Policy # QH-POL-295:2012

Fraud Control Policy

Policy Statement
Queensland Health has zero tolerance for corrupt conduct, fraudulent activities or maladministration. This is supported by a hierarchy of governance and controls which will continue to build an ethical organisational culture.

Intent of this policy
The intent of this policy is to ensure:
- There is commitment to an ethical organisational culture from the executive management
- A system of prevention and detection strategies are in place for all instances (both internal and external) of corrupt conduct, fraudulent activities and maladministration
- All staff are supported through reporting and complaints management processes
- Governance and responsibilities for fraud control are clear.

Scope
This policy applies to all staff within the Queensland Health corporate divisions and the commercialised business units (including contractors and consultants).

Principles
The principles outlined in the Code of Conduct for the Queensland Public Service guide the implementation of fraud control measures within Queensland Health:
- Integrity and impartiality
- Promoting the public good
- Commitment to the system of government
- Accountability and transparency.

Legislative or other Authority
This policy is consistent with the fraud and corruption control provisions contained within the following publications:
- Crime and Misconduct Act 2001
- Criminal Code Act 1899
- Financial Accountability Act 2009
- Financial and Performance Management Standard 2009
- Hospital and Health Boards Act 2011
- Public Interest Disclosure Act 2010
- Public Sector Ethics Act 1994
Related policy or documents

- Code of Conduct – Workplace Ethics, Conduct and Behaviour HR Policy E1 (QH-POL-113)
- Criminal History Checking HR Policy B40 (QH-POL-122)
- Discipline HR Policy E10 (QH-POL-124)
- Facing the Facts (CMC)
- Financial Management Practice Manual (FMPM)
- Integrated Risk Management Policy (QH-POL-070)
- Procurement Policy (QH-POL-044:2009)
- Public Interest Disclosures HR Policy I5 (QH-POL-202)
- Requirements for Reporting Official Misconduct HR Policy E9 (QH-POL-218)

Supporting documents

Roles, responsibilities and guidance for all staff are outlined in:

  (This Implementation Standard stipulates the roles and responsibilities of executives and the minimum mandatory requirements of all staff in relation to preventing, detecting and responding to suspected fraud and corruption within Queensland Health)

- Queensland Health The Guide to Fraud and Corruption Control (The Plan)
  (This Guide provides additional guidance to support compliance with the Implementation Standard including detailing how fraud control activities can be integrated into the work of all business areas within Queensland Health)

Review

This policy will be reviewed at least every two years but a review can be triggered at any time by changes in the policy environment.
**Approval and Implementation**

**Policy Custodian**
Chief Governance Officer, Governance Branch, System Support Services Division

**Responsible Executive Team Member:**
Deputy Director-General, System Support Services Division

**Approving Officer:**
Director-General, Queensland Health

**Approval Date:** 4 December 2012

**Effective from:** 4 December 2012

**Definition of Terms used in this policy and supporting documents**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition / Explanation / Details</th>
<th>Source</th>
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<tbody>
<tr>
<td>Collusion</td>
<td>Secret or illegal cooperation or conspiracy in order to deceive others; Law collusion between ostensible opponents in a lawsuit.</td>
<td>Oxford Dictionary</td>
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<td>Corruption</td>
<td>A Criminal Offence defined in the Criminal Code Act 1899 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 himself or herself or for another person or entity. For example: an officer who accepts a gift from a company in return for favourable treatment when awarding a contract.</td>
<td>CH.13 Criminal Code Act 1899 Australian Standard ‘Fraud and Corruption Control’ (AS8001-2008)</td>
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<td>Formal Investigation</td>
<td>An authorised, focused and detailed examination or inquiry, for which an investigator(s) is formally appointed to uncover facts and determine the truth of an allegation. This may include collecting, processing,</td>
<td>(CMC Facing the Facts, 2007)</td>
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<td>Analysing, storing, and evaluating the information and proving findings and recommendations.</td>
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<td>Fraud</td>
<td>A Criminal Offence defined in the Criminal Code Act 1899 S. 408 C</td>
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<td>Fraud (continued)</td>
<td>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. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit. <em>For example: false claims on a CV, using a cab voucher for personal travel, falsely making a claim on a timesheet, false invoicing, unauthorised use of credit cards, theft of intellectual property or other confidential information, falsifying time-sheets to claim overtime not worked.</em></td>
<td>Australian Standard ‘Fraud and Corruption Control’ (AS8001-2008)</td>
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<td>Maladministration</td>
<td>An administrative action that— (a) was taken contrary to law; or (b) was unreasonable, unjust, oppressive, or improperly discriminatory; or (c) was in accordance with a rule of law or a provision of an Act or a practice that is or may be unreasonable, unjust, oppressive, or improperly discriminatory in the particular circumstances; or (d) was taken— (i) for an improper purpose; or (ii) on irrelevant grounds; or (iii) having regard to irrelevant considerations; or (e) was an action for which reasons should have been given, but were not given; or (f) was based wholly or partly on a mistake of law or fact; or (g) was wrong</td>
<td>Public Interest Disclosure Act 2010</td>
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<td>Natural Justice</td>
<td>Natural justice is an administrative law principle that provides for fairness in decision-making. It is concerned with ensuring that an objective decision maker reaches a procedurally fair decision. Natural justice has two rules: - Rule against bias: decision-makers are to be objective, free of bias, and have no personal interest in the matter being decided. - Hearing rule: an individual is to be informed of the substance of an allegation/s against them and have the opportunity to present their case prior to a decision being made.</td>
<td>Public Service Commission: Discipline Guidelines 2009</td>
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<td>Official Misconduct</td>
<td>Any conduct in connection with the performance of a public official’s duties that is dishonest or lacks impartiality; or involves a breach of trust; or is a misuse of officially obtained information. The conduct must be a criminal offence or a disciplinary breach serious enough to justify dismissal. Fraud perpetrated by an employee falls within the definition of ‘official misconduct’</td>
<td>Crime and Misconduct Act 2001</td>
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<td>Public interest disclosure (PID)</td>
<td>A public interest disclosure is a disclosure under Chapter 11 of the Public Interest Disclosure Act and includes all information and help given by the discloser to a proper authority for the disclosure.</td>
<td>Public Interest Disclosure Act 2010</td>
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<td>Staff/Employees (including contractors and consultants)</td>
<td>For the purposes of this policy the term ‘staff’ refers to all Queensland Health employees, and all individuals acting as its agents.</td>
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<td>System Manager</td>
<td>System Manager means the Department of Health (or Queensland Health), acting through the Chief Executive. The HHBA (s8 (2)) also states “the overall management of the public sector health system is the responsibility of the department, through the chief executive (the system manager role).”</td>
<td>HHS Service Agreements: Definitions</td>
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| Stealing / Theft                           | Theft is dealt with under Sections 391 of the Criminal Code  

For example: an employee steals a laptop belonging to Queensland Health without consent and with the intention of not returning the laptop.  

|                                                                         | Criminal Code Act 1899                                                                                                                                   | S. 391                                      |