

**Senate Standing Committee on Environment, Communications and the Arts
References Committee**

Answers to questions on notice

Inquiry into the Energy Efficient Homes Package

February 2010

Question No: 100
Topic: Minter Ellison recommendations
Hansard Page ECA: In writing

Senator Troeth asked:

Recommendation five notes that; *inadequate controls may allow fraudulent or inappropriate behaviors* (page 6) – the seven specific recommendations provided on this issue include developing a specific fraud strategy, monitoring of fraud areas and a review of internal processes for possible internal fraud opportunities - given the well documented reports of fraudulent behavior, what action was taken in response to Minter Ellison’s advice, and indeed how many of the seven specific recommendations were implemented?

Answer/s:

The Risk Management Plan provided seven actions in Recommendation 5 (page 6). All seven recommended actions were implemented.

Steps put in place to address the risk as identified in Recommendation 5 included:

- a specific fraud control strategy was developed following advice from Ernst and Young;
- a compliance and audit regime was put in place and monitored;
- fraud control processes were developed with Medicare Australia, including the development of electronic fraud filters in the compliance program;
- specialist compliance, enforcement and legal experts were seconded from elsewhere in Department and other Government agencies;
- internal fraud controls were in place to assure process integrity, and address possible internal fraud opportunities;
- eligibility guidelines were developed, with a compliance and audit strategy that considered ways in which fraud could be undertaken under the program; and
- the Project Control Group approved these processes and policies.