



Australian Government

Department of Education, Employment and Workplace Relations

PSPFRAU505B Develop fraud control plans

Revision Number: 2

PSPFRAU505B Develop fraud control plans

Modification History

PSPFRAU505B Release 2: Layout adjusted. No changes to content.

PSPFRAU505B Release 1: Primary release.

Unit Descriptor

This unit covers planning actions in response to the organisation's fraud/corruption control strategy, either the preparation of a specific fraud/corruption control plan based on a risk assessment or as an extension of the organisation's documentation of its fraud/corruption control strategy. The unit includes identifying areas for action, gaining commitment to the plan, identifying qualitative and quantitative performance indicators, and documenting and disseminating the fraud/corruption control plan.

Fraud in the unit title incorporates both *fraud and corruption*.

In practice, developing fraud control plans may overlap with other generalist or specialist public sector workplace activities such as acting ethically, promoting compliance with legislation, delivering client services, anticipating fraud activity, conducting fraud risk assessments, etc.

This unit replaces and is equivalent to *PSPFRAU505A Develop fraud control plan*.

Application of the Unit

Not applicable.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements are the essential outcomes of the unit of competency. Together, performance criteria specify the requirements for competent performance. Text in *bold italics* is explained in the Range Statement following.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Identify areas for action	1.1 Processes are established to identify fraud and corruption risks and vulnerability. 1.2 Areas are <i>identified</i> for action through the fraud/corruption risk assessment process or some other process for identifying fraud and corruption vulnerability. 1.3 Initiatives are developed in consultation with appropriate staff to control identified vulnerabilities. 1.4 Areas within the organisation responsible for fraud and corruption minimisation actions are identified. 1.5 Consultation with <i>stakeholders</i> is undertaken to develop a shared understanding of responsibilities. 1.6 Timeframe for implementation of actions is specified based upon an understanding of the nature of risk and resource ramifications.
2. Gain commitment to fraud/corruption control plan	2.1 Professional development awareness and information programs are initiated in consultation with responsible staff. 2.2 Fraud/corruption prevention initiatives are tailored to the organisational culture, core business and client groups.
3. Identify qualitative and quantitative performance indicators	3.1 Advice is sought from internal and external <i>specialist personnel</i> . 3.2 Stakeholders are involved in the development of performance indicators. 3.3 Performance indicators are developed that relate to the objectives of the program and enable an assessment of the extent to which fraud and corruption control objectives are being achieved. 3.4 Feedback mechanisms are established to ensure that performance data informs improvements to <i>fraud/corruption control strategies and activities</i> .
4. Document fraud/corruption control plan	4.1 <i>Control plan</i> is documented using concise language and structure tailored to the intended audience/s. 4.2 The responsibilities for fraud and corruption control of each area in the organisation are clearly articulated in the plan. 4.3 Risks targeted by the risk assessment process are used to identify areas for action. 4.4 A comprehensive fraud/corruption control strategy for the organisation is reflected in the plan. 4.5 The plan is linked to internal audit to reduce overlap or duplication. 4.6 The requirements of any jurisdictional fraud and corruption

ELEMENT**PERFORMANCE CRITERIA****5. Disseminate
fraud/corruption
control plan**

- control *legislation and guidelines* are addressed in the plan.
- 5.1 Non-confidential components of the fraud/corruption control plan are made accessible to staff, the Minister and clients of the organisation.
 - 5.2 Confidential components are documented and stored appropriately.
 - 5.3 Review of the plan is conducted in accordance with organisational and jurisdictional needs and requirements.

Required Skills and Knowledge

This section describes the essential skills and knowledge and their level, required for this unit.

Skill requirements

Look for evidence that confirms skills in:

- identifying areas for action based upon an analysis and synthesis of objectives and information from the fraud/corruption control strategy, the processes established to identify fraud and corruption vulnerability, and agency corporate plans
- planning, analysis and evaluation relating to fraud and corruption risk control
- using a range of communication, consultation and negotiation styles to suit different audiences and purposes
- applying complex documents such as legislation, guidelines and standards
- managing contractors if the fraud/corruption risk assessment is outsourced
- responding to diversity, including gender and disability
- applying occupational health and safety and environmental procedures in the context of fraud and corruption control

Knowledge requirements

Look for evidence that confirms knowledge and understanding of:

- jurisdictional fraud and corruption control requirements
- agency fraud and corruption control strategy and agency processes to measure fraud and corruption vulnerability
- agency structure and core business activities
- fraud and corruption risk factors in the organisation, agency clients, and any history of fraud and corruption in or against the agency
- the processes established to identify fraud and corruption vulnerability and agency corporate plans
- anti-discrimination and diversity legislation
- legislation, policies and procedures relating to fraud and corruption control

Evidence Guide

The Evidence Guide specifies the evidence required to demonstrate achievement in the unit of competency as a whole. It must be read in conjunction with the Unit descriptor, Performance Criteria, the Range Statement and the Assessment Guidelines for the Public Sector Training Package.

Units to be assessed together

- *Pre-requisite* units that must be achieved prior to this unit: *Nil*
- *Co-requisite* units that must be assessed with this unit: *Nil*
- *Co-assessed units* that may be assessed with this unit to increase the efficiency and realism of the assessment process include, but are not limited to:

PSPETHC501B Promote the values and ethos of public service

PSPFRAU502B Anticipate and detect possible fraud activity

PSPFRAU504B Conduct fraud risk assessments

PSPGOV502B Develop client services

PSPGOV504B Undertake research and analysis

PSPGOV517A Coordinate risk management

PSPLEGN501B Promote compliance with legislation in the public sector

Overview of evidence requirements

In addition to integrated demonstration of the elements and their related performance criteria, look for evidence that confirms:

- the knowledge requirements of this unit
- the skill requirements of this unit
- application of the Employability Skills as they relate to this unit (see Employability Summaries in Qualifications Framework)
- development of fraud/corruption control plans in a range of (3 or more) contexts (or occasions, over time)

Resources required to carry out assessment

These resources include:

- legislation, policy and procedures relating to fraud and corruption control
- fraud and corruption control guidelines and standards
- AS/NZS 4360:1999 or as revised
- public sector values and codes of conduct
- case studies and workplace scenarios to capture the range of fraud/corruption planning activities likely to be undertaken

Where and how to assess evidence

Valid assessment of this unit requires:

- a workplace environment or one that closely resembles normal work practice and replicates the range of conditions likely to be encountered when developing fraud and corruption control plans, including coping with difficulties, irregularities and

breakdowns in routine

- development of fraud/corruption control plans in a range of (3 or more) contexts (or occasions, over time)

Assessment methods should reflect workplace demands, such as literacy, and the needs of particular groups, such as:

- people with disabilities
- people from culturally and linguistically diverse backgrounds
- Aboriginal and Torres Strait Islander people
- women
- young people
- older people
- people in rural and remote locations

Assessment methods suitable for valid and reliable assessment of this competency may include, but are not limited to, a combination of 2 or more of:

- case studies
- portfolios
- projects
- questioning
- scenarios
- authenticated evidence from the workplace and/or training courses

For consistency of assessment

Evidence must be gathered over time in a range of contexts to ensure the person can achieve the unit outcome and apply the competency in different situations or environments

Range Statement

The Range Statement provides information about the context in which the unit of competency is carried out. The variables cater for differences between States and Territories and the Commonwealth, and between organisations and workplaces. They allow for different work requirements, work practices and knowledge. The Range Statement also provides a focus for assessment. It relates to the unit as a whole. Text in *italics* in the Performance Criteria is explained here.

Identification of areas may include:

- information from internal and external sources

Stakeholders may include:

- agency staff and senior management
- contractors and consultants
- standards-setting organisations

Specialist personnel may include:

- consultants and contractors
- internal and external audit personnel
- personnel from law enforcement and prosecution agencies
- personnel from standards-setting organisations

Fraud/corruption control strategies and activities include:

- fraud/corruption control strategy
- process for identifying risks
- fraud/corruption vulnerability risk assessment methodology
- fraud/corruption control plan

Components of a fraud/corruption control plan may include as a minimum:

- overview of agency's attitude to fraud and corruption and the means by which it encourages ethical behaviour
- responsibilities in relation to fraud and corruption control and the agency's relationships with other agencies
- outlines of how risks are identified and assessed
- descriptions of the processes which are vulnerable to fraud and corruption and actions proposed to overcome those vulnerabilities
- responsibilities within the agency for actions identified within the plan and an implementation timetable
- procedures for the preparation, maintenance and review of the agency's fraud/corruption control plans
- agency fraud and corruption awareness and training strategy
- agency conduct and disciplinary standards
- statement on how the plan aligns with legislative and judicial requirements (such as reporting and confidentiality)
- relevant contacts for further information (internal and external)

Relevant legislation and guidelines may include:

- jurisdictional legislation covering agency responsibilities in fraud and corruption control
- guidelines such as:
 - Fraud control policy of the Commonwealth
 - Commonwealth fraud control guidelines

- Fraud control: developing an effective strategy (NSW)
- those released by standards-setting organisations such as Risk management, AS/NZS 4360:1999 or as revised

Unit Sector(s)

Not applicable.

Competency field

Fraud Control.