Australian Government
Department of Social Services

Department of Social Services Fraud and Corruption Control Plan

2026-2028

Acknowledgement of Country

The department acknowledges the Traditional Owners and Custodians of Country throughout Australia and acknowledges their continuing connection to land, waters and community. We pay our respects to the Elders both past and present.

Contents

Version	Date Approved	Comments
1.0	07/07/2026	Approved by Secretary Michael Lye

Secretary's statement

The Department of Social Services (the department) 2026-28 Fraud and Corruption Control Plan (the Plan) sets out how we protect the integrity of our programs and the public resources entrusted to us.

The Plan supports our purpose to improve the economic and social wellbeing of individuals, families and vulnerable members of Australian communities. Maintaining trust in our systems is essential to achieving this purpose and to delivering outcomes that are fair, effective and sustainable.

The Plan outlines our whole-of-department approach to managing fraud and corruption risk. It clarifies roles, responsibilities and obligations, and describes how we prevent, detect and respond to fraud and corruption incidents and risks.

Our approach is grounded in integrity, stewardship and delivering outcomes for Australians, aligned to the department's Impact Strategy, Capability Review Action Plan, and Integrity Strategy, and supported by the 4Cs - courage, curiosity, contestability and collaboration, which guide how we work together.

We are focused on building a mature, risk-informed control environment. This includes strengthening program design, improving controls and assurance, and lifting capability through better use of data, intelligence and governance. It enables us to identify emerging risks early and take timely, proportionate action where issues arise.

We apply a range of responses spanning prevention, early intervention, compliance, investigation and referral, tailored to the nature and seriousness of the matter. This ensures we act decisively while also supporting continuous improvement in the design and delivery of our programs.

Fraud and corruption control is a shared responsibility. It relies on sound judgement, accountability and a consistent commitment to the APS Values and Code of Conduct. The effectiveness of this Plan depends on how it is applied in practice, every day, across the department.

Through this Plan, we strengthen our capability, enhance assurance and reinforce our role as stewards of public trust, ensuring we continue to deliver for Australians.

Purpose

The department takes allegations of fraud and corruption seriously and takes all reasonable measures to prevent, detect and respond to fraud and corruption incidents.

The department's Fraud and Corruption Control Plan 2026-2028 (the Plan) outlines the approach the department will take to manage fraud and corruption. It documents how the department meets its Commonwealth Fraud and Corruption Control Framework 2024 (the Framework) obligations under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The Framework consists of three parts:

Section 10 of the PGPA Rule (Fraud and Corruption Rule)	The Commonwealth Fraud and Corruption Policy	Resource Management Guidance (RMG) 201 – Preventing, detecting and dealing with fraud and corruption
Legislative instrument for all PGPA Act entities. It requires Commonwealth entities to take all reasonable measures to prevent, detect and respond to fraud and corruption.	Whole of Government Policy which is binding for all Non-Corporate Entities (NCEs). It sets out mandatory procedural requirements that must be implemented for fraud and corruption control.	Provides entities practical guidance on how to meet the fraud and corruption control requirements.

Fraud and corruption landscape

The department operates in a fraud and corruption risk environment shaped by its role as a policy agency and administrator of public funds through grant programs, schemes and contractual arrangements. Service delivery is largely delivered through third-party organisations. This approach raises fraud and corruption risks such as misuse of public resources, false or misleading information, conflicts of interest and improper influence in decision making. These risks require proportionate and well-designed controls to support ethical conduct and the proper use of Commonwealth resources.

The department operates within the Commonwealth Integrity Framework and is subject to the jurisdiction of the National Anti-Corruption Commission (NACC). In accordance with the *National Anti-Corruption Commission Act 2022*, the department meets its mandatory reporting obligations and maintains internal escalation arrangements to identify and refer matters that may meet the threshold of serious or systemic corruption. These arrangements support timely detection and response to corruption risks and reinforce accountability across the department.

Fraud and corruption risks associated with third-party delivery arrangements are a significant feature of the department's operating environment. Grant agreements and contracts require service providers to meet Commonwealth legislative standards of integrity and accountability, including obligations to prevent, detect and report suspected fraud and corruption relating to departmental funding. For the purposes of the *National Anti-Corruption Commission Act 2022*, staff of third-party service providers are regarded as staff of the contracting entity when performing functions on behalf of the

department, extending the NACC's jurisdiction to alleged corruption involving those staff. Effective prevention and detection therefore depend on embedding clear expectations, assurance activities and reporting mechanisms across external delivery partners.

The department's fraud and corruption risks evolve with changes in program design, funding models and delivery mechanisms. In response, the department applies a structured approach across prevention, detection and response that is informed by ongoing risk assessment, monitoring and assurance. This approach supports the protection of public resources, compliance with legislative and policy requirements, and the maintenance of public confidence in the integrity of the department's activities.

Department of Social Services' Fraud and Corruption Control System

The Department of Social Services' Fraud and Corruption Control System is comprised of five related parts:

Fraud and Corruption Control Plan 2026-28:

Outlines the department's commitment to managing and responding to fraud and corruption risks.

Fraud and Corruption Policy:

Outlines fraud and corruption governance arrangements and further detail on key roles and responsibilities of relevant officials and committees, fraud and corruption risk management processes, as well as guidance on how to report fraud and corruption.

Secretary's Instruction 1.3 Fraud and Corruption Control:

Provides direction in relation to fraud and corruption reporting, risk management and control.

Strategic Fraud and Corruption Risk Profiling:

Strategic fraud and corruption risk profiling provides enterprise-level oversight of fraud and corruption risks across programs and corporate areas. It identifies vulnerable areas with medium or higher risk requiring targeted assessments, supporting proportionate and active risk management.

Targeted Fraud and Corruption Risk Assessments:

Targeted risk assessments for corporate functions, grant programs and schemes that have a higher level of complexity and fraud and corruption exposure that requires additional risk management.

These five components fit within a broader system of governance, risk management, guidance and controls in place in the department. The diagram and explanatory notes below outline the authorising, directive and enabling elements that make up this system and support compliance with a range of legislative requirements. Furter information on associated legislation and polices is listed at the end of this document.

DSS Fraud and Corruption Control Environment Overview

Authorising elements – the higher-level legislative instruments that set mandatory requirements for department staff to follow:

- Public Governance, Performance and Accountability Act 2013/Rule 2014
- Financial Framework (Supplementary Powers) Act 1997 and Regulations
- Commonwealth Fraud and Corruption Control Framework 2024
- Commonwealth Grants Rules and Principles 2024
- Commonwealth grants and procurement connected policies
- National Anti-Corruption Commission Act 2022.

Directive elements – policies that provide direction to staff on how the mandatory requirements are implemented into departmental process, and what is required of staff to comply with requirements:

- Secretary's Instructions
- DSS Corporate Plan
- DSS Fraud and Corruption Plan and Fraud and Corruption Policy
- DSS Corporate Policies
- DSS Risk Management Framework
- Secretary's 4Cs
- Funding Agreement Obligations for Third Party Providers.

Enabling elements – the supporting tools, capability, processes and procedures and departmental culture that enables staff to comply with their obligations:

- Governance and reporting
- Staff capability and DSS culture
- Leadership and accountability
- Grant program and scheme operating procedures
- Stakeholder awareness of fraud and corruption posture
- Training and continuous learning
- Evaluation and Continuous Improvement
- Fraud and corruption case management
- Fraud and Corruption Risk Assessments
- Internal audit and assurance activities
- IT systems and record-keeping.

Definitions

Fraud is defined in the Commonwealth Fraud and Corruption Control Framework 2024 as:

Dishonestly obtaining (including attempting to obtain) a gain or benefit, or causing a loss or risk of loss, by deception or other means.

All fraud requires intent. Fraud can be committed internally by department staff (including labour hire, contractors) or externally by members of the public, funded third party service providers or program applicants or participants.

Fraud can include:

- Theft or misuse of Commonwealth information, intellectual property or confidential information (including funding proposals, procurement information, personal records).
- Misuse of Commonwealth program funding and grants.
- Misuse of Commonwealth resources, including unlawful use of, or unlawful obtaining of, property, equipment, material or service.
- Misuse of entitlements (e.g. expenses, leave, travel allowances or attendance records, including abuse of time off in lieu).
- Misuse of facilities (e.g. unauthorised use of information technology, mobile devices and telecommunications systems).
- Financial or accounting fraud (e.g. unauthorised use of credit cards, false invoices, misappropriation).
- Causing a loss, or avoiding and/or creating a liability.
- Providing false or misleading information to the Commonwealth, or failing to provide information where there is an obligation to do so.
- Making or using false, forged, or falsified documents. This includes submitting forged documents as part of applications for grant payments or schemes.
- Hijacking, intercepting or taking-over a payment, application or identity.

Corruption in the Framework is defined consistently with the *National Anti-Corruption Commission Act 2022 (NACC Act)*, and is:

Any conduct that does or could compromise the integrity, accountability or probity of the public administration

Corruption can include:

- Abuse of official position to obtain a benefit for oneself or another. This includes corrupt actions of third party service provider staff who deliver DSS program activities.
- Collusion between a Commonwealth official and a contractor.
- Bribery (domestic or foreign).
- Obtaining, offering, or soliciting secret commissions, kickbacks, or gratuities.
- One or more individuals manipulating a procurement process for personal gain.
- Nepotism: preferential treatment of family members.
- Cronyism: preferential treatment of friends and associates.
- Acting (or failing to act) on a conflict of interest.
- Unlawful disclosure of official or commercially sensitive information.
- Insider trading: misusing official information to gain an unfair private, commercial or market advantage for self or others.

Fraud and corruption risks

Fraud and corruption risks exist internally and externally across the department, are identified through the Fraud and Corruption Risk Assessment (FaCRA) processes, and managed through the application and assessment of controls, as well as by development and implementation of treatments.

Common risk categories	
Identity	Gaining a benefit or causing of a loss through the use of a false, manipulated or stolen identity.
False or misleading information	Providing false or misleading information, or failing to provide information, to obtain a benefit or cause a loss.
Unauthorised access/disclosure of information	Unauthorised access, manipulation, use or disclosure of information to obtain a benefit or cause a loss.
Corruption	Any conduct that does or could compromise the integrity, accountability or probity of public administration, including bribery, inappropriate acceptance or failure to declare gifts and benefits, favouritism, conflicts of interest and improper influence. Corrupt conduct may not always involve a benefit being gained.
Insider threat	A staff member, contractor or department associate misuses departmental knowledge or processes to receive a benefit or cause a loss. This can include staff of third-party providers misusing their program knowledge or access to obtain a benefit or cause a loss.
Misuse of grant funding	Intentionally using grant, contract or scheme funding outside of purpose of grant agreement/contract, for personal benefit or to cause a loss to the department.
Misuse of assets	Misuse of departmental or funded assets, equipment or property to obtain a benefit or cause a loss.
Hijack of funding or payment	Obtaining a benefit through interception of payment or take-over of application.

All business areas within the department may be vulnerable to fraud and corruption to some degree, including through:

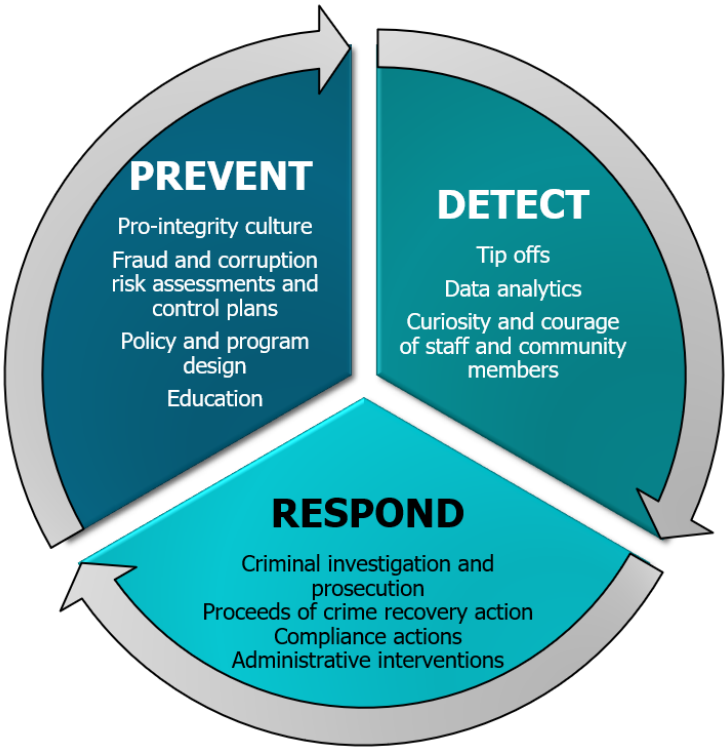
- Delivery and management of grant programs by third party service providers, and schemes administered by the department.
- Procurement and contract management including corporate contracts, labour hire and consulting services.
- Management of assets and property.
- People/HR functions including entitlements, and recruitment.
- Management of ICT systems and information.
- Financial administration including credit card usage, and travel.
- Development of Social Security Policy.

Fraud and corruption control strategies

The department applies a range of strategies to prevent, detect and respond to fraud and corruption. Fraud and corruption control is not a static process – it is a cycle of preventative, detective and responsive activities to mitigate fraud and corruption vulnerabilities and incidents, with a continuous improvement feedback loop to apply lessons learned to strengthen processes.

The diagram below illustrates how the department applies these strategies and the continuous improvement journey as we increase our focus on primordial prevention activities to influence design of programs and processes to strengthen our fraud posture and prevent fraud and corruption from occurring.

Fraud and Corruption Continuous Improvement Cycle



Prevent

Prevention activities focus on three key areas – people (through training and awareness), design (of programs and systems), and process (strengthening controls and treatments to address vulnerabilities). Prevention is the most cost effective and resource efficient method to manage fraud and corruption, and is a key focus of fraud and corruption control activities.

Department prevention activities include:

- Delivering mandatory fraud and corruption training and ongoing awareness for all staff and contractors.
- Requiring pre-employment screening and baseline security clearances where roles require access.
- Providing fraud and corruption risk advice for policy proposals, grants and program design.
- Conducting strategic fraud and corruption risk profiling across policy and corporate functions.
- Undertaking targeted risk assessments and control plans for medium and high risk areas.
- Managing low and medium risks through program risk assessments and grantee risk tools.
- Conducting data driven integrity checks and advise business areas on managing identified risks.
- Applying corporate controls, including separation of duties, system access and conflict of interest management.
- Conducting and participate in internal and ANAO audits to identify control gaps and weaknesses.
- Publishing proactive fraud and corruption awareness messages internally and externally.
- Strengthening grant due diligence by requiring proof of identity and ownership before assessment.
- Sharing information with other agencies to verify provider credentials and compliance.
- Strengthening contracts and funding agreements to clarify obligations and enable early fraud detection.
- Communicating a strong fraud posture to staff, providers and the community.
- Pursuing debt recovery through contractual, civil or proceeds-of-crime mechanisms.
- Publicising prosecution outcomes to reinforce consequences for fraud and corruption.

Detect

There are two types of detection activities undertaken by the department. Active detection is where a business area actively seeks to detect fraud, corruption or non-compliance, generally by data driven detection projects or targeted compliance reviews. Passive detection is where a business area relies on fraud, corruption or non-compliance to be reported, generally through fraud, corruption and non-compliance reporting channels.

Having effective, efficient, and active fraud detection mechanisms in place allows for the department to identify instances of potential fraud earlier than would otherwise be identified. Strong detection measures can also be used as a deterrence tool if appropriately communicated.

Department detection activities include:

- Operating accessible fraud and corruption reporting mechanisms to receive internal and external tip offs.
- Assessment and triage of fraud and corruption allegations to identify credible risks and prioritise action.
- Conducting data driven fraud detection and analytics activities to proactively identify suspected fraud and corruption.
- Collect, analyse, and integrate intelligence from internal and external sources to support detection activities.
- Identifying emerging fraud trends, patterns, and typologies to inform detection strategies.
- Automated alerts and controls within systems to support early fraud detection.
- Production of intelligence insights to inform compliance activity, fraud responses, and program and policy design.
- Undertaking targeted, risk-based compliance monitoring to detect serious non-compliance and fraud.
- Conduct targeted reviews informed by intelligence, analytics, and risk indicators.
- Share intelligence and risk information with partner agencies to support cross-program fraud detection.
- Collaborate with other agencies to identify individuals or entities engaging in fraudulent activity across programs.
- Leverage whole of government intelligence and risk products to strengthen detection capabilities.
- Analyse detection outcomes to identify control weaknesses and inform continuous improvement.
- Review and refine detection methodologies to ensure they remain risk-based, proportionate, and effective.

Respond

Responding decisively to fraud and corruption helps limit the financial impact and feeds back into the fraud and corruption control process. Outcomes of a fraud and corruption response are also utilised to deter others from committing fraud and corruption.

Department response activities include:

- Assessing fraud and corruption allegations to determine whether criminal investigation is warranted.
- Undertaking fraud investigations in accordance with Australian Government Investigations Standards (AGIS) and preparing briefs of evidence for referral to the Commonwealth Director of Public Prosecutions (CDPP).
- Referring fraud and corruption matters to law enforcement, the Fraud Fusion Taskforce, or other relevant agencies to support investigation or enable cross agency action.
- Referring corruption matters to the National Anti-Corruption Commission (NACC) through the department's Integrity Unit in line with mandatory referral obligations, and providing assistance as required.
- Applying alternative response strategies where criminal prosecution is not appropriate, including compliance action, assurance activity, or debt recovery through grants or contractual mechanisms.
- Engaging with Commonwealth fraud and integrity forums to support coordinated whole of government responses to fraud and corruption.
- Communicating investigation and prosecution outcomes internally and externally once matters are finalised.
- Pursuing recovery of fraud or corruption proceeds through restitution orders or proceeds of crime action.
- Using disruption strategies, including targeted messaging, to disrupt and deter ongoing fraudulent behaviour and encourage remediation where appropriate.
- Undertaking concurrent compliance action to support early intervention and prevent escalation while fraud investigations progress.
- Sharing intelligence with partner agencies to support alternative disruption responses, including regulatory action or removal of fraudulent entities from government programs.

Roles and responsibilities

The following table provides an overview of the key roles and responsibilities for departmental officials in relation to fraud and corruption control.

Role	Responsibility
Accountable Authority	Section 10 of the PGPA Rule requires the Secretary as the Accountable Authority to take all reasonable measures to prevent, detect and respond to fraud and corruption relating to the department.
Chief Risk Officer	The Chief Risk Officer is responsible for supporting the Secretary to maintain appropriate systems of risk oversight, management, and internal controls for the department to ensure the Secretary meets their obligations under the PGPA Rule.
Senior Executive Service	The Senior Executive Service are responsible for fostering a culture of high integrity and accountability to assist in preventing, detecting, and responding to fraud and corruption.
All Officials	All officials must comply with Finance law, which includes the *PGPA Act*, the PGPA Rule, any other instruments made under the *PGPA Act*, and any appropriation Acts. Sections 25 to 29 of the *PGPA Act* impose the following duties on all officials: • a duty of care and diligence • a duty to act in honesty, good faith and for a proper purpose • a duty in relation to use of position • a duty in relation to use of information • a duty to disclose interests. All officials are required to act in accordance with: • The Commonwealth Fraud and Corruption Control Framework • The APS Values and Code of Conduct • The Secretary's Instruction 1.3 Fraud and Corruption Control The department's Fraud and Corruption Control Plan and Fraud and Corruption Control Policy
Audit and Assurance Branch	The Audit and Assurance Branch (AAB) has primary responsibility for the department's fraud and corruption control function, working in conjunction with other areas that hold joint responsibilities. AAB also includes officials

Role	Responsibility
	with specific fraud and corruption accountabilities, as set out in Secretary's Instructions 1.3. AAB has four dedicated teams relating to the prevention, detection and response to incidents of suspected fraud and corruption within the department: Fraud Prevention, Fraud Detection, Fraud Assessments, and Fraud Investigations.
Integrity Unit	The Integrity Unit is responsible for ensuring the Secretary meets mandatory referral obligations, as required under Section 33 of the *NACC Act*. This includes referring matters to the NACC on the Secretary's behalf and liaising with the NACC regarding open investigations and requests for information, and providing advice and support to staff who suspect there may be corrupt behaviour that requires discussion with the Integrity Team to determine whether a referral to the NACC is warranted. Integrity Unit staff who undertake duties in relation to corruption and the NACC are also deemed to be 'Fraud and Corruption Control Officers' under Secretary's Instruction 1.3 while performing those duties.

Governance

To embed strong governance and a pro-integrity culture, the department has internal governance bodies with specific responsibilities in relation to the prevention, detection and response and reporting of fraud and corruption incidents within the department.

Role	Responsibility
Executive Management Group	The Executive Management Group (EMG) is the department's key decision-making body and most senior governance committee. The role of EMG is to: • Provide decision-making support to the Secretary on portfolio priorities, deliverables, and performance. • Oversee the department's financial position by allocating resources, and monitoring performance and risk. • Consider shared or cross-portfolio risks. • Ensure accountability and regulatory requirements are met. EMG's responsibilities for fraud and corruption control are to: • Provide advice and support to the Secretary in setting the department's risk appetite and tolerance for fraud and corruption, aligning with the Risk Management Framework. • Drive a positive risk and pro-integrity culture. • Advise the Secretary on emerging issues and fraud and corruption risks that may require follow up actions or treatments.

Role	Responsibility
Audit and Risk Committee	The Audit and Risk Committee (ARC) is responsible for providing the Secretary with independent assurance on the appropriateness of the department's system of risk oversight, and management and systems of internal control. This includes: • The approach to managing the departments key risks, including those associated with significant projects and program implementation and activities subject to review of ARC. • The process for developing and implementing the fraud and corruption control arrangements consistent with the Commonwealth Fraud and Corruption Control Framework. • The articulation of key roles and responsibilities relating to risk management and adherence to them by the senior executive.
Fraud and Serious Non-Compliance Committee	The Fraud and Serious Non-Compliance Committee (FSNC) oversees the department's assessment and investigation of fraud and corruption allegations in the department. The committee makes decisions and recommendations about the appropriate response to fraud and corruption allegations, and ongoing fraud or corruption, compliance issues and trends.
Integrity Working Group	The Integrity Working Group (IWG) is an internal working group comprised of representatives from AAB, Financial Compliance, Workplace Relations, Security, Procurement, Corporate and Employment Law and the Integrity Unit. The IWG meets regularly to share information on integrity trends, behaviours and emerging issues. The IWG is responsible for collaborating and developing cross-department treatments for early intervention for any integrity related conduct in the department. It creates a space to share information on integrity trends, behaviours, and emerging issues. The IWG also discusses key and emerging integrity matters and proposed policy changes to ensure potential impacts on integrity stakeholders are identified and informed by expert advice at an early stage. This supports a best practice integrity approach for the department that is consistent with Commonwealth integrity agency's initiatives, to strengthen the pro-integrity culture of the department.

Reporting mechanisms for fraud and corruption

The department strongly encourages early and voluntary self-reporting of suspected, attempted, or actual fraud or corruption. Self-reporting, including where an individual is uncertain whether conduct constitutes fraud or corruption, is viewed as a positive step and may be taken into account when determining how a matter is managed. Reports are treated confidentially and managed in accordance with procedural fairness and integrity principles. The department does not tolerate victimisation or reprisal against any person who raises concerns in good faith.

Staff and people outside the department can report suspected or potential fraud and corruption instances by calling the Fraud Hotline on 1800 054 312, or by emailing Fraud@dss.gov.au. Reports can remain anonymous and all tipoffs are handled in confidence.

Public Interest Disclosure

A Public Interest Disclosure (PID) is an allegation about suspected wrongdoing within the Commonwealth public sector, made under the *Public Interest Disclosure Act 2013*. All employees or contractors providing services to the department can make PIDs. PIDs may include allegations of suspected fraud and corruption.

PIDs can be reported to PublicInterestDisclosures@dss.gov.au or phone the department's Public Interest Disclosure Hotline on 1800 007 952.

National Anti-Corruption Commission (NACC)

Departmental staff can report allegations of corruption through the internal fraud and corruption reporting process outlined in the Secretary's Instruction 1.3 or can report directly to the NACC via the details below.

All matters reported through fraud@dss.gov.au go through a triage and assessment process and are submitted to the Fraud and Serious Non-Compliance Committee with recommendations for further action (including investigation as an internal fraud matter, and/or referral to the NACC). The department's Integrity Team manages the process for the Secretary's consideration of such issues and any subsequent referral to the NACC.

Any person (including members of the public and public officials) can voluntarily refer a corruption issue, or provide information about a corruption issue, directly to the NACC. Staff may make a voluntary referral to the NACC and can also seek advice and assistance from the department's Integrity Unit at any stage through integrity@dss.gov.au

For all referrals to the NACC please visit their website National Anti-Corruption Commission | Attorney-General's Department (ag.gov.au).

Privacy

The department protects the confidentiality of the information received from people reporting a suspected case of fraud, and people can choose to report fraud and corruption anonymously. All

reports are managed in accordance with *Privacy Act 1988* requirements and the department's privacy policies. Where a matter may be more appropriately considered by another agency or organisation, we may disclose this information (including your personal information) to that agency or organisation in line with legislative obligations.

Associated Documents and Legislation

- *Public Governance, Performance and Accountability Act 2013*
- *Public Governance, Performance and Accountability Rule 2014*
- AS 8001:2021 Fraud and corruption control
- Commonwealth Risk Management Policy 2023
- Commonwealth Fraud and Corruption Control Framework
- Australian Government Investigations Standards 2022
- *National Anti-Corruption Commission Act 2022*
- Commonwealth Grants Rules and Principles 2024
- Protective Security Policy Framework
- NACC referral