

Waylight Pty Ltd

Waylight Plan Management

Document Title	Fraud Prevention & Detection Policy
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Classification	Internal

1. Purpose

This policy establishes Waylight's framework for preventing, detecting, and responding to fraud in the delivery of NDIS plan management services. Plan managers are financial intermediaries handling participant NDIS funds. Fraud in plan management includes false claims, inflated invoices, claims for services not delivered, and undisclosed conflicts of interest. Waylight has zero tolerance for fraud.

2. Scope

This policy applies to all workers, contractors, and volunteers engaged by Waylight Pty Ltd in the delivery of plan management services. This includes the Director (Joshua), the Contractor-Accountant, and any future plan management workers. It also covers the conduct of service providers whose invoices Waylight processes.

3. Applicable Standards

- NDIS Practice Standards. Governance and Operational Management: 'A defined structure is implemented by the governing body to meet a governing body's financial, legislative, regulatory and contractual responsibilities, and to monitor and respond to quality and safeguarding matters.'
- NDIS Code of Conduct. Element 4: 'Act with integrity, honesty and transparency.' Providers must 'not make false claims about the efficacy of any supports, services or products' and must 'give clear advice about the full costs of the service or support.'
- NDIS Code of Conduct. Element 8: Not engage in unfair pricing when supplying or promoting goods for NDIS participants.
- NDIS Act 2013, sections relating to misuse of NDIS funds.

4. Policy Statement

- Waylight does not tolerate fraud, corruption, or financial misconduct in any form.

- Every invoice processed by Waylight is subject to validation checks designed to detect fraudulent or erroneous claims before lodgement.
- Any worker or contractor who suspects fraud reports it immediately. Waylight protects whistleblowers from retaliation.
- Suspected fraud involving NDIS funds is reported to the NDIS Quality and Safeguards Commission and, where applicable, to the Australian Federal Police.
- Waylight cooperates fully with any investigation by the NDIS Commission or law enforcement.

5. Procedure

5.1 What Constitutes Fraud in Plan Management

- Lodging claims for supports that were not delivered to the participant.
- Lodging claims with inflated prices exceeding the actual invoice amount.
- Lodging duplicate claims for the same support delivery.
- Lodging claims for supports outside the participant's plan or support category budget.
- Accepting inducements or kickbacks from service providers in exchange for directing participant business.
- Failing to disclose conflicts of interest that influence invoice processing decisions.
- A service provider submitting false or misleading invoices to Waylight.
- Misappropriating participant funds for personal or business use.

5.2 Prevention Controls

- Step 1: Invoice Validation. Every invoice is checked before claim lodgement (see WL-POL-01 Financial Management Policy, Section 5.2). Checks include: ABN verification, support item matching, PAPL price limit check, duplicate detection, and budget sufficiency.
- Step 2: Segregation of Duties. The Director processes invoices and lodges claims. The Contractor-Accountant performs independent monthly reconciliation. No single person controls the entire claim cycle without independent review.
- Step 3: Conflict of Interest Declarations. All workers and contractors complete annual conflict of interest declarations (see WL-POL-03). Undeclared conflicts are treated as misconduct.
- Step 4: Provider Verification. Waylight verifies service provider ABNs against the Australian Business Register before processing first invoices from a new provider.
- Step 5: Participant Confirmation. For any invoice that appears unusual (significantly higher than typical, from an unfamiliar provider, or for a support not previously used), the Director confirms with the participant that the support was received before lodging the claim.

5.3 Detection Controls

- Step 1: Monthly Reconciliation. The Contractor-Accountant reviews all claims lodged against payments received and bank account movements. Unexplained discrepancies trigger investigation.
- Step 2: Pattern Analysis. The Director reviews claim patterns quarterly, looking for: unusual spikes in claims from a single provider, claims clustering near price limits, repeated claims at identical amounts, and providers billing at maximum price for every service.
- Step 3: Participant Feedback. Participants are encouraged to review their budget statements and raise concerns about any claims they do not recognise.

5.4 Response Procedure

- Step 1: Any worker or contractor who suspects fraud reports it to the Director immediately. If the suspicion involves the Director, the report goes to the Contractor-Accountant.
- Step 2: The Director (or Contractor-Accountant) conducts a preliminary assessment within 2 business days to determine whether there is a reasonable basis for the suspicion.
- Step 3: If the preliminary assessment supports the suspicion, the Director: (a) Suspends processing of invoices from the relevant provider, (b) Notifies the NDIS Quality and Safeguards Commission within 24 hours, (c) Notifies the affected participant(s), (d) Preserves all relevant records.
- Step 4: If the suspected fraud involves criminal conduct, the Director reports it to the Australian Federal Police.
- Step 5: The Director cooperates fully with any investigation by the NDIS Commission or law enforcement.
- Step 6: Outcomes and actions taken are documented and retained for 7 years.

5.5 Whistleblower Protection

- Any worker or contractor who reports suspected fraud in good faith is protected from retaliation, harassment, or adverse action.
- Waylight does not discipline, terminate, or disadvantage any person for making a good faith report of suspected fraud.
- Reports can be made verbally or in writing to the Director or, if the concern involves the Director, to the Contractor-Accountant.
- Anonymous reports are accepted and investigated to the extent possible.

6. Responsibilities

Role	Responsibility
Director (Joshua)	Implements prevention and detection controls. Conducts preliminary fraud assessments. Reports to NDIS Commission and law enforcement. Protects whistleblowers.
Contractor-Accountant	Performs independent reconciliation.

	Receives reports of suspected fraud involving the Director. Assists with fraud investigations.
Plan Management Worker (future)	Reports suspected fraud immediately. Completes conflict of interest declarations.
Participants	Review budget statements. Report unrecognised claims to Waylight.

7. Related Documents

- WL-POL-01 Financial Management Policy & Procedure
- WL-POL-03 Conflict of Interest Policy
- WL-POL-04 Participant Money & Property Policy
- NDIS Code of Conduct
- NDIS Quality and Safeguards Commission Reportable Incident guidance

8. Audit Readiness Notes

- Q: 'What happens if you discover an incorrect or fraudulent claim?'. A: Suspend processing from that provider, preliminary assessment within 2 days, notify NDIS Commission within 24 hours if confirmed, notify participant, preserve records, report to police if criminal. Zero tolerance.
- Q: 'How do you prevent fraud before it happens?'. A: Every invoice goes through a 7-point validation before lodgement. Segregation of duties between the Director (processing) and Contractor-Accountant (reconciliation). Annual conflict of interest declarations. ABN verification for new providers. Participant confirmation for unusual invoices.
- Q: 'What if a worker suspects you (the Director) of fraud?'. A: They report to the Contractor-Accountant, who has independent access to records and reconciliation. Whistleblower protection applies. The Contractor-Accountant would report to the NDIS Commission.

9. Review

This policy is reviewed annually or earlier if there are changes to NDIS legislation, Practice Standards, or organisational operations. Next scheduled review: 2027-04-02.

Version History

Version	Date	Author	Changes
1.0	2026-04-02	Joshua	Initial version