

Health service fraud and corruption reporting requirements

CEOs and board directors have mandatory reporting obligations

Anyone can make a public interest disclosure about improper conduct



Significant or systemic fraud, corruption or other loss

CEOs and board directors **must** notify actual or suspected significant or systemic fraud, corruption and other losses under the *Health Services Act 1988*, *Financial Management Act 1994*, Standing directions 2018, and department's identified policies.

You must notify, as soon as is practicable:

- the Minister for Health or Minister for Mental Health
- the chair of your health service's audit committee
- the Department of Health
- the Victorian Auditor-General.



Corruption (mandatory notifications)

Under the *Independent Broad-based Anti-corruption Commission Act 2011*, the principal officer of a public sector body must notify IBAC of any matter they suspect on reasonable grounds involves corrupt conduct.

Consider whether the matter could be a public interest disclosure. Legal protections may apply for those reporting a public interest disclosure.



Public interest disclosures

If a matter has been raised via a report or complaint about improper conduct, it may be a **public interest disclosure**.

Legal protections apply to public interest disclosures – information disclosed is confidential and should not be shared.

Potential public interest disclosures should be made directly to IBAC.

IBAC will determine if what you have reported is a public interest disclosure. Contact IBAC for advice.

Consider whether there is an obligation to report via both pathways

If the matter involves criminal conduct, you should consider your obligation to report it to Victoria Police

Note: This document provides general guidance. You should seek advice on individual matters as necessary.

Further information

Independent Broad-based Anti-corruption Commission (IBAC)

IBAC is responsible for preventing and exposing public sector corruption and police misconduct in Victoria. IBAC takes complaints about Victorian public sector officers or bodies, including public hospitals and healthcare services. IBAC investigates alleged corruption, including:

- taking and offering of bribes
- dishonestly using influence
- committing fraud, theft or embezzlement
- misusing information or material acquired at work

IBAC also takes complaints about misconduct in public office. This includes misuse of power to harm, oppress or disadvantage a person and failure to disclose a conflict of interest.

Victorian Auditor General's Office (VAGO)

VAGO provides assurance to Parliament and the Victorian community about how effectively public sector agencies are providing services and

using public money. VAGO conducts financial and performance audits of state and local government public sector entities.

[Find out more](https://www.audit.vic.gov.au/) <<https://www.audit.vic.gov.au/>>.

Significant or systemic fraud, corruption or other loss

'Significant or systemic' is described in the [Standing Directions 2018](https://www.dtf.vic.gov.au/standing-directions-2018-under-financial-management-act-1994) <<https://www.dtf.vic.gov.au/standing-directions-2018-under-financial-management-act-1994>> as 'an incident, or a pattern or recurrence of incidences, that a reasonable person would consider has a significant impact on the Agency or the State's reputation, financial position or financial management'.

The department's [Fraud, Corruption and Other Losses Policy](https://www.health.vic.gov.au/fraud-corruption-other-losses-policy) <<https://www.health.vic.gov.au/fraud-corruption-other-losses-policy>> defines as significant:

- \$5,000 in money
- \$50,000 in property
- \$1,000 in purchasing and prepaid debit cards.

Where an actual or suspected fraud, corruption or other loss is deemed 'systemic' it should be reported, regardless of value.

Corruption and misconduct

Corruption is the misuse of public power, position or funds. Misconduct is behaviour that is unlawful or falls short of the ethical or professional standards a public sector employee must uphold in their role or when using their powers.

[Find out more](https://www.ibac.vic.gov.au/what-is-corruption) <<https://www.ibac.vic.gov.au/what-is-corruption>>.

Public interest disclosures

Public interest disclosures relate to allegations of improper conduct by a public officer or body (for example, corruption), or detrimental action (for example, firing someone for making a disclosure).

[Find out more](https://www.ibac.vic.gov.au/what-public-interest-disclosure) <<https://www.ibac.vic.gov.au/what-public-interest-disclosure>>.

To receive this document in another format [email the Integrity Unit](mailto:integrity@health.vic.gov.au) <integrity@health.vic.gov.au>

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