)
1. Governance and Ethics							
1.1	Comply with this Policy and any related legislation, policy, protocol or procedure.	✓	✓	✓	✓	✓	✓
1.2	At all times in the performance of duties or in association with their role with Council, act in an ethical manner.	✓	✓	✓	✓	✓	✓
1.3	Promote a culture and environment in which Fraud, Corruption, Misconduct and Maladministration is discouraged and not tolerated.	✓	✓	✓	✓		✓
1.4	Remain scrupulous in the use of Council information, assets, funds, property, goods or services.	✓	✓	✓	✓	✓	✓
2. Awareness and Training							
2.1	Promote community awareness of the Council's commitment to the prevention of Fraud, Corruption, Misconduct and Maladministration.	✓	✓		✓ (as appropriate)		
2.2	Executive employees and managers ensure all employees under their supervision have been educated regarding Fraud, Corruption, Maladministration and Misconduct.		✓	✓	✓		
2.3	Undertake awareness training or education regarding Fraud, Corruption, Maladministration and Misconduct.	✓	✓	✓	✓	✓	✓ (as appropriate)
2.4	Develop and deliver training to employees and other public officers to promote ethical conduct and an ethical culture.		✓	✓			

Responsibility		Elected Members	Chief Executive Officer	Managers	Employees	Audit and Risk Committee	Other (e.g. contractors and volunteers)
2.5	Act in an ethical manner at all times in the performance of duties and comply with ethical obligations in accordance with any relevant legislation, code or policy regarding conduct and behaviour.	✓	✓	✓	✓	✓	✓
2.6	Adopt and model constructive behaviours and approaches to work which promote ethical behaviours in Council employees.	✓	✓	✓		✓	
3. Fraud Prevention							
3.1	Provide adequate security, including the provision of secure facilities for storage of assets, to assist in the prevention of Fraud, Corruption, Misconduct and Maladministration.		✓	✓			
3.2	Develop procedures to deter Fraudulent or Corrupt activity from occurring.	✓	✓	✓	✓		
3.3	Where relevant, comply with the *Public Interest Disclosure Act 2018*.	✓	✓	✓	✓	✓	✓
3.4	Ensure appropriate internal controls are in place and operating effectively to minimise the risks of incidents.	✓	✓	✓		✓	
3.5	Ensure effective screening (e.g. criminal history) of employees, prospective employees, volunteers (as relevant) and contractors is undertaken, including by use of appropriate and effective contractual arrangements.		✓	✓			
3.6	Ensure all powers and authorities are appropriately delegated in order to minimise the risk of Fraud, Corruption, Misconduct or Maladministration.	✓	✓	✓			
4. Detection and Investigation							

Responsibility		Elected Members	Chief Executive Officer	Managers	Employees	Audit and Risk Committee	Other (e.g. contractors and volunteers)
4.1	Ensure that, where appropriate, proper investigations are conducted into allegations of Fraud, Corruption, Misconduct or Maladministration.	✓	✓				
4.2	Facilitate cooperation with any investigations undertaken by an external authority.		✓				
4.3	Undertake risk assessments on a regular basis.	✓	✓			✓	
4.4	Provide mechanisms for receiving allegations of Fraud, Corruption, Misconduct and Maladministration.	✓	✓				
4.5	Investigate matters of Fraud, Corruption, Misconduct and Maladministration.	✓	✓				
4.6	Cooperate as required with any investigations undertaken whether internally or by an external authority.	✓	✓	✓	✓		✓
5. Monitoring and Reporting							
5.1	Report all instances of conduct known or reasonably suspected to be Fraud, Corruption, Maladministration or Misconduct in accordance with relevant legislation and/or Council's policies.	✓	✓	✓	✓	✓	✓ (report to Responsible Officer)
5.2	Develop mechanisms for receiving allegations of Fraud, Corruption, Misconduct or Maladministration including appointing a responsible officer.	✓	✓				
5.3	Work jointly with other areas of Council to coordinate activities relating to the control, prevention, detection and management of Fraud, Corruption, Misconduct or Maladministration.	✓	✓	✓		✓	
5.4	Review the effectiveness of the implemented policies that ensure risks are identified and that controls implemented are adequate.	✓	✓			✓	