



# Strategic Risks (3)

- *The community has ownership, confidence and pride in the National Disability Insurance Scheme and the National Disability Insurance Agency*
  11. Stakeholders perceive that the Scheme has failed to meet the needs of people with disability and/or is too costly
  12. Sufficient competent providers fail to emerge to meet the new and expanded demand for services
  13. Sufficient qualified provider staff fail to emerge to meet the new and expanded demand for services
  14. The Agency fails to meet its reporting obligations to Governments and the Commonwealth Parliament
  15. The Agency fails to establish an organisational culture and management systems that foster accountability and continuous learning
  16. The Agency fails to attract and retain sufficient talented leaders and staff to meet the challenges of start-up and/or full scheme rollout



# Progress

- Strategy
- Strategic risks
- Framework
- Risk Management Manual
- Intranet site
- Risk Management Champions
- Business Planning processes



# Your role

- Be familiar with the Agency's risk management strategy and policy;
- Alert managers to the presence of risks and participate in their management; and
- Use the tools available to identify and manage risks in the workplace
- Give us feedback



# Fraud Control

National  
**disabilityinsurance**  
Agency

“Dishonestly obtaining a benefit, or causing a loss, by deception or other means”



# Fraud against the Commonwealth

Includes (but is not limited to):

- Theft
- Accounting fraud (false invoices, misappropriations etc.)
- Unlawful use of, or unlawfully obtaining, property, equipment, material or services
- Causing a loss, or avoiding and/or creating a liability
- Providing false or misleading information to the Commonwealth, or failing to provide it when there is an obligation to do so
- Misuse of Commonwealth assets, equipment or facilities
- Making or using false, forged or falsified documents
- Wrongfully using Commonwealth information or intellectual property
- Bribery, corruption or abuse of office



# Fraud and Error

- Fraud is a criminal offence
- Fraud is based on deception
- **An error is not fraud**
- If you make a mistake
  - Tell your supervisor about the error
  - Follow it up with an email
  - Keep a record of the email



# Agency's Approach to Fraud Control

- Fraud Control Framework & Plan
- APS Values and Code of Conduct
- Fraud Policy Statement
- Fraud Awareness Education
- Financial rules
- Governance arrangements
  - Prevention and detection strategies



# Internal Fraud

- Involves staff
- Examples:
  - Falsifying a medical certificate or statutory declaration
  - Cheating on a flex sheet
  - Unauthorised disclosure of information
  - Claiming travel allowance you are not entitled to
  - Failing to record, or incorrect recording of, leave
  - Misuse of Cabcharge vouchers
  - Use of the Corporate credit card for personal gain





## ... and more

- Using office printers for non-work related printing
- Internet – unreasonable personal use of internet, including emails and communicator/Lync
- Failing to secure portable assets such as TVs during relocation/renovations
- Personal use of pool vehicles/fuel cards
- Stealing laptops/phones/GPS devices



# False information

- Providing false information includes:
  - Backdating and post signing of records
  - Altering funding agreements/contracts etc. after the event
  - Submitting information in reports, acquittals, returns etc. that the author knew did or did not happen, and is untrue



# Internal Fraud - Penalties

- Internal fraud can result in criminal prosecution, and/or investigation under the APS Code of Conduct.
- Penalties can include:
  - Dismissal
  - Demotion
  - Loss of Commonwealth contributed superannuation
  - Criminal conviction
  - Imprisonment



# Corruption & Collusion

- How can it happen?
  - Internal/external collusion – if a staff member colludes with an external supplier to procure goods/services to get a personal benefit
  - “kick-backs” – payments made by service provider organisations to their employees/executive using Commonwealth funding
  - Acceptance of gifts/hospitality over specified amounts



# Conflict of Interest

- A conflict of interest occurs when an employee is influenced, or may be perceived to be influenced, by personal interests when conducting his/her official duties
- If you have a conflict of interest, or are unsure, talk to your manager



# External Fraud

- Fraud by participants
- Fraud by providers



# External fraud – some examples

- Examples include:
  - Community organisations receiving funds from the Agency and fraudulently misusing the money
  - Providing false or misleading financial information/reports to the Agency
  - Overcharging the Commonwealth for services
  - Submitting false invoices
  - Misuse of assets (including unauthorised acquisition or disposal)
  - Submitting audit reports that are not independent or are inaccurate



# Things to watch out for

- Things to watch out for:
  - Breaches to funding agreement/grants guidelines
  - Delays in providing reports or answering communications
  - Failure to submit reports required
  - Lack of records for invoices and purchase orders
  - Conflicts of interest in the Board/CEO
  - Complaints from ex-staff or clients
  - Poor internal controls and lack of policies in organisations
  - High staff turnover
  - Poor governance – no separation of duties, one person performing multiple roles





# External fraud - penalties

- Penalties and sanctions may include:
  - Criminal conviction
  - Imprisonment
  - Fine
  - Repayment of monies
  - Confiscation of assets



# Your role

- You can report any suspected fraudulent or unethical behaviour to your immediate supervisor or the NDIA Fraud Manager s22(1)(a)(ii) - irrelevant material
- You can provide information about suspected fraudulent or unethical behaviour impacting NDIA or the Scheme by email to s22(1)(a)(ii) - irrelevant material or by calling 1800 650 717. Information may be provided anonymously.



# What not to do

- **DO NOT**
  - Attempt to investigate the fraud yourself
  - Alert the suspect
  - Mark or unnecessarily handle documents or material – keep in original condition
  - Discuss the matter with anyone, including colleagues, other than for appropriate reporting purposes



# Contacts

- Helen McKenna – (02) 6146 3464
- s22(1)(a)(ii) - irrelevant material
- [Redacted]
- [Redacted]