



November 2011

Launch of  
public sector  
fraud awareness  
survey results

# Cleanest public sector in the world: **Keeping fraud at bay**

Fraud awareness, prevention,  
and detection in the public sector

Lyn Provost, Controller and Auditor-General





## Opening remarks

- Why we are here
- Why we carried out the survey
- My Office and auditors' interest



## Survey basics

3

- Survey was sent to almost 2,000 people working in the public sector
- 74% responded
- Overall, relatively low incidence of fraud
  - Theft of cash 27%
  - Fraudulent expense claims 17%



## Some overall positives

4

- 95% said that the culture at their organisation would allow them to raise concerns and be taken seriously
- Public entities with effective management controls do well in minimising fraud risk
- Communication about fraud within public entities is low – but entities that do communicate well have generally fewer incidents of fraud
- Organisations that report fraud to the Police have fewer incidents of fraud afterwards



## Room for improvement

5

- Only 29% said that management communicates incidents of fraud to all staff
- Although 78% expected fraud to be reported to enforcement agencies, a report was made in only 39% of known fraud incidents
- Almost 80% of fraud in the past two years was internal and committed by one person acting alone – usually a trusted employee



## What do the results tell us?

6

- Having a receptive culture is strongly linked to fewer incidents of fraud
- Communicating regularly keeps fraud at bay
- Reporting prevents more fraud from occurring