Fraud and Corruption Control Strategy Statement

The Department of Education (the department) has a responsibility to ensure public resources are used appropriately to achieve its purpose to contribute to Australia's economic prosperity and social wellbeing. The department is committed to preventing, detecting, and effectively responding to fraud and corruption. To achieve this, the department relies on the collective effort of all staff, contractors, external service providers and the community.

What is fraud?

Fraud is defined as 'dishonestly obtaining a benefit, or causing a loss, by deception or other means'[1]. Fraud is intentional and involves an intent to obtain a benefit which can either be tangible or intangible either for oneself or on behalf of a third party. It is not the result of carelessness, an accident, or an error. There are two types of fraud; internal and external fraud. Internal fraud is committed by officials (i.e. employees) or contractors whereas with external fraud, the fraud originates from outside the organisation and is committed by external parties such as clients, service providers, members of the public and organised criminal groups.

What is corruption?

There are four types of corrupt conduct under the *National Anti-Corruption Commission (NACC) Act 2022*.

A person engages in corrupt conduct if:

1. they are a public official and they breach public trust
2. they are a public official and they abuse their office as a public official
3. they are a public official or former public official and they misuse information they have gained in their capacity as a public official
4. they do something that adversely affects a public official's honest or impartial exercise of powers or performance of official duties. (Any person can engage in this type of corrupt conduct, even if they are not a public official themselves.)

What are the consequences of fraud and corruption?

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[1] Commonwealth Fraud Control Framework 2024

When fraud or corruption is committed, the consequences can be far-reaching and severe on both an employee and organisational level. Individuals who commit fraud or engage in corrupt activities, can face consequences ranging from imprisonment, pecuniary penalties, civil or administrative sanctions, and employment sanctions ranging from reduction in classification to termination of employment.

At an organisational level, fraud and corruption matters can adversely impact the department's reputation and damage public and Parliamentary trust and confidence in the department and the APS at large.

What are your responsibilities?

The department expects everyone who engages with us to act with honesty and integrity, and report suspected fraud or corruption. If you receive funding or financial assistance from the department, you have an obligation to provide accurate information to be a recipient of, or to continue receiving Commonwealth money. Failure to provide correct information, or update information that may change the status of your eligibility, may constitute fraud.

Contractors and Service Providers

Most individuals and service providers engaged by a Commonwealth agency are considered staff members of that agency for the purposes of the NACC's jurisdiction. Only very limited exceptions apply. If you are a contractor or external service provider for the department, you are required to adhere to all contractual obligations, program guidelines and/conditions of funding that governs your relationship with us. You are required to ensure all information requested by us is provided in a timely manner, is accurate and that you report to us when you are obligated to.

External providers should have in place a risk-based approach to minimise potential loss of Commonwealth money as well as mechanisms to identify and report suspected fraud and corruption. Providers delivering services on behalf of the department should consider communicating to clients their policies and procedures relating to fraud and corruption, ensuring awareness of obligations and fraud and corruption control responsibilities.

How do you report suspected fraud and corruption?

Suspected fraud and corruption can be reported to the department's Integrity and Fraud Team by:

- Emailing fraud@education.gov.au (templates for referrals are available on the Fraud Resources Page intranet page),
- Calling the Fraud Hotline (02) 6121 5450,
- Submitting an anonymous report through the Whispli anonymous reporting tool, or
- Writing to the Integrity and Fraud Team at PO Box 9880, Canberra ACT 2601.

The department also provides a Child Care Tip-off Line and email that can be used by parents, guardians, providers, their employees or the public to raise concerns about practices relating to the management of child-care subsidies. A matter can be reported by:

- Calling 1800 664 231 (Monday to Friday, 9am to 5pm (AEDT))
- Emailing tipoffline@education.gov.au

Providing as much information as possible in your report/referral will assist the department in assessing and investigating matters efficiently. If possible, please include the following information in your report:

- Who is involved? Include the name/s of the person/s or organisation/s, address/es and phone number/s, and any other contact details you may know
- What fraud or corruption activity do you think or suspect has occurred? Include details regarding the activity such as how, when, and where it possibly occurred
- How you came to be aware of the activity

If you have supporting documentation, it would be beneficial to include this in your referral. You should not, however, conduct your own investigation or access departmental systems for the purposes of collating evidence as this may constitute unauthorised access.

Furthermore, you do not need to provide your contact details, but providing this information will allow the department to contact you if additional information is required to assist with the investigation.

What happens if you report suspected fraud or corruption?

The department will assess each allegation of suspected fraud or corruption to determine if the matter should be formally investigated. Not all allegations will progress to an investigation, but where allegations are substantiated, it may result in a range of outcomes and sanctions. This includes recovering overpaid funds, cancelling a service provider's registration, taking other action for breach of contract, and or pursuing criminal prosecution.

Safeguards for individuals reporting suspected fraud or corruption

Reports of suspected fraud and corruption – and any subsequent investigations – are handled confidentially.

If the information provided relates to disclosable conduct, rights and responsibilities under the *Public Interest Disclosure (PID) Act 2013* may be enlivened. Information on the PID scheme is available from the Commonwealth Ombudsman website. The department has Authorised PID Officers trained to accept reports made under the PID Act and specifically authorised by the Secretary to handle requests of this nature. Informants wishing to make a disclosure under PID are encouraged to contact the department's Authorised Officers by emailing PID@education.gov.au to ensure PID protections are applicable.

Privacy Notice

Your personal information is protected by law, under the *Privacy Act 1988*, and is collected by the department for the purposes of investigating allegations of suspected fraud and corruption. We may disclose the information you provide to other areas within the department and other Commonwealth, state, or territory bodies (including law enforcement bodies) for appropriate assessment and or action. Your information may also be used by the department or given to other parties if it is required or authorised by law.

For more information about how the department manages personal information (including information on accessing or correcting information) and how to make a complaint, please view our

full *Privacy Policy*. You can also request a copy from the department by sending an email to privacy@education.gov.au.