

# New fraud control policy

By Richard Crothers

**O**ne area of the change process now being implemented in the AFP is the fraud investigational role. As the AFP responds to the change process and the Fraud Control Policy moves to a 'best practice' model, responsibility for some fraud investigations will now lie with other Commonwealth agencies and departments.

Efficiency in fraud investigation is the key to controlling major fraud against the Commonwealth.

The Fraud Control Policy of the Commonwealth places obligations on the AFP and on Commonwealth agencies and departments. The policy states that fraud of a minor or routine nature should be investigated by those agencies being affected, while serious criminal offences should be handled by the AFP.

In a letter dated July 14, 1995 to Commonwealth Government departments and agencies, Commissioner Mick Palmer outlined the change in AFP procedures.

Commenting on the changes, Acting Commander of the Fraud and General Crime Branch Ed Tyrie said: "The AFP has undergone a thorough examination of its core activities and the structure necessary to maximise resources in a time of economic constraint.

"We are faced with increasing demands and it is important to prioritise requests for investigation to ensure we concentrate on the most

important breaches of criminal law."

He pointed out that this may mean that the AFP was unable to handle all matters referred for investigation by other agencies.

"Our aim is to concentrate our attention on those matters of most concern to agencies and to develop arrangements which allow the best mix of responses possible with mutual understanding."

Although the policy does not define "serious criminal offences", it does require the AFP "to conduct all investigations directed towards *Crimes Act 1914* prosecutions", subject to three exceptions:

- agencies which prosecute fraud cases under their own legislation should continue to investigate matters where the *Crimes Act* is considered more appropriate and the DPP is satisfied that the prosecution brief does not require AFP involvement;
- agencies which can satisfy both the AFP and the DPP that they have the capacity and capability to investigate criminal cases; and
- matters involving multi-jurisdictional organised crime are referred to the National Crime Authority.

The AFP, however, still retains the discretion to make arrangements with particular agencies regarding the investigation of certain minor fraud matters, especially where an agency does not have its own investigative capacity.

To ensure investigations are proceeding effectively, regular meetings are held between the AFP and agencies conducting investigations. Meetings are conducted throughout Australia and

liaison officers have been appointed to review progress of fraud investigations within their particular region.

Under the new fraud liaison arrangements, the AFP is required to implement a 28-day turnaround on the acceptance or rejection of referrals from Commonwealth agencies and to provide quarterly reports to client agencies on significant developments in investigations as well as status reports on the progress or outcomes of investigations that have been referred to the AFP.

Relevant operational areas prepare quarterly case management reports which cover all cases of crime referred to the AFP:

- where the alleged criminal conduct has been perpetrated against a Commonwealth agency, against programs administered by it, or against legislation for which the agency has responsibility;
- which have been referred to the AFP and accepted for investigation by the relevant operational area; and
- which have either not been finalised or have been finalised in the current reporting quarter.

To minimise large peaks in workload, the preparation of reports has been staggered, the first quarterly reports, to three agencies were delivered on August 11, 1995.

Commissioner Palmer emphasised the need for co-operation and understanding between Commonwealth agencies and the AFP. He said AFP senior management was ready to assist in clarifying the AFP's investigational role and discuss any concerns that Commonwealth agencies might have.