

# Countermeasures in the Public Sector

- ▶ We have identified four countermeasure categories typically required to implement an effective counter fraud control plan.
- ▶ The categories are inter-linked, and each plays a significant role in managing fraud risks.
- ▶ Employing countermeasures, along with other risk management practices, can help you prevent, detect, and respond effectively to fraud.



## Capability countermeasures

Capability countermeasures guide expected behaviours and determine organisational culture around fraud. These are important for providing direction to employees.



## Prevention countermeasures

Prevention countermeasures are the most common and cost-effective way of limiting the size of fraud risks, by reducing the likelihood of it occurring.



## Detection countermeasures

Detection countermeasures help to identify when fraud has occurred, disrupt it, and reduce the impacts.



## Response countermeasures

Response countermeasures respond to fraud after it has occurred to reduce or disrupt additional impacts. This includes investigation, prosecution, disciplinary action, and recovery activities.

# Countermeasures

## Capability



- ▶ Governance and oversight
- ▶ Ethical culture

## Prevention



- ▶ Identity verification
- ▶ Integrity checks and suitability assessments
- ▶ Eligibility requirements
- ▶ Access controls
- ▶ Limit access to sensitive information
- ▶ Fraud awareness training
- ▶ Parameters and limits
- ▶ Procedural instructions or guidance
- ▶ Automatic prompts and alerts
- ▶ Protect data from manipulation
- ▶ Segregation of duties

## Detection



- ▶ Verify information you receive
- ▶ Automatic data matching
- ▶ Evidence and document capture and storage
- ▶ Quality assurance checks
- ▶ Activity reporting
- ▶ Exception reporting
- ▶ Internal audits or reviews
- ▶ Avenues for reporting fraud
- ▶ Fraud detection software

## Response



- ▶ Fraud investigation policy
- ▶ Coordinated disruption activity
- ▶ Recovery and debt management processes