



Nature Alliance Family Day Care Service

Fraud Prevention



THE POLICY IN THIS SECTION IS REQUIRED BY

National Quality Standards for Early Childhood Education and Care and School Age Care (2018)
Standards: 7.1;7.1.2; 7.1.3, Regulation 197; 206; 220

Related Legislation: CCS Minister's Rules 2017, CCS Secretary's Rules 2017, Family Law Act 1975, New Tax System (Family Assistance) Act 1999

PURPOSE: Nature Alliance Family Day Care Service aims to comply with the Child Care Subsidy obligations outlined under Family Assistance and National Law to prevent fraud and corruption from occurring within the Service.

SCOPE: This Policy applies to Educators, Approved Providers, Service Staff and families using the service.

DEFINITIONS: Corruption and fraud can be distinguished as unethical behaviour. The following definitions are based on those contained in the Australian Standard for Fraud and Corruption Control.

CORRUPTION: Dishonest activity in which a director, executive, manager, employee, contractor, volunteer or work experience student acts contrary to the interests of the Department and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity.

FRAUD: An intentional act by one or more individuals involved in deception to obtain an unjust or illegal advantage.

POLICY:

Our Service is approved to administer Child Care Subsidy on behalf of eligible families. We take compliance with the law seriously and aim to meet the required conditions for continued approval to administer childcare funding. We will work in collaboration with staff and Educators to maintain compliance with our legal obligations and conditions for continued approval.

PROCEDURE:

THE APPROVED PROVIDER, MANAGEMENT AND SERVICE STAFF WILL:

- Ensure there is an effective fraud and corruption risk management procedure
- Ensure a clear understanding of the ramifications for fraudulent activity
- Ensure employees and FDC educators follow service policies and procedures relating to Fraud Prevention
- Reinforce the commitment shared with the Australian Department of Education to adhere to the Child Care Subsidy requirements.
- Ensure the appropriate administration of CCS payments
- Provide parents with a Statement of Entitlement for CCS each fortnight including details for the sessions of care provided and the resulting fee reduction amounts

Date Reviewed:	July 2023	NA-POL-0033	Version No.: 4	Page No.	Page 1 of 5
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- Articulate clear standards and procedures to encourage the prevention of fraud and corruption within the Service
- Provide regular training to assist in the identification of fraud and corruption to all Service Staff and Educators
- Reinforce the requirements for all employees to refrain from corrupt and fraudulent conduct
- Ensure all CCS and ACCS payments are passed onto families as a fee reduction
- Ensure any 3rd party payments are administered according to the CCS Provider Handbook
- Ensure accurate records are kept regarding ACCS (Child Wellbeing) payments
- Ensure all employees and FDC Educators are fit and proper, and remain fit and proper, regarding matters involved in fraud, dishonesty, financial management and compliance with Family Assistance Law
- Notify the Department of Education within 7 days regarding changes Persons with Management or Control, employees or FDC Educators who are not deemed fit and proper to be involved in the administration of Child Care Subsidy (see CCS Notification Policy)
- Notify the Department of Education within 7 days if a Person with Management or Control obtains an interest or where a conflict of interest might be reasonably be perceived to exist
- At all times act honestly with integrity
- Report any individual or Service that is not operating in a law-abiding way
- Adhere to the correct procedure to ensure that all suspected fraudulent and corrupt activity is handled appropriately
- Ensure staff and Educators are not placed in a potentially difficult or compromising position
- Provide notification to the Department of Education within seven days that
 - information in an enrolment notice has become incorrect, or
 - information has become available that should have been included in the enrolment notice
- Ensure variations to a Complying Written Arrangement (CWA) are in writing if that information becomes incorrect
- Ensure the Department of Education is notified within the correct time frames when an enrolment for care at the Service ends
- Keep and maintain records and submit information relating to the administration of CCS via CCS Software, including:
 - accurate enrolment records as per the Enrolment Policy
 - accurate session reports and attendance records to the Department of Education via CCS Software, within 14 days of the child's attendance indicating the session start and finish times, child's actual in and out attendance times, actual fees charged and amount the parent was liable to pay for the session of care
 - any variations to session reports up until 28 days after the start of the week to which the report relates to
 - notification of absences
 - records for additional absences, including keeping evidence of additional absences
 - vacancy information for the following week to the Department of Education through the CCS Software
 - payment of gap fee payments as collected by the service provider
 - any changes to service operating hours or closure periods
 - complaints relating to compliance with Family Assistance Law
- Provide regular monitoring of FDC Educators and Assistants, including physical visits to the service, as per the Monitoring, Support and Supervision of FDC Educators and Assistants Policy
- Ensure that all staff and FDC educators comply with their legal obligations and conditions for continued approval which includes:
 - ensuring the Approved Provider, FDC Educators and relevant personnel are fit and proper, and remain fit and proper, persons to have a role in the receiving and passing on of Child Care Subsidy payments
 - ensuring background checks, including Working With Children Checks/Clearances (WWCC) and National Criminal Checks are carried out for all staff and FDC Educators

Date Reviewed:	July 2023	NA-POL-0033	Version No.: 4	Page No.	Page 2 of 5
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- ensuring relevant key personnel and FDC Educators who are involved in administering Child Care Subsidy to families are registered with PRODA
- ensuring notification of any changes to relevant key personnel or Persons with Management or Control are submitted to the Department of Education within 7 days
- Ensure the Department of Education has current and up to date details of the Service
- Payments made by families are recorded promptly and receipts issued as per Fee Policy
- Ensure all Educators are aware of service policies relating to caring for their own child/ren and child/ren of relatives, including:
 - ensuring care for child/ren of relatives do not exceed more than 50% of care provided across the week
 - ensuring CCS is not claimed for Educator child/ren by another Educator unless exemptions apply and records kept as required
 - maintaining records to determine care provided for relatives child/ren

EDUCATORS WILL:

- Be encouraged to provide input into the review of the Service’s Fraud Prevention Policy
- Ensure service policies and procedures are followed at all times.
- At all times act honestly with integrity
- Attend training to assist in the identification of fraud and corruption
- Report any individual or service that is not operating in a law-abiding way or any suspicious activity relating to fraudulent activity to the Approved provider and/or Department of Education (see details below)
- Ensure correct procedures are adhered to, to ensure that all suspected fraudulent and corrupt activity is reported appropriately
- Keep accurate records and report the following information to the Service:
 - accurate session reports including session start and finish times and children’s actual in and out attendance times
 - absences, including evidence of additional absences provided by families
 - any changes or variations to session reports
 - anticipated vacancies
 - any changes to operational hours or service closure periods
 - any complaints related to compliance with Family Assistance Law
- Ensure a Working with Children Check/Clearance is maintained and advise the Approved Provider of any changes which may affect their WWCC status.
- Ensure policies and procedures are followed regarding caring for their own child/ren, including ensuring CCS is not claimed for their own child/ren and ensuring accurate records are maintained.
- Ensure policies and procedures are followed regarding caring for children who may be deemed relatives of the Educator, including ensuring relative children do not make up more than 50% of children cared for across the week.
- Ensure CCS is not claimed for other Educator children, unless exemptions apply, and records are kept as required.
- Participate in monitoring and visits conducted by the Service.

FAMILIES ARE REQUIRED TO:

- Provide accurate documentation about their child upon enrolment at the Service including:
 - birth certificate
 - current immunisation statement from the Australian Immunisation Register
 - details of any court orders, parenting orders or parenting plans
- Not provide false or misleading information related to claiming Additional Child Care Subsidy through Centrelink
- Inform Centrelink of any changes to their or their partner’s personal circumstances and check their information is up to date

- Check their Statement of Entitlement provided by the Service to ensure correct information has been submitted on the sessions of care provided for their child, absence days, fees charged and how their CCS has offset those charges
- Ensure invoices and receipts issued by the Service for payment of fees are correct
- Check their notice of determinations of entitlement each quarter as provided by Centrelink
- Notify the Service if the child is related to the Educator, including niece or nephew, cousin or grandchild (including a great-grandchild)
- Notify the Service if they are intending to operate as a Educator, note CCS can not be claimed for Educator children on the same day the Educator (Parent of the child) also provides care for a Service. Exceptions to this rule may apply and records must be kept according to the Childcare Provider Handbook.

FRAUD PREVENTION AND DETECTION IN RELATION TO CCS DATA

The Approved Provider and Nominated Supervisor will ensure all employees who administer CCS as a fee reduction to families are aware of Fraud Prevention strategies as outlined in the Fraud Policy. Our Service and Educators accept the legal responsibilities associated with claiming Child Care Subsidy within the Family Assistance Law.

Any Fraudulent activity relating to CCS is to be reported to the Approved Provider or directly to CCS via the CCS Tip-Off line. The Fraud Prevention and Corruption Procedure outlines the details required when submitting concerns around the fraudulent use of CCS payments within our service. Payment for gap fee payments are collected from families and receipts are issued as per the Fee Policy.

The Service will follow the guidelines within the CCS handbook to ensure compliance of CCS payments and to ensure funding is processed and administered correctly.

INTERNAL CONTROLS TO PREVENT FRAUD

The Service will use Harmony software to ensure compliance of CCS payments to families.

CCS Software will be monitored by the Approved Provider to ensure data integrity and security is maintained by all staff who process CCS payments to families. The CCS Compliance checklist will be completed each month by the Office Manager together with staff who use the CCS software to administer CCS payments to families. The CCS Compliance Checklist is an internal check used as a tool to identify incorrect data submissions and facilitate fraud prevention and detection within our FDC Service.

If potential risk is identified an action plan will be implemented with strategies and controls to minimize the risk of fraud and corruption.

Educators are required to submit timesheets to the Service each week, through the CCS Software. Educators must ensure that sessions reported are true and accurate records and match the attendance records. Session reports must reflect care provided. Any changes or variations to session reports are immediately reported by the Educator to the Service via email. The Approved Provider will submit any changes or variations to session reports within 28 days after the start of the week to which the report relates.

TIP-OFF LINE

Information about any potential breach of Child Care Subsidy can be provided anonymously by contacting the Department of Education, Skills and Employment tip-off line on: 1800 664 231 or in writing through tipoffline@education.gov.au

DISCIPLINARY SYSTEMS

Date Reviewed:	July 2023	NA-POL-0033	Version No.: 4	Page No.	Page 4 of 5
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Where allegations of fraud are substantiated, the Approved Provider may be subject to penalties including recovering overpaid funds, cancelling the service approval, or pursuing a criminal fraud prosecution.

Employees and Educators may also be held responsible for certain breaches of the law including deception or by giving false or misleading information.

Consequences for committing or attempting fraud and/or corruption include:

- dismissal
- warnings
- repayment of misappropriation of funds
- referral to prosecution agencies

SOURCE

Australian Standard for Fraud and Corruption Control, AS 8001-2008

Australian Children's Education & Care Quality Authority. (2014).

Australian Government Department of Education.

Australian Government Department of Education. CCS Provider Handbook

<https://www.education.gov.au/early-childhood/resources/child-care-provider-handbook>

Australian Government Department of Education. Child Care Financial Integrity Strategy. (2019).

Education and Care Services National Law Act 2010. (Amended 2023).

Education and Care Services National Regulations. (2011). (Amended 2023).

Guide to the National Quality Framework. (2017). (Amended 2023).

Western Australian Education and Care Services National Regulations

Date Reviewed:	July 2023	NA-POL-0033	Version No.: 4	Page No.	Page 5 of 5
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