

FRAUD POLICY

1. Purpose

The Human Services Skills Organisation (HSSO) is committed to establishing and maintaining an organisational culture that will ensure effective Fraud and Corruption prevention is an integral part of its day-to-day operations.

The purpose of this policy is to clearly define what constitutes fraud and corruption and provides procedures in relation to the reporting and implementation of controls to minimise the risk of fraud and corruption.

2. Audience

This policy applies to the HSSO's:

- Board
- Chief Executive Officer
- Employees
- Contractors
- Suppliers
- Consultants

3. Policy

3.1 HSSO Commitment

The HSSO is committed to maintaining a robust culture of integrity and ethical behaviour. The HSSO will not tolerate Fraud or Corruption within any part of the organisation. Any Fraud or corruption that is detected may be reported to the relevant law enforcement agency where the alleged offence has occurred.

Conduct involving Fraud and Corruption may attract significant penalties to the HSSO, its directors and officers. Such conduct will invariably be a breach of the HSSO Code of Conduct for which there are disciplinary measures and may also result in criminal prosecution.

In addition, actual or alleged Fraud and Corruption may have serious reputational damage to the HSSO and its employees.

This policy should be read in conjunction with the *HSSO Code of Conduct (PL.500.102)* and the *HSSO Whistleblower Policy (PL.100.104)*.

4. Fraud

4.1 Definition of Fraud

Fraud refers to a dishonest activity that leads to obtaining an unfair or unlawful benefit or financial advantage to any person or entity.

Examples of fraud include but are not limited to:

- theft of moneys or other property by HSSO employees,
- false invoicing (i.e. creating a fictitious invoice claiming payment for goods or services not delivered or exaggerating the value of goods delivered or services provided),
- false accounting / accounts receivable fraud (misappropriation or misdirection of remittances received by an entity from a debtor),

- credit card fraud involving the unauthorised use of a credit card or credit card number issued to another person,
- deliberate falsification, concealment, destruction, or use of falsified documentation used or intended for use for a normal business purpose,
- improper use of information or position for personal benefit, or
- misuse of position in order to gain some form of financial advantage.

4.2 Key principles - Fraud

HSSO employees are expected to conduct themselves with integrity and comply with all HSSO policies and procedures addressing the handling of goods, financial accounts, payments, and information with respect to record keeping, including the *HSSO Code of Conduct (PL.500.102)*.

5. Corruption

5.1 Definition of Corruption


Corruption refers to a dishonest activity in which HSSO employees or external parties abuse their position of trust in order to achieve some personal or business gain or advantage for themselves or another person or entity.

Examples of corruption include but are not limited to:

- offer, payment, solicitation, or receipt of secret commissions / bribes, which may be paid in money or in some other form of value and which may relate to a specific decision or action by the receiver or generally,
- release of confidential information for other than a proper business purpose in exchange for some form of non-financial benefit or advantage requiring HSSO employees to release the information,
- collusive tendering (the act of multiple tenderers for a particular contract colluding in preparation of their bids),
- payment or solicitation of donations for an improper political purpose,
- serious conflict of interest involving a senior manager, member of the executive management team, or a director of the HSSO acting in their own self-interest rather than the interests of the HSSO,
- serious nepotism and cronyism where the appointee is inadequately qualified to perform the role to which they have been appointed,
- manipulation of the procurement process by selectively providing information to some bidders and not to others,
- receipt or the making of gifts or entertainment intended to achieve a specific or generic commercial outcome,
- causing, contributing to, or being directly linked to modern slavery (defined broadly as all forms of human trafficking, forced labour and slavery-like practices), which can be closely linked to corruption or fraud,
- bribing government officials (locally or in foreign jurisdictions) for any reason, including in order to secure a contract for the supply of goods or services, or
- the provision of or receipt of private sector to private sector secret commissions or kickbacks to secure contracts.

5.2 Key principles - Corruption

- HSSO employees should never give or accept bribes (regardless of its value) to persuade someone to act in the HSSO's favour, their personal favour or for the benefit of a third party, including family or friends.
- The HSSO should never make facilitation payments (i.e. unofficial minor payments to secure or speed up a routine government action) regardless of whether such payments are considered routine or customary.

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- The payment, or attempted payment, of a bribe to any government official will not be tolerated under any circumstance.
 - HSSO employees may engage with governments, regulators, and industry associations across the world in the ordinary course of the HSSO's activities, however they should not offer or accept gifts, or entertainment to or from any government employee or public official.
 - If HSSO employees are offered a bribe or witness any other corrupt practice, it is expected that they decline the offer and report the matter in accordance with the reporting protocol set out in this Policy.

6. HSSO employee responsibility

All HSSO employees are responsible for promoting a Corruption and Fraud free working environment.

6.1 Compliance with this Policy

Compliance with this Policy is mandatory including when dealing with:

- commercial third parties such as suppliers, vendors, agents, consultants, and contractors; and
- government public officials at the local, state and federal level.

The term "public official" is broadly defined under anti-bribery and corruption laws, and can include individuals who perform work for governments or government owned enterprises.

Any breach of this Policy by HSSO employees may have serious consequences for all parties involved including disciplinary action, termination of employment, and/or criminal prosecution.

6.2 Education and Training

It is the aim of the HSSO that all employees are aware of and understand this Policy and the importance of preventing Fraud and Corruption within the HSSO.

All HSSO employees must participate in Fraud and Corruption training as part of the HSSO's annual compliance training program and their ongoing employment with the HSSO. Training and delivery materials will be reviewed annually by the HSSO with the training focused on compliance with relevant laws and relevance to the HSSO's business.

6.3 Dealing with Third Parties

Where the HSSO engages with third parties, the level of due diligence undertaken should be appropriate to the Fraud and Corruption risks connected to the particular relationship or situation. This may include measures such as conducting direct and indirect enquiries, background research, requesting details from a third party on the background, researching the expertise and experience of relevant individuals, and seeking to verify the information received through independent research and by contacting referees.

6.4 Obligation to Report

All HSSO employees have an obligation to report any alleged incident(s) of Corruption or Fraud in the manner set out in this Policy.

7. Fraud and Corruption Control and Risk Management

7.1 Fraud and Corruption Control


The Board Secretary oversees the HSSO's Fraud and Corruption Risk Management.

7.2 External Assistance regarding Fraud and Corruption

The HSSO is committed to providing sufficient resources to mitigate the risk of Fraud and Corruption occurring. The HSSO may obtain external assistance and legal advice in respect of the HSSO's Fraud and Corruption risk management practices, where required (including advising on issues relevant to the ongoing risk management of Fraud and Corruption or with investigations of specific incidents of Fraud or Corruption).

7.3 Program for Fraud and Corruption Risk Management

The Board Secretary under the supervision of the Chief Executive Officer, is responsible for developing and maintaining the HSSO's Fraud and Corruption Risk Management Plan and Program.



An assessment of Fraud and Corruption risks will be conducted, at least, on a biennial basis. As part of this assessment, Fraud and Corruption risks will be rated according to the level of risk. Actions to be taken from this assessment will be reflected in the Fraud and Corruption Risk Management Plan and Program.

7.4 Implementation of Fraud and Corruption Risk Management Plan and Program

The organisation is responsible for the implementation of this Policy and the Fraud and Corruption Risk Management Plan and Program.

7.5 Ongoing review of Fraud and Corruption Risk Management Plan and Program

The Fraud and Corruption Risk Management Plan will be reviewed on an ongoing basis and should be formally reviewed at least once every 12 months, as part of the annual assessment of the HSSO's operational and strategic risks.

Regular internal audits of aspects of the Fraud and Corruption Risk Management Plan and Program will be undertaken and overseen by the Chief Executive Officer and the Board Secretary, to ensure ongoing compliance and effectiveness of the Fraud and Corruption Risk Management Plan and Program.

8. Procedures for reporting fraud and corruption

8.1 Reporting

All HSSO employees have an obligation to report incidents of Fraud and Corruption. All reports of Fraud or Corruption should be made to the Board Secretary. This can be done in person, in writing or by email. All reports will be kept confidential.

HSSO employees can also use the reporting mechanisms contained in the *HSSO Whistleblower Policy (PL.100.104)*.

8.2 Protection of HSSO Employees Reporting Suspected Fraud or Corruption

As set out in 3.1, this Policy is to be read in conjunction with the *HSSO Whistleblower Policy (PL.100.104)*. The Whistleblower Policy outlines certain legal protections that may apply to HSSO employees.

8.3 Reports to regulatory agencies

Following appropriate internal investigations into allegations of Fraud or Corruption (as described in this Policy), confirmed incidents of Fraud or Corruption may be reported to the relevant law enforcement agency.

8.4 Recovery of the Proceeds

The HSSO may take steps to recover the amount of the loss as a result of Fraud or Corruption from any perpetrator(s) through civil recovery proceedings.

9. Procedures for fraud investigation

9.1 Internal Investigations

The HSSO Whistleblower Policy sets out principles and processes by which incidents reported under that Policy will be investigated and acted on, including incidents of Fraud or Corruption. Where incidents of Fraud or Corruption are reported pursuant to this policy but do not fall within the scope of the HSSO Whistleblower Policy, similar principles and processes will be applied to the extent appropriate in the circumstances.

Reports of Fraud or Corruption involving suppliers will also be reviewed for potential links to modern slavery.

9.2 External Investigative Resources

The HSSO will engage external resources as considered necessary to be able to conduct the investigation.

10. Document history and contact details

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1



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TBD	Drafting of new policy	Board Secretary	1.1

Contact details:

Owner:	HSSO Board
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