



Fraud and Corruption Control Policy

1. Purpose

Zero tolerance exists for Fraud and Corruption in the WA health system. Fraud and corruption are serious criminal offences and will be managed accordingly. Fraud and corruption undermine the public's trust and confidence in the WA health system and may:

- cause financial harm and loss
- damage the culture within Health Service Providers and across the WA health system
- compromise consumer care and safety
- impede the effective delivery of services.

The Department CEO as the System Manager is committed to ensuring robust governance structures and processes are in place to prevent all forms of fraud and corruption. The *Fraud and Corruption Control Policy* (Policy) sets the minimum standards Health Service Providers are required to meet to prevent, detect and respond to fraud and corruption.

The Policy is a mandatory requirement under the *Integrity Policy Framework* pursuant to section 26(2)(l) and section 20(1)(b) of the *Health Services Act 2016*.

2. Applicability

This Policy is applicable to all Health Service Providers.

3. Policy requirements

Health Service Providers are responsible for ensuring risks of fraud and corruption are regularly assessed, and identified risks are addressed and managed appropriately.

Health Service Providers are responsible for promoting a culture of integrity, facilitating the reporting of behaviours of concern and suspected misconduct, and meeting all legislative reporting obligations.

All Health Service Providers must establish and implement a *Fraud and Corruption Control Plan* (Plan) which is endorsed by their local governing body and amended as required. The Plan must be reviewed and evaluated every two years. The requirement to establish a Plan is effective three months from the date of this Policy coming into effect.

The Plan must describe the fraud and corruption risk controls as they relate to:

- all Health Service Provider Staff Members including permanent, fixed term or casual employees, trainees, students, volunteers, researchers, participants of work

experience, contractors for service (including all visiting health professionals and agency staff) and persons delivering training or education

- Contracted Health Entities, any external party involved in providing goods and services, with or without receipt of payment.

The Plan must align to the minimum acceptable compliance and guidance provisions as defined in the *Fraud and Corruption Control Australian Standard AS8001-2008*. As a minimum, the Plan must document the Health Service Provider's strategies and/or activities designed to:

- Identify and manage fraud and corruption risks with an appropriate governance structure.
- Establish fraud and corruption controls, which include strategies, implementation, monitoring and continuous improvement across the areas of:

- 1. Prevention of fraud and corruption**

- 2. Detection of fraud and corruption**

- 3. Response to allegations or the identification of fraud and corruption**

Health Service Providers must include processes for internal reporting of suspected Fraud and Corruption and for meeting external reporting requirements.

Health Service Provider's Plan must include strategies for promoting a culture of reporting and to enable Staff Members, Contracted Health Entities, any external party involved in providing goods and services, with or without receipt of payment, consumers and community, to raise concerns of suspected fraud or corruption.

The *Fraud and Corruption Control Guide* and *Fraud and Corruption Control Plan Template* provide guidance and supporting information regarding fraud and corruption prevention, detection and response.

4. Compliance monitoring

Health Service Providers are responsible for complying with this Policy.

The System Manager may:

- request from a Health Service Provider, their Fraud and Corruption Plan for the purpose of auditing/evaluating the governance structure and content of the Plan against the *Fraud and Corruption Control Australian Standard AS8001-2008*
- request and consider additional data to determine effectiveness of the Plan.

5. Related documents

The following documents are mandatory pursuant to this Policy:

- Nil.

6. Supporting information

The following information is not mandatory but informs and/or supports the implementation of this Policy:

- [Fraud and Corruption Control Guide](#)
- [Fraud and Corruption Control Plan Template](#)

7. Definitions

The following definitions are relevant to this Policy.

Term	Definition
Contracted Health Entities	The <i>Health Services Act 2016</i> , section 6, defines a contracted health entity as a non-government entity that provides health services, goods and support services under a contract or other agreement entered into with the Director General on behalf of the State, a health service provider or the Minister.
Corruption	<p>Corruption is defined by Australian Standard AS8001-2008 as: “<i>Dishonest activity in which a director, executive, manager, employee or contractor of an entity acts contrary to the interests of the entity and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity</i>”.</p> <p>Corruption is any conduct that is improper, immoral or fraudulent and may, under certain circumstances, include (but not limited to):</p> <ul style="list-style-type: none">• serious conflict of interest• dishonestly using influence• blackmail• manipulation of procurement process• acceptance of gifts and hospitality• acceptance of a bribe• misuse of information systems, internet or email• unauthorised release of confidential, private information or intellectual property. <p>Corruption is a serious criminal offence, punishable by a term of imprisonment and is defined within Chapters XII and XIII of the <i>Criminal Code</i> of Western Australia.</p>
Fraud	<p>Fraud is defined by Australian Standard AS8001-2008 as: “<i>Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity</i>”.</p> <p>Fraud includes any practice that involves deceit or other dishonest means by which a benefit is obtained. The</p>

	<p>benefits may be obtained by:</p> <ul style="list-style-type: none"> • Staff Members (known as ‘internal’ or ‘workplace’ fraud). • Persons external to the Health Service Providers, either with or without assistance from departmental Staff Members (known as ‘external’ or ‘customer’ or ‘client’ fraud). <p>Fraud can take many forms, examples of situations which, in certain circumstances, may include fraud are:</p> <ul style="list-style-type: none"> • theft or obtaining property, financial advantage or any other benefit by deception • unauthorised use of credit / purchasing card • false timesheets, sick or annual leave claims • providing false or misleading information, or failing to provide information where there is an obligation to do so • causing a loss, or avoiding or creating a liability by deception • making, using or possessing forged or falsified documents • unlawful use of computer systems, vehicles, telephones and other property or services • manipulating expenses or salaries. <p>Fraud is a serious criminal offence, punishable by a term of imprisonment and is defined within section 409 of the <i>Criminal Code</i> of Western Australia.</p>
<p>Fraud and Corruption Control Plan</p>	<p>A Fraud and Corruption Control Plan is defined by Australian Standard AS8001-2008 as: “<i>A document summarizing an entity’s anti-fraud and anti-corruption strategies</i>”.</p>
<p>Integrity</p>	<p>For the purpose of this Policy, Integrity refers to the expected standards of conduct of staff which reflect honesty, accountability, transparency, impartiality, and acting with care and diligence.</p> <p>For the purposes of the Integrity Policy Framework, Integrity governance is the formal arrangements by which an organisation establishes, monitors and evaluates structures, systems and processes to promote a culture of integrity, and appropriately respond to issues. The Integrity governance structures include mechanisms to escalate risks to the peak governance body of the organisation for review and action.</p>
<p>Misconduct</p>	<p>Serious and Minor Misconduct are defined within section 4 of the <i>Corruption, Crime and Misconduct Act 2003 (CCM Act)</i>.</p>

	<p>Serious Misconduct occurs when a public officer:</p> <ul style="list-style-type: none"> • acts corruptly or corruptly fails to act in the course of their duties; or • corruptly takes advantage of their position for the benefit or detriment of any person; or • commits an offence which carries a penalty of two or more year’s imprisonment. <p>Minor Misconduct occurs when a public officer engages in conduct that:</p> <ul style="list-style-type: none"> • adversely affects, or could adversely affect, directly or indirectly, the honest or impartial performance of the 3 functions of a public authority or public officer, whether or not the public officer was acting in their public officer capacity at the time of engaging in the conduct; or • constitutes or involves the performance of his or her functions in a manner that is not honest or impartial; or • constitutes or involves a breach of trust placed in the public officer by reason of his or her office or employment as a public officer; or • involves the misuse of information or material that the public officer has acquired in connection with his or her functions as a public officer, whether the misuse is for the benefit of the public officer or the benefit or detriment of another person and constitutes, or could constitute; and • a disciplinary offence providing reasonable grounds for termination of a person’s office or employment as a public service officer under the <i>Public Sector Management Act 1994</i> (whether or not the public officer to whom the allegation relates is a public service officer or is a person whose office or employment could be terminated on the grounds of such conduct). <p>An act of Misconduct means acts or behaviours that are unacceptable to the Employing Authority may include, but is not limited to:</p> <ul style="list-style-type: none"> • Disobeying or disregarding a lawful order or reasonable direction • Contravening the HSA or a policy framework • Contravening any legislative requirement, Public Sector Standard in Human Resource Management, Code of Ethics, WA health system Code of Conduct.
Staff Member	Staff Member of a Health Service Provider as defined by <i>Health Services Act 2016</i> , means-

	<p>a) an employee in the health service provider; b) a person engaged under a contract for services by the health service provider;</p> <p>Staff Member includes trainees, students, researchers participants in work experiences, contractors for services (including all visiting health professionals and agency staff), persons delivering training or education.</p>
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8. Policy contact

Enquiries relating to this Policy may be directed to:

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9. Document control

Version	Published date	Effective from	Review date	Effective to	Amendment (s)
MP0105/19	27 March 2019	27 March 2019	27 March 2022	5 August 2021	Original version
MP0105/19 v1.1	5 August 2021	5 August 2021	27 March 2022	Current	Minor Amendment to address broken hyperlink in Supporting Information in Section 5 and corrected email in Section 8.

10. Approval

Approval by	Dr David Russell-Weisz, Director General, Department of Health
Approval date	31 January 2019

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