



Fraud and Corruption Control Policy

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Approved: Secretary
Contact: Assistant Secretary
Corporate Operations Branch

Table of Contents

Date of effect	2
Policy review mechanisms	2
Intent of policy	2
Application	2
Definitions	2
Policy Statement	2
Legal Framework	3
DPS Policies and Guidelines	4
Document consultation and approval	4
Compliance Reporting	4

Date of effect

- 1 This policy was approved by the Secretary on **30 September 2020**.
- 2 This policy replaces all previous Department of Parliamentary Services (DPS) policies and any other related strategies, local guidance or directions on this subject, unless otherwise specified in this policy.

Policy review mechanisms

- 3 This document will be reviewed every three years or earlier if required.

Intent of policy

- 4 This policy conforms to the requirements of the Commonwealth Fraud Control Framework and sets out DPS' governing principles and responsibilities relating to fraud and corruption risk management.
- 5 The aim of this Fraud and Corruption Control Policy is to:
 - protect public resources, including money, information and property
 - protect the integrity and good reputation of DPS and the Commonwealth, and
 - provide accountability in fraud control in DPS.

Application

- 6 This policy applies to DPS, its officers and workers (staff and contractors).

Definitions

- 7 Fraud against the Commonwealth is defined as 'dishonestly obtaining a benefit or causing a loss by deception or other means'¹. To classify an activity as fraud, it must be deliberate, not accidental, and lead to a direct or indirect benefit or advantage to an individual or group. A benefit is not restricted to a monetary or material benefit, and may be tangible or intangible. This includes the unauthorised access and use, manipulation, or disclosure of information.
- 8 Corruption is defined as "dishonest activity in which a director, executive, manager, employee or contractor of an entity acts contrary to the interest of the entity and abuses his/ her position of trust in order to achieve some personal gain or advantage for him or herself for another person or entity. The concept of 'corruption' can also involve corrupt conduct by the entity, or a person purporting to act on behalf and in the interests of the entity, in order to secure some form of improper advantage for the entity either directly or indirectly."²

Policy Statement

- 9 DPS has low tolerance for fraud or unethical behaviours³.
- 10 DPS is committed to managing fraud in order to:
 - protect Commonwealth revenue, expenditure and property from any attempt to gain financial or other benefits
 - protect stakeholders, and the quality of services, from the ill effects of fraud
 - protect the reputation of DPS, and
 - comply with statutory obligations.

¹ Commonwealth Fraud Control Framework 2017

² Australian Standard AS 8001-2008: Fraud Control and Corruption Control, pg 15

³ DPS Risk Management Framework -2019 Risk Appetite Statement

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11 DPS will achieve this by:

- seeking active leadership from the DPS Executive Committee in implementing fraud and corruption control measures
- maintaining an effective system of internal controls to protect public money, information and property by ensuring that mechanisms are in place that minimise the opportunity for fraud and dishonesty
- ensuring managers implement any actions required by the DPS Risk Management Policy and Framework and conduct risk assessments within their areas
- conducting periodic fraud risk assessment reviews to identify emerging opportunities for fraud and implementing prevention and minimisation procedures in day to day operations
- integrating fraud and corruption control with the DPS risk management framework
- reacting appropriately to situations by referring offenders to the Australian Federal Police and other state and territory law enforcement agencies where necessary, and
- collecting and managing information about fraudulent activities against DPS for reporting on Fraud and Corruption Control and significant or systemic allegations of fraud and investigations.

12 DPS will prevent and deter fraudulent and corruptive behaviour by:

- ensuring fraud control is effectively implemented by promoting a positive culture toward fraud and anti-corruption to reduce DPS' exposure to fraud and corrupt activity
- ensuring DPS staff behave in an ethical way consistent with the Parliamentary Service Code of Conduct contained in the *Parliamentary Service Act 1999*
- ensuring DPS officials are aware of their obligations through the completion of mandatory fraud awareness training as part of their induction or once every three years
- assuring confidentiality with regard to receiving reports and handling investigations
- referring allegations of serious wrongdoing or misconduct under the *Public Interest Disclosure Act 2013* to the appropriate authorised officer
- having procedures for reporting and investigating allegations of dishonest and/or fraudulent behaviour and investigating fraud in accordance with the Australian Government Investigations Standards
- pursuing all means open to DPS to recover losses caused by illegal activity, irrespective of whether a prosecution is undertaken, including the use of proceeds of crime legislation and civil recovery action, and
- seeking civil, administrative or disciplinary remedies such as those available under the *Parliamentary Service Act 1999*.

Legal Framework

13 This policy has been developed in accordance with the Commonwealth Fraud Control Framework 2017 and is also guided by:

- *Public Governance, Performance and Accountability Act 2013* (PGPA Act)
- *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule)
- *Public Interest Disclosure Act 2013* (PID Act)
- *Parliamentary Service Act 1999*
- *Parliamentary Service Determination 2013*
- *Prosecution Policy of the Commonwealth*
- *Commonwealth Procurement Rules* (CPRs)
- Protective Security Policy Framework (PSPF)
- Australian/New Zealand Standard AS/NZ ISO 31000-2018 – Risk Management – Principles and Guidelines
- Australian Standard AS 8001-2008: Fraud Control and Corruption Control, and
- Australian Government Investigation Standards (AGIS).

DPS Policies and Guidelines

14 This policy must be read in conjunction with the following:

- DPS Finance Policies and Procedures
- DPS Performance Management Scheme
- DPS Risk Management Framework
- DPS Fraud and Corruption Control Plan, and
- Parliamentary Service Values, Employment Principles and Code of Conduct.

Document consultation and approval

15 This policy has been developed by Organisational Performance, Risk and Assurance in consultation with the Fraud Control Executive.

16 This policy has been considered by the DPS Audit Committee and endorsed by the DPS Executive Committee.

17 This policy has been approved by the Secretary of the Department of Parliamentary Services.

Compliance Reporting

18 DPS will provide information gathered about fraud against DPS to the Australian Institute of Criminology by 30 September each year.