

# Fraud Control Plan - operational guidance

This document is designed to support Pacific Australia Labour Mobility (PALM) scheme employers to meet their obligations to develop, implement and maintain a Fraud Control Plan under the [PALM scheme Approved Employer Guidelines](#) (guidelines).

This guidance is supplementary to, and does not override, the obligations contained in the [PALM Approved Employer Deed](#) and Guidelines.

Effective 15 August 2025, the PALM scheme guidelines were updated to reflect an Australian Government requirement to implement Fraud Control Plans (plans).

## PALM scheme employer obligations:

By 30 June 2026, employers must outline how they will identify and mitigate both fraud and corruption risks as part of their fraud control planning. All employers must establish a plan and:

- take all reasonable steps to prevent fraud upon the Commonwealth,
- review and update the plan annually, upon significant changes to operations or structure, or following any fraud or corruption incident and
- include at minimum the required information detailed in section 14.15.2 of the guidelines.

## Alignment with frameworks

Employers are encouraged to refer to the [Commonwealth Fraud and Corruption Control Framework 2024](#) (framework). This framework came into effect on 1 July 2024 and supports Australian Government entities to effectively manage the risks of fraud and corruption. Further information is available on the [Attorney-General's Department website](#).

Employers are encouraged to align their plan with the framework which includes the:

- [Fraud and Corruption Rule](#)
- [Fraud and Corruption Policy](#)
- [Fraud and Corruption Guidance](#).



## What should be included in the plan?

Section 14.15.2 of the guidelines outlines the minimum content required in a plan.

Please note: the [Commonwealth Fraud and Corruption Control Framework 2024](#) acknowledges that plans will vary and be proportionate and reflective of the size of each business completing their plan.

This list outlines the key components that must be included in an employer's fraud and corruption control plan:

### Risk summary

- a summary of fraud and corruption risks and vulnerabilities.

### Treatment strategies

- mitigation strategies and controls for each fraud and corruption risk and vulnerability.

### Implementation approach

- how employers will or have implemented the plan.

### Compliance strategies

- strategies to ensure employers, including associated host organisations, and providers, meet the obligations of section 14.15 of the guidelines.

### Incident reporting

- mechanisms and timeframes for collecting, analysing and reporting fraud and corruption incidents to the Department of Employment and Workplace Relations (DEWR).

### Monitoring and review

- clarify how employers will ensure the plan is working for the duration of their participation in the scheme.

### Detection and response protocols

- protocols for detecting and handling fraud and corruption incidents.

### Mechanisms to raise awareness

- mechanisms on how employers will ensure that employer personnel and associated entities are aware of what fraud and corruption is and the information in their plan outline key roles and responsibilities for fraud and corruption control within their organisation.

## When employers must submit their plan to DEWR

Under section 14.15.3 of the guidelines, employers must submit their plan to DEWR for review if:

- there is a significant change in the structure or activities of their organisation
- a fraud or corruption incident occurs, or
- DEWR directs employers to do so.

If DEWR issues a direction to employers to amend or update their plan, they must comply within 10 business days.



## Support for employers to meet their obligations

DEWR will continue to develop additional materials to support employers in meeting their obligations under the framework and will distribute these ahead of the obligation coming into effect.

DEWR's [Fraud and Corruption Control Strategy](#) may be used as a reference tool to support employers in identifying fraud and corruption risks within their organisation.

## Example - Fraud & corruption risk and control measures

This example is provided for guidance purposes only to help employers understand what can be included in a Fraud Control Plan. The plan should be adapted to suit the specific context and risk profile of an employer's workplace annually.

Fraud Control Plan sections	Example 1	Example 2
a. Risk summary	Non-compliant PALM scheme worker deductions, that breach employment obligations and undermine the PALM scheme deed and guidelines.	A PALM scheme employer (or a key decision-maker, i.e.; Operations Manager) has an undeclared conflict of interest.
b. Treatment strategy	Maintain accurate and auditable records for all deductions, supported by clear approval processes and monthly checks.	Require early disclosure and active management of actual, perceived, and potential conflicts, with independent oversight of any PALM scheme-related decisions where a conflict exists. As outlined in the PALM scheme deed (clause 75) and guidelines (section 2.1.16, 10.2.8 and 10.2.9), immediately notify DEWR and take steps to resolve or deal with the conflict, fully disclose the conflict with all relevant information to the department and follow through with steps the department may require resolving or deal with the conflict.
c. Implementation approach	Use consistent processes to record and document all deductions and associated communications. Ensure all relevant staff responsible follow the same procedures each pay cycle.	Maintain a conflict-of-interest register for anyone involved in accommodation, welfare, recruitment, or reporting to the Commonwealth.
d. Compliance strategies	Keep clear evidence to demonstrate compliance with the requirements related to all Worker deductions in line with the PALM scheme deed and guidelines.	Keep file evidence showing declarations, recusals, independent approvals, selection criteria, and communications provided to the Commonwealth. Reference PALM scheme deed clause 75 (conflict of interest) and align strategies with the obligations set out in this clause.
e. Incident reporting	Set up a process for identifying, recording and reporting suspected fraud or corruption, including false records, financial misconduct, or breaches of Commonwealth-set worker conditions. Report incidents to DEWR in line with the guidelines.	Establish a documented process to report actual or perceived conflicts of interest. Report to DEWR in accordance with the circumstances listed in the guidelines (section 14.15.3) and deed (clause 75) (e.g. significant changes, in the event of a fraud or corruption incident, or when directed by DEWR). Prompt reporting reduces harm to Commonwealth finances and program integrity.
f. Monitoring review	Quarterly documentation audits and approval processes to confirm compliance with PALM scheme requirements. Adjust controls if problems are identified and provide education on the changes to relevant staff.	Complete quarterly reviews of the Conflict-of-Interest register. Review controls after any incident to prevent recurring risks that could compromise Commonwealth oversight or lead to improper outcomes.
g. Detection and response protocols	Use checks (such as comparing timesheets, rosters and payroll reports) to pick up unusual patterns or discrepancies in pay and deductions. If an issue is found, record it, take corrective action and report where required.	When a suspected incident occurs, follow a structured response (containment, investigation, notification and making full disclosure to DEWR, remediation) consistent with Commonwealth expectations under the Fraud and Corruption Control Framework.
h. Mechanisms to raise awareness	During staff meetings, provide training to staff on their responsibilities, what fraud and corruption can look like and how to report concerns. Make sure staff understand PALM scheme deduction obligations and the associated responsibilities for preventing and responding to fraud.	During staff meetings, raise awareness of what a conflict of interest is and how these can raise concerns that may relate to breaches of Commonwealth integrity.