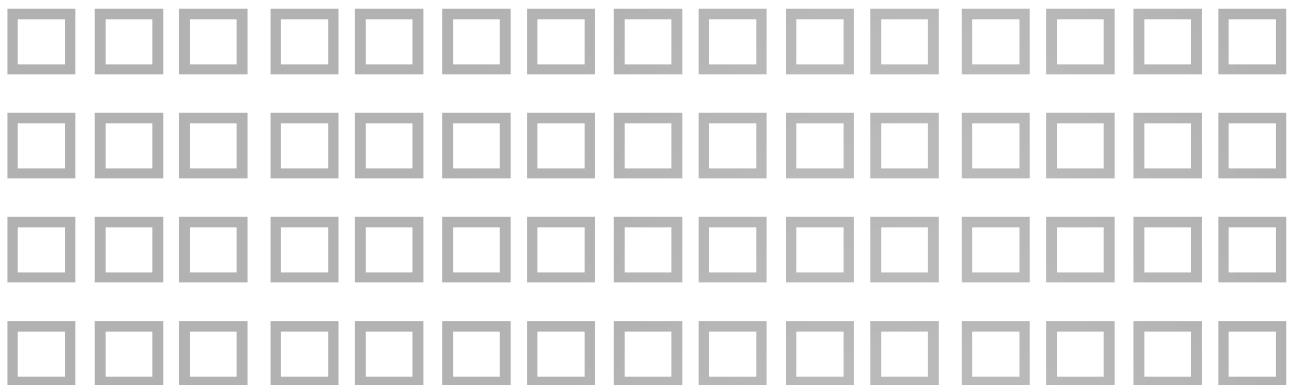


Fraud and corruption prevention plan

ACT Electoral Commission

2019-2021



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Publication date: July 2019

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Organisational fraud statement

The ACT Electoral Commission (Elections ACT) has a zero tolerance policy towards fraudulent activity or corrupt behaviour by staff, contractors, third party service providers, and its clients.

For the purposes of this statement, fraud is defined as 'dishonestly obtaining a benefit, or causing a loss, by deception or other means'. This definition extends beyond the legal definition of fraud to include benefits obtained that can be both tangible and intangible. It thus encompasses activities or behaviours broader than the misuse of monies.

A benefit is not restricted to the monetary or material benefits, and may be tangible or intangible, including the unauthorised provision of access or disclosure of information or providing benefit to a third party including a candidate or political party.

Elections ACT's fraud statement is part of the fraud and corruption prevention framework. This framework outlines how all Elections ACT staff members have responsibilities and obligations for ensuring strong, robust and effective fraud and corruption prevention.

All employees play a vital role in the managing the exposure to fraud by ensuring that they:

- behave in an ethical manner;
- are aware of what fraud is and know how to avoid becoming involved in it;
- identify potential fraud risks in their areas of responsibility and assist in managing these risks through the use of appropriate controls; and
- report any instance of fraud which they consider may have been perpetrated in or against the Electoral Commission.

To ensure all staff members understand their responsibilities and obligations, Elections ACT is committed to providing all staff with training in the ACTPS code of ethics and fraud awareness.

A key obligation of staff is to report quickly all cases of suspected or committed fraud to the Senior Executive Responsible for Business Integrity Risk (SERBIR). Elections ACT is committed to ensuring that all cases of fraud are handled in a confidential, prompt and professional manner.

If you are in any doubt about a fraud related issue contact the Elections ACT SERBIR whose contact details are:

Deputy Electoral Commissioner
Elections ACT
PO Box 272, Civic Square, ACT 2608
Phone: 620 50224
Email: rohan.spence@act.gov.au

Alternatively you can contact:

Commissioner for Public Administration
Phone: 620 50358

Definition of terms

Elections ACT recognises that a proactive rather than reactive fraud and corruption prevention plan is an integral part of its Governance Framework. For the purposes of this Fraud and Corruption Prevention Plan (FCPP) the following definitions of fraud and corruption have been adopted.

Term	Definition
Fraud (as defined in the ACTPS Integrity Policy)	<p>"taking or obtaining by deception, money or another benefit from the government when not entitled to the money or benefit, or attempting to do so – this includes evading a liability to the government."</p> <p>Fraud is not restricted to obtaining monetary or material benefit. The benefits of fraudulent acts can either be tangible or intangible.</p> <p>Some examples of fraud include:</p> <ul style="list-style-type: none">▪ Misappropriation of funds▪ Altering documents▪ Falsifying signatures▪ Causing a loss, or avoiding and/or creating a liability▪ Misuse of government assets, equipment or facilities▪ Providing false information to the government▪ Wrongfully using information or intellectual property
Corruption (as defined in the ACTPS Integrity Policy)	<p>"in relation to an officer or employee, corruption means that the officer or employee seeks, obtains or receives any benefit, other than lawful salary and allowances on the understanding that the officer or employee will do or refrain from doing anything in the course of their duties or will attempt to influence any other officer or employee on behalf of any person".</p> <p>Some examples of corruption include:</p> <ul style="list-style-type: none">▪ Manipulating a tendering process to achieve a desired outcome▪ Unauthorised use of office facilities and time to operate a private business▪ Misusing information or material obtained during the course of official duties▪ Overstating working hours or claiming an allowance when not eligible▪ Receiving personal benefits in exchange for assisting a supplier or consultant▪ Not disclosing and/or allowing a conflict of interest to obtain a preferred outcome▪ Unduly favouring one candidate or party over another

It is important to remember that the source of fraud and corruption may be internal (permanent, casual or polling place staff members) or external (persons outside of the organisation).

Purpose

Elections ACT is part of the ACT Public Service (ACTPS) and as such is accountable for the efficient and effective use of public resources. Elections ACT recognises the need and responsibility to develop, encourage and implement sound financial, legal and ethical decision making processes.

This FCPP is aimed at ensuring that there is an appropriate level of understanding within Elections ACT of the lines of accountability in relation to coordination, escalation, monitoring, review and promotion of fraud control activities.

To ensure effective stewardship every employee is both obliged and responsible for maintaining the highest standards of ethical behaviour. The ACT community must be able to trust and have confidence in the integrity of Elections ACT and have a realistic expectation that employees will not abuse their office and will fulfil their responsibilities while protecting public money and property.

Elections ACT is committed to delivering a fraud control framework to manage the prevention and detection of fraudulent activities. Fraud control activities will be developed in line with the risk management framework.

Elections ACT seeks to promote high standards of ethics and integrity across all area of the organisation.

Each employee has a responsibility to uphold the highest standards of ethical behaviour and integrity under the general obligations of public sector employees, under section 9 *Public Sector Management Act 1994* and under the ACTPS Code of Ethics. These documents outline the overall obligations of public sector employees and articulate the standards of behaviour expected in the public sector. The ACTPS Integrity Policy requires specific consideration of matters relating to fraud and corruption. This policy provides a framework for raising awareness and reducing and managing instances of fraud and corruption within Elections ACT.

Fraud and corruption represents a significant risk to the delivery of the objectives of the Elections ACT by undermining many aspects of our efficiency, effectiveness and integrity. The impact to the reputation of Elections ACT resulting from fraudulent or corrupt activity can be significant and long term.

Two of the most important factors that assist in the prevention of fraudulent and corrupt activity are:

- establishment and maintenance of a sound ethical culture; and
- awareness and education of the risks of fraud and corruption at all levels in the organisation.

This FCPP is an integral part of Elections ACT's overall risk management framework. Fraud and corruption are business risks that are controlled by the application of risk management principles and this plan is structured to achieve the implementation, continuous monitoring and improvement of controls to manage risk across three themes:

- prevention;
- detection; and
- monitoring.

Updated assessments of fraud and corruption risk across the organisation forms part of the development of this plan and inform control strategies. All risk assessments are conducted in accordance with the [Australian Standard AS/NZS ISO 31000:2018 Risk Management](#).

This FCPP will continue to be informed by fraud and corruption risk assessments conducted at least once every two years.

This FCPP will be regularly reviewed and updated at a minimum of every two years as required under the ACTPS Integrity Policy.

This FCPP will be integrated with and inform the normal planning processes, strategies and/or specific action directed at minimising the risk of fraud within the organisation.

Fraud and corruption prevention plan - responsibilities and accountabilities

The Electoral Commissioner is responsible for the corporate governance of Elections ACT and has overall responsibility for fraud control and for ensuring compliance with the [Public Sector Management Act 1994](#) and the [ACTPS Integrity Policy](#).

Fraud control is also the responsibility of all permanent, casual and contractor staff of Elections ACT. All staff members play a part in the management of the potential exposure to fraud by ensuring that they behave in the most ethical behaviour consistent with the [ACTPS code of conduct](#) and reporting any incidents of suspected or actual fraud or corruption.

Responsible party	Areas of responsibility
Electoral Commissioner	<ul style="list-style-type: none">▪ Overall responsibility for fraud control.▪ Appointment of the Senior Executive Responsible for Business Integrity Risk (SERBIR)
The three person Commission advised by the externally engaged 'internal audit' providers.	<ul style="list-style-type: none">▪ Review whether management has in place current and comprehensive risk management framework enabling effective identification of possible business and financial risks, including fraud.▪ Review the processes and procedures and the implementation of a communication and awareness program.▪ Ensure that the SERBIR is regularly updating the fraud and corruption risk management register.▪ Monitor the implementation of fraud and corruption risk treatment strategies.

<p>SERBIR</p> <p>(Senior Executive Responsible for Business Integrity Risk)</p>	<ul style="list-style-type: none"> ▪ Ensure Elections ACT has a current FCPP and that this plan is revised at least every 2 years. ▪ Notify the Commission of revisions made to the FCPP. ▪ Monitor that the FCPP is implemented and coordinate any risk treatments. ▪ Record and track all instances of fraud and corruption relevant to the organisation and ensure a satisfactory resolution. ▪ Ensure that the fraud control policy is brought to the attention of staff.
<p>Senior Management</p>	<ul style="list-style-type: none"> ▪ Adopt and promote the highest standards of ethical behaviour. ▪ Ensure staff attend fraud and corruption awareness training. ▪ Ensure staff awareness of fraud and corruption control policies, plans and guidelines. ▪ Ensure each area of their control is subject to a risk assessment and regularly assess the potential for breaches of integrity, including theft and corruption.
<p>All staff and contractors</p>	<ul style="list-style-type: none"> ▪ Reporting to the SERBIR any fraudulent or corrupt activity that they become aware of or suspect within Elections ACT. ▪ Become familiar with this FCPP and contribute to its effective implementation, thereby assisting in minimising the incidence of fraud and corruption within the organisation.

Fraud and corruption risk management will form part of the business planning cycle and will contribute to business performance through minimisation of the organisation's risks. It provides senior management and the Commission with solid evidence that fraud risk management is occurring within the organisation.

Functional responsibilities, strategies and actions

At the strategic level, fraud and corruption risk treatment strategies should provide Elections ACT with assurance that fraud and corruption are being adequately prevented and detected and if necessary, adequately investigated.

The following key strategies have been identified to address the current level of fraud and corruption risk throughout the organisation.

Areas and Strategies	Action	Responsibility	Timing
Awareness:			
Maintenance of on-going fraud awareness program.	Ensure staff induction includes fraud and corruption awareness information/training. Dissemination to staff of FCPP.	SERBIR	Ongoing
Communication to staff of their responsibilities with regard to preventing, detection and reporting of fraud and corruption.	Ensure updates and changes to fraud and corruption control procedures are communicated.	SERBIR	Ongoing
Foster an environment which promotes the highest standards of ethical behaviour.	Model appropriate ethical behaviour. Be available to advise staff on the procedures for resolving ethical dilemmas.	Managers	Ongoing
Prevention & Detection:			
Implementation of a fraud and corruption risk management plan.	Formal update at least every 2 years or in the event of any significant changes in operations of organisational structure or due to the occurrence of actual fraud or corruption.	SERBIR	At least every 2 years
Implement strategies to reduce fraud and corruption risk.	See actions in Attachment A. Progress to be reported to the Commission on a regular basis.	Managers	Ongoing
Investigation:			
Conduct of investigations	Development of investigation guidelines. If necessary, investigations may be referred to ACT	SERBIR	As necessary

	Policing.		
Prosecution:			
A zero tolerance approach	Investigators will review and make a recommendation to the SERBIR on whether to refer a matter to the DPP, who makes the final determination on legal action.	Investigators and SERBIR	As necessary
Resolution:			
Review of systems and procedures (post investigation)	If a fraud or corruption event is detected the control system will be independently reviewed to identify improvements. Formal reporting to the Commission	SERBIR	As necessary
Recovery of money/property lost through fraud or corruption	Elections ACT will actively pursue the recovery of lost money or property.	Electoral Commissioner SERBIR	As necessary
Reporting:			
Annual reporting obligations	Report on fraud control and prevention and detection policies, practices, and strategies.	Electoral Commissioner SERBIR	As necessary

The SERBIR has overall responsibility for ensuring that these strategies are implemented and has overall responsibility for ensuring updates occur to the fraud and corruption risk management register.

The Commission, advised by the externally engaged 'internal audit' providers, will monitor the implementation of the Fraud Control Strategies and provide assurance to the Electoral Commissioner about the adequacy of fraud and corruption control measures.

Managers collectively hold responsibility for fraud and corruption prevention and detection and shall receive training to assist them in effectively discharging those responsibilities and maintaining an awareness of current fraud and corruption issues.

Internal controls and internal audit

The consideration of the potentiality of fraud and corruption when developing and maintaining procedures in relation to financial, administrative and operational systems is paramount to the control of fraud and corruption within the organisation. Staff will at all times consider fraud and corruption potential when developing such procedures, as well as ensuring that an appropriate audit trail exists.

Compliance with these procedures will be reviewed through formal audits undertaken by an externally engaged internal audit organisation. The results of internal audit reviews will be reported to the Commission and incorporated into the fraud risk register.

Ethics

Elections ACT expects all staff to behave ethically and to be responsible for minimising any possibility of fraud and corruption.

When faced with ethical dilemmas staff may need assistance in deciding the appropriate course of action. This assistance is provided through the [ACTPS Code of Ethics](#) and by maintaining a culture in which all staff are prepared to discuss ethical dilemmas.

Staff awareness and training

The [ACTPS Integrity Policy](#) provides information to managers on:

- Legal underpinnings of the Integrity Policy
- Key components of integrity procedures
- Ethical conduct
- Protecting integrity
- Case handling
- Reporting
- External service providers
- Roles and functions of players
- Training

Each new staff member must be provided with the Elections ACT induction manual. This manual includes information on fraud and ethics.

Fraud and ethics information sessions and training is available to all staff through the training programs offered by JACS and CMTEDD. Staff should be encouraged by their supervisors to attend appropriate fraud and ethics programs.

Public interest disclosures

Employees should be aware that the *ACT Public Interest Disclosure Act 1994* supports the reporting of wrongdoing, including fraud and corruption. The Act provides for a method of investigating allegations, while protecting the individual who has made the disclosure from any reprisals. Members of the public, as well as current and former ACT public servants may make a 'public interest disclosure' to any ACT government agency.

How to report suspected fraud or corruption

It is the responsibility of all staff and contractors to act with honesty and integrity at all times and to be vigilant for possible incidents of fraud and corruption.

Where staff become aware of possible fraud and corruption they must report their concerns and observe the following procedures.

Note observations

- Do not jump to conclusions.
- Carefully observe and note the suspected conduct.
- Document your own actions.
- Keep all relevant documents as possible evidence, do not alter them and ensure they are stored securely.

Report concerns

Report concerns to the SERBIR or, if this is not appropriate for the situation, to the Commissioner of Public Administration.

Generally, the SERBIR is responsible for the initial receipt of information on suspected instances of fraud or corruption. The SERBIR for Elections ACT is the Deputy Electoral Commissioner and can be contacted on 620 50224 or alternately via email.

It is important to remember that persons reporting suspected fraud or corruption are protected under the provisions of the Public Interest Disclosure Act.

Inform only those who need to know

It is important to also inform only those people who need to know of the suspected fraud. This will assist in:

- Preventing possible destruction of evidence by those involved in the fraud that may be “tipped off”;
- Protecting against any pressure from those at the centre of the allegations; and
- Protecting the rights of a person suspected of fraudulent activity who may in fact be innocent.

Maintaining a tracking system

The SERBIR is responsible for maintaining an appropriate recording and tracking system to ensure that all instances of suspected fraud and corruption are satisfactorily resolved. This system facilitates also the extraction of statistical data for monitoring the effectiveness of the FCPP and provides information required to meet annual reporting and other obligations.

Confidentiality

People who report evidence or suspicions of fraud can be confident that their identity and information will be treated in the strictest confidence, and that such action will in no way be permitted to adversely affect their position or prospects within the organisation. Indeed, employees are actively encouraged to be forthright and honest in all their dealings.

Staff aggrieved by the conduct of any investigations may raise their concerns in an appropriate manner with management, or if necessary through an appropriate, independent ACT body such as the ACT Ombudsman, the Commissioner for Public Administration or the Auditor General.

What are your rights if suspected of committing fraud?

Anyone suspected of committing fraud is considered to be innocent until proven guilty. If you are to be interviewed by a fraud investigator or feel you are suspected of committing improper behaviour or an offence, you have the right to:

- Expect that your affairs will not be disclosed to and/or discussed by people not concerned with the matter;
- Expect any interviews or investigations will adhere to the principles of natural justice;
- Expect that interviews or investigations are not seen as imputing guilt;
- Say nothing and not participate in an interview;
- Not answer a question if you feel the answer may implicate you in the fraud;
- Seek whatever advice you think is necessary, before the interview;
- Have a solicitor representative or other person present, whilst being interviewed;
- Have an interpreter present if necessary; and
- Request access to documents relating to the investigation.

Preliminary case handling

Initial investigation into reported fraud will be made by the SERBIR, who will determine whether there is any basis for further action. The SERBIR may appoint an authorised officer within the organisation to undertake enquiries or may acquire the services of external experts to assist in the conduct of any inquiry.

In the investigation process, care needs to be taken to avoid unfounded and incorrect accusations, unnecessarily and prematurely alerting individuals against whom allegations have been made who may in turn destroy evidence of fraud. Care should also be given against making statements that could expose the Commission to legal liabilities for damages arising from a wrongful accusation.

The Standards for the Conduct of Inquiries and Investigations for ACT Agencies provides information to supplement the information provided with this plan. These Standards can be found at: http://www.cmd.act.gov.au/_data/assets/pdf_file/0004/187177/condequiries2010.pdf

Investigation (Internal and External)

All allegations of fraud or corruption both internal and external are assessed and where appropriate, investigated with the aim of proving or disproving the allegations made.

The case handling criteria outlined in the [ACTPS Integrity Policy](#) should be consulted when determining referrals of suspected fraud or corruption for investigation.

Australian Federal Police

The Australian Federal Police (AFP) has a lead role in the investigation of any accepted cases of identified fraud and corruption by the ACT Government. The AFP will investigate all occurrences of proven fraud or corruption which may ultimately lead to prosecution.

Administrative Review and Investigations Panel (ARIP)

The ARIP consists of several pre-approved companies that can undertake investigations on behalf of ACT Government agencies. Information on the ARIP is available at:

www.cmtedd.act.gov.au/data/assets/pdf_file/0018/1111860/appealpanel.pdf

Prosecution

The Director of Public Prosecutions (DPP) has responsibility for the conduct of prosecutions in the ACT and matters relating to the proceeds of crime.

The Office of the DPP is generally not involved in the actual investigation of criminal offences. However, DPP officers are available to provide legal advice or policy guidance in regard to the manner in which investigations are conducted. Specifically, DPP officers are able to provide legal advice in relation to the sufficiency or otherwise of evidence required to proceed with prosecution.

Advice may also be sought from the DPP as to whether or not alleged misconduct constitutes a breach of law and if so, what course of action is most appropriate in the public interest. Such advice is of benefit to managers who are faced with the responsibility of deciding whether to proceed with disciplinary action or alternatively, institute criminal proceedings

Once a matter has been referred to the DPP and a decision is being made as to whether or not a prosecution should be launched and/or what charge or charges should be laid, any views put forward by the agency concerned will be taken into consideration.

The Director of Public Prosecutions has produced a [Prosecution Policy](#) which details the general criteria used during the consideration of prosecution action against an alleged offender.

Fraud and Corruption risk assessments

The approach developed for this fraud and corruption risk assessment and fraud and corruption prevention plan is in accordance with the ACT Integrity Policy, [AS/NZS ISO 31000:2018 Risk Management](#) and the [Australian Standard 8001:2008 Fraud and Corruption Control](#).

The assessment of the fraud environment is that overall there is a medium level fraud risk exposure. This conclusion is reached by considering all the risks in context, and the fact that the majority of the risks identified were being appropriately treated by existing controls.

Summary of fraud and corruption risks

Inherent risk ratings		Residual risks	
High	0	High	0
Medium	8	Medium	8
Low	0	Low	0

Strategies to address fraud and corruption risks

In line with AS/NZS ISO31000:2018, an internal audit plan has been developed to focus on risks identified as being "extreme" or "high". It is important for management to continue to monitor all risks identified as being medium or higher and to ensure a treatment plan exists for each of these risks. The fraud and corruption risk assessment is formally updated every year.

The SERBIR is responsible for this update which should include:

- Updating the assessment of existing risks for changes in controls, consequences or likelihood ratings if changes are deemed necessary
- Removing risks which are no longer relevant
- Identifying any new risks which should be included and addressed as part of the ongoing risk management process
- Updating the action plans to address the risks for new key risks
- Identifying new treatment strategies /action plans