

ATTACHMENT A

Fraud Related Activities Report

(Paper distributed to Audit Committee members and ANAO only)

DEPARTMENT OF THE TREASURY

AUDIT COMMITTEE MEETING 21 NOVEMBER 2007

REPORT ON FRAUD-RELATED ACTIVITIES

The current status of fraud-related activities has been updated from previous meeting. There are no new cases of reported incidents of possible fraud.

[Section 47f] and [Section 47f]

At its last meeting the HIH Claims Support Limited (HCSL) Board agreed to write-off the outstanding recoveries related to two potential fraud cases that were originally referred to the Australian Federal Police (AFP) in 2004-05.

The two cases were [Section 47f] and [Section 47f]. In both instances the AFP informed HCSL that the matters did not meet the AFP investigation criteria and no action would be taken. Following the response from AFP further work was done by Gallagher Bassett to recover the money spent on managing these claims before eligibility was withdrawn however these efforts were unsuccessful.

These cases had reached a point where any further work would cost more than the potential recoveries are worth. The HCSL Board's decision brings these matters to a close and no further action will be taken.

Team Leader
Security