

Policy

Abbeyfield Australia and its affiliated local societies are entrusted by government, the community and residents to manage its services and assets prudently and fairly. As such every volunteer, staff member or board member has a responsibility to guard against fraud and corruption.

Legislative and Regulatory Framework

- Crimes Act 1900 (NSW)
- Regulatory Code

Definition of fraud

A deliberate or premeditated act which involves using deception to gain advantage from a position of trust and authority. ¹ (1 NSW Audit office)

Examples of fraud

- Accepting bribes or favours to gain access to housing, alternative housing or better housing
- Accepting bribes or favours to buy or lease certain properties
- Misappropriation of tenant rents or charges
- Unauthorised use of organizational assets
- Stealing organisational assets
- Falsifying time sheets or expenses
- Conspiring with others to get a tender
- Running a private business in working hours
- Sending false or duplicate invoices
- Sending invoices for work not done or not completed

Warning signs of possible fraud

The following examples are indicators of a possible (but not definite) problem:

- Conflicts of interest not declared
- Undue secrecy and lack of transparency in transactions and processes
- Illogical excuses and reasons for unusual events and actions
- Staff who do not take holidays for extended periods

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Reducing the risk of fraud and corruption

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- Missing documentation or alterations on documentation
- Unusual, unexpected or unexplained large transactions
- Anonymous complaints or rumours from reputable sources
- Agreed policies and procedures not followed

Managing the risk

While no organisation can ever be immune from potential fraud an organisation can put in controls to manage that risk. In order to manage the risk Abbeyfield Australia and its affiliated local societies:

- Have clear guidelines on managing conflicts of interest
- Ensure that all staff members, volunteers and board members sign that they are aware of their responsibility to always operate with the highest level of probity
- Have clear guidelines on donations and gifts
- Undertakes a fraud risk assessment annually
- Reviews processes to ensure a separation of duties in all areas where possible

Disclosing fraud or corrupt conduct

A person who suspects corrupt conduct should report it to the appropriate person so that it can be fully investigated. The appropriate person will vary depending on the nature of the conduct and the persons believed to be involved. If the suspected fraud or corrupt conduct involves:

- one or more staff members of Abbeyfield Australia, then it can be reported to the CEO or the Chairperson of Abbeyfield Australia
- the CEO of Abbeyfield Australia, then it can be reported to the Chairperson of Abbeyfield Australia
- one or more staff members of an affiliated local society, then it can be reported to the CEO or the Chairperson of the respective local society
- Where neither option above is practicable, contact another Abbeyfield Director or board members of the respective affiliated local society.

Investigating possible fraud or corrupt conduct

Investigations need to be handled discreetly. Information should be shared on a 'need to know basis only and all people questioned should be reminded of their responsibilities to maintain confidentiality. Any investigation should be handled with a view that a person who is alleged to have committed fraud:

- will be presumed innocent till proven guilty

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- Should have a right to respond to allegations made against them

Allegations investigated and found to be due to corrupt conduct or fraud may lead to:

- Dismissal (staff or board member)
- Loss of home (if tenant)
- Cancellation of contracts (contractors)
- Depending on the nature of the fraud it may also lead to police prosecution.

Quality assurance

- Clear guidelines on managing conflicts of interest.
- Clear guidelines in place on handling gifts and donations.
- All staff, volunteers and board members sign that they agree to abide by code of conduct.
- Annual fraud risk assessment undertaken.
- Clear separation of duties where possible

Approval

This policy and procedure was approved at the Board meeting held on the 13 February 2010. This policy and procedure is effective as from 13 February 2010

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