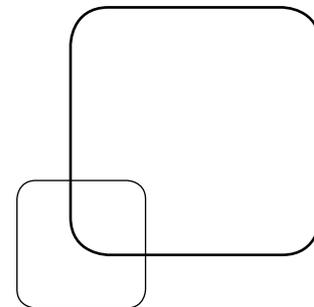


Misconduct



Achievements

- The CMC progressed major investigations into Queensland Health, the University of Queensland and a referral from the Queensland Floods Commission of Inquiry (see pages 32–33).
- We maintained or improved our timeliness in key areas including investigations, complaints assessment and monitoring:
 - Assessed a record number of complaints (5192), and maintained our timeliness target in assessing new complaints (88% within 4 weeks, exceeding our target of 85%).
 - Finalised 79 per cent of investigations (73 matters) within 12 months, a considerable improvement on the 60 per cent finalised during a similar period in 2010–11.
 - In our monitoring role, finalised our reviews of matters we had referred to agencies to deal with in a median of 14 days, well below our target of 25 days.
- Seven Queensland public service departments have been rated as having 'satisfactory' or better integrity systems by our Integrity Index (see pages 30–31).
- Our misconduct investigations resulted in 182 procedural recommendations for misconduct prevention action within public sector agencies and increased integrity in the public service. Additionally, we made 10 recommendations for criminal charges and 60 recommendations for disciplinary action (see page 27).
- Our continuing partnership with the Independent Commission Against Corruption (NSW) and the Corruption and Crime Commission (WA) saw over 500 state, national and international delegates engage with anti-corruption issues at the 2011 Australian Public Sector Anti-Corruption Conference (APSACC) in Fremantle, Western Australia (see page 29).
- More than 670 public sector employees in Brisbane commended us on the clarity and relevance of our lunchbox information sessions on integrity-related topics (see page 29).
- All recommendations in the CMC's 2011 public policy reports on the evade police provisions and Taser use by QPS officers were accepted by government (see page 38).

Our challenges

- Balancing our legislative obligation to devolve responsibility for misconduct management to agencies against the need to safeguard the public interest.
- Effectively resourcing an increase in referrals and/or investigations of high-profile or sensitive matters without compromising the quality and thoroughness of other investigations.

Looking forward ►

In 2012–13, while pursuing the priorities listed in the *2012–16 Strategic Plan*, we will:

- Change our processes, including workforce models, as a result of the Independent Review of the Police Complaints, Discipline and Misconduct System.
- Extend our service delivery, especially in misconduct prevention, across regional Queensland, leveraging current and emerging technologies and partnerships with other agencies.
- Build on our assessment of misconduct risks in the local government sector, and develop an action plan that includes strategies for preventing misconduct.
- Continue to conduct research designed to fight misconduct, evaluate the effectiveness of Queensland legislation and improve policing methods in the QPS.
- Adjust our processes and ways of working to accommodate machinery-of-government changes following the 2012 state election to ensure consistency across public sector entities in dealing with misconduct issues.

Our role and jurisdiction

A major statutory role of the CMC is to promote a trustworthy public sector in Queensland and reduce the incidence of misconduct. Our wide-ranging jurisdiction includes all state government departments, the Queensland Police Service, local governments, public sector agencies and statutory bodies, government-owned corporations, universities, prisons, courts, tribunals and elected officials.

The CMC is not a court, nor can it discipline anyone as a result of a misconduct investigation. Police officers seconded to the CMC can in some cases instigate criminal charges and the CMC can also refer matters to the Director of Public Prosecutions with a view to criminal prosecution, to the Queensland Civil and Administrative Tribunal (QCAT) to consider disciplinary charges of official misconduct, or to the CEO of an agency to consider disciplinary action.

How misconduct matters come to the CMC

Misconduct within the Queensland public sector is brought to the CMC's attention through complaints from the public (via letters, faxes, emails and telephone calls); from whistleblowers and anonymous sources; or from our own intelligence sources. CEOs (including Directors-General) of public sector agencies are also obliged by law to inform the CMC of any suspected official misconduct in their own agency.

The *Crime and Misconduct Act 2001* obliges agencies to have a low threshold for reporting suspected misconduct to the CMC. This is intended to:

- ensure that the CMC is advised of all possible misconduct
- protect the public interest
- ensure the integrity, openness and accountability of public sector agencies
- protect these agencies from accusations of cover-up.

The obligation to refer matters to the CMC coexists with the devolution principle, which requires that, in general, agencies should deal with misconduct in their own organisation.

More information is available on our website at www.cmc.qld.gov.au/reportmisconduct. Complaints can be lodged via the website.

Strategic focus

To carry out our misconduct functions we:

- keep informed of current and emerging misconduct issues in the public sector by receiving, assessing and analysing complaints from public sector agencies and the community
- refer complaints to appropriate agencies to deal with and in some cases oversee how they are managed
- investigate the most serious allegations of misconduct, including those with a strong public interest element
- work with public agencies to develop and maintain effective integrity systems, using research, intelligence and misconduct prevention specialists as appropriate.

This year saw the implementation of major changes to the structure and working practices of our Misconduct area, arising from a review conducted in 2011.

Recognising the importance of integrity issues in the local government and government-owned corporations sectors, we established a separate program to deal with complaints about these sectors. This will also enhance our understanding of the relevant issues and how best to address them in collaboration with partner agencies.

We also made structural adjustments to accommodate the implementation of recommendations arising from the Independent Review of the Queensland Police Complaints, Discipline and Misconduct System (SETS Review, see page 34) – including, among other things, that investigations into police misconduct be undertaken by civilian staff (i.e. staff who are not current or former Queensland police officers). We trialled a civilian workforce model within one of the Misconduct investigation teams, identifying several resourcing, legislative and operational requirements that would need to be addressed for full implementation.

The oversight of police-related deaths, such as deaths that occur in police custody or during police operations, was identified as a particular area of focus in our *2011–15 Strategic Plan*. Pending the final outcomes of the SETS Review, interim arrangements for the investigation and oversight of these matters have been established between the CMC, the QPS and the State Coroner. Under those arrangements CMC officers promptly attend and oversight initial investigations into these deaths. At times they may also attend other major policing incidents, such as those resulting in serious injury to a person.

We also continued our long-term strategy of collaborating with major public sector agencies to implement improved integrity systems (see page 30).

Our investigations targeted serious misconduct while also generating recommendations to improve integrity in public sector agencies. We continued to expand the resources and guidance materials that we make available to public agencies. Our legislation requires us to play a lead role in building the capacity of agencies to prevent and deal with cases of misconduct.

Performance overview

The following overview assesses our performance against the *2011–15 Strategic Plan* and the service standards and other measures and targets identified in the CMC 2011–12 Service Delivery Statement (see Table 4, next page).

A key output for the Misconduct function this reporting year has been improved efficiency in the delivery of its services.

After a significant restructure of our operations area and, consequently, a more efficient deployment of resources, 79 per cent of Misconduct investigations were finalised within 12 months – a considerable improvement on the 60 per cent in the previous year.

We maintained or improved timeliness in other areas, including in our monitoring role where we finalised our reviews of matters we had referred to agencies to deal with in a median of 14 days, well below our target of 25 days.

Targets were exceeded in other areas – for example, the percentage of CMC recommendations accepted by agencies; the number of agencies rated as managing their integrity systems to a satisfactory or better standard; and the percentage of significant agency-managed complaint matters that we reviewed.

We also exceeded our target in the overall number of serious matters retained for investigation. However, the break-up between QPS and public sector matters was somewhat different from what we had anticipated. Historically, the majority of complaints received by the CMC have been QPS-related, resulting in the CMC retaining a higher number of QPS-related matters for investigation. However, in 2011–12 the breakdown of complaints became closer to 50 per cent relating to police and 50 per cent relating to the remaining public sector.

This resulted in fewer police matters and more public sector matters than expected being retained for investigation. In response, we have adjusted the targets for 2012–13 to 25 QPS-related and 25 'other agency' matters being retained for CMC investigation, and will continue to monitor this possible trend.

A larger than anticipated number of projects were undertaken in 2011–12 following the introduction of our misconduct prevention program of lunchbox information sessions for public sector staff and the completion of seven evaluation reports under the Building Integrity Program. Our activities here demonstrate our commitment to assisting public sector agencies to manage their integrity systems effectively and appropriately.

See Table 4 for more detailed information. Our performance can also be reviewed against results over the previous four years provided in Appendix 1.

Table 4. Service Area: Public sector integrity

	2011-12 Target/est.	2011-12 Actual	2012-13 Target/est.
Service standards (SDS)			
Percentage of agencies rated as managing their integrity systems to a satisfactory or better standard ¹	70	100	70
Percentage of recommendations to agencies accepted ²	85	96	85
Median days to finalise a review matter ^{3,4}	25	14	20
Percentage of investigations of police-related fatalities where Coroner has been satisfied with CMC's response ⁵	100	n/a	100
Other measures (SDS)			
Percentage of significant agency-managed complaints matters reviewed ⁶	15	18	15
Number of research, intelligence, capacity building, prevention and monitoring projects undertaken ^{7,8}	26	31	20
Number of serious matters retained for CMC investigation:			
(a) Queensland Police Service matters	30	23	25
(b) Other agency matters ^{9,10}	20	28	25
Percentage of investigated matters finalised within 12 months	80	79	80

The following notes are extracted from the Service Delivery Statement and explain significant variations between targets/estimates and actual performance.

- As part of the Building Integrity Program, the integrity frameworks of seven public service departments were evaluated in 2011-12. These departments were Department of Justice and Attorney-General, Department of the Premier and Cabinet, (former) Department of Public Works, (former) Treasury Department, (former) Department of Local Government and Planning, (former) Department of Environment and Resource Management and Department of Community Safety. All seven evaluation reports indicated the departments are managing their integrity systems to a satisfactory or better standard.
- One hundred and sixty three procedural recommendations were completed in 2011-12 and 157 (96 per cent) were accepted/implemented. When making preventative recommendations, the CMC works collaboratively with public sector agencies to seek their feedback and to discuss their implementation to ensure that the recommended improvement is practical.
- In 2011-12, the CMC was committed to ensuring that our close monitoring of matters dealt with by public sector agencies was conducted in a timely and relevant manner. This has been reflected in the final result.
- To reflect the CMC's sustained improvement in our timeliness of closely monitoring matters dealt with by public sector agencies, the target for 2012-13 has decreased from 25 to 20 days.
- Waiting on the finalisation, through the Review of the Police Complaints, Discipline and Misconduct System, of the Memorandum of Understanding between the CMC, State Coroner and Queensland Police Service which will define roles, responsibilities, resourcing and conflict resolution. In the interim, CMC investigators are attending police related deaths in an overview capacity and attended nine in the 2011-12 financial year.
- The CMC invests considerable resources in assisting agencies to effectively manage their integrity systems, including closely monitoring the way agencies deal with the more serious complaints. With a further year of increased complaint numbers, the number of complaints requiring close monitoring also increased.
- With the introduction of a program of Misconduct Prevention lunchtime information sessions for public sector staff and the completion of seven evaluation reports under the Building Integrity Program, the CMC undertook more projects than originally planned for 2011-12.
- The 2012-13 Target has been reduced from the previous year because there are fewer Building Integrity evaluation reports planned as only three public service departments have not yet been evaluated. The number of activities is based on the CMC Operational Plan for 2012-13.
- While the specific sub-targets have not been met, the overall 2011-12 Target of 50 has been achieved. This measure is affected by the types of matters that are received by the Commission and is reflective of the increase in the numbers of complaints about public sector agencies in 2011-12.
- Historically, the police have accounted for 55 per cent of the complaints received by the Commission and 45 per cent for the remaining public sector. In 2011-12, the breakdown of complaints became closer to 50 per cent relating to police and 50 per cent relating to remaining public sector. The Target for 2012-13 has therefore been updated to 25 police investigations and 25 other investigations.

Promoting a trustworthy public sector

We begin this chapter with an overview of our Misconduct-related activities across all sectors, followed by reports on individual sectors as follows:

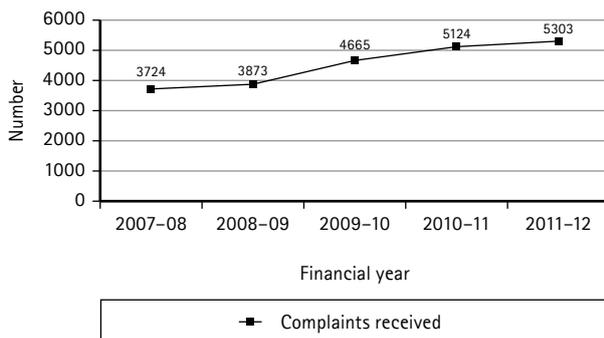
- public sector
- Queensland Police Service
- local government and government-owned corporations (GOCs).

Complaints to the CMC

In 2011–12, the CMC received 5303 complaints – the highest number since our establishment in 2002, and an increase of 42 per cent on the total received in 2007–08 (see Figure 3). This upward trend is considered partly attributable to public sector employees' increasing awareness of the need to report official misconduct.

Despite this increase, the Integrity Services area assessed 88 per cent of new complaints within four weeks of receipt (against a target of 85%).

Figure 3. Complaints received between 2007–08 and 2011–12



Sources of complaints

Of the complaints received in 2011–12:

- 65 per cent were referred by public agencies
- 33 per cent came to us directly from members of the public
- 2 per cent came from our own activities or referrals from government.

This is consistent with previous years.

Who the complaints were about

The 5303 complaints received contained a total of 12 559 allegations of misconduct. (A complaint may contain multiple allegations.) Of these allegations:

- 49 per cent (6167) related to police
- 42 per cent (5266) related to public sector agencies (including GOCs)
- 8 per cent (1002) related to local government
- 1 per cent (124) related to other agencies (mainly involving politicians).

See Figure 4, page 26.

For details of complaints in specific sectors, see pages 31, 34 and 39. Note that the sum of complaints across all sectors is more than the total number of complaints received by the CMC, because one matter may involve multiple agencies.

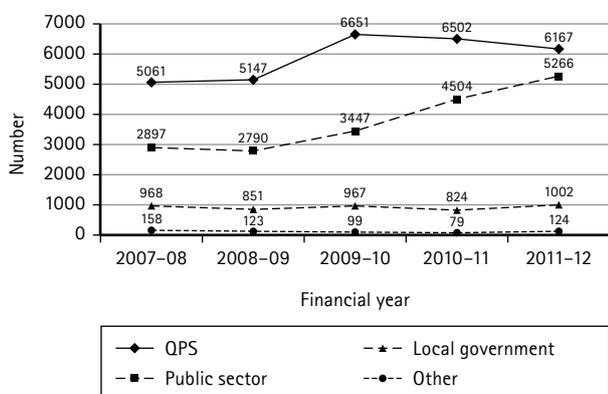
Assessment outcomes

We assessed 5192 complaints in 2011–12:¹

- 4420 (85%) were referred to the appropriate agency to deal with, subject to our monitoring²
- 74 (1%) were retained for investigation by the CMC (including investigations conducted cooperatively with agencies)
- 698 (14%) were assessed as requiring no further action.

¹ The number of complaints assessed differs slightly from the number received because somewhat different time periods apply.
² Of the 4420 complaints referred to the appropriate agency to deal with, 360 (8%) were subject to close monitoring.

Figure 4. Allegations by sector, 2007–08 to 2011–12



The last three years have seen an upward trend in the number of complaints and allegations against the public sector.

Monitoring

The number of complaints the CMC receives means that the CMC cannot investigate all matters. Our legislation also requires that, subject to consideration of the public interest and the capacity of a public sector agency, action to prevent and deal with misconduct should generally happen within that agency. Most complaints can be dealt with by the relevant agency investigating the matter or taking managerial action, in some cases subject to our oversight. Our recent restructure of the Misconduct area has allowed us to provide greater investigative support to agencies during particular investigations that we undertake cooperatively.

We monitor how agencies handle complaints by various mechanisms. We may oversee an agency's investigation while it is taking place, or review interim or final reports as an investigation progresses and before any disciplinary or other managerial action is taken.

Through this form of close monitoring we can review our initial assessment of a complaint, assume conduct of the matter, or decide to investigate the complaint together with the agency. In 2011–12 the CMC completed 370 reviews (313 in 2010–11), taking a median of 14 days to complete a review (against a target of a median of 25 days).

In other cases, we ask agencies dealing with matters to advise us of the outcome, so that we are aware of developing trends in relation to misconduct issues.

We can also audit the way agencies have dealt with a general class of complaints or dealt with particular areas of focus. Our audits focus on areas of perceived risk, identified through our complaint handling and monitoring work.

Audit of complaints relating to procurement and purchasing

The CMC conducted an audit of how the public sector, including local government and the QPS, dealt with complaints involving allegations relating to purchasing and procurement. We were particularly interested in the conduct of preliminary inquiries, the action taken to deal with the allegations, and whether appropriate preventative action occurred.

The audit found that most complaints were dealt with satisfactorily. However, the CMC did identify some failures to record information and, in some cases, to adequately document the basis for particular decisions. Given government requirements for accountability, agencies must ensure that any purchasing and procurement decisions and processes are clearly and comprehensively documented. The CMC made recommendations relating to document control and record keeping to address the deficiencies identified in the audit. Overall, in the CMC's view, procurement and purchasing across the Queensland public sector is well regulated and agencies generally conform to policies.

Audit of responses provided to complainants

This year we audited how all public sector agencies (including police, local government and government-owned corporations) provide outcome advice to complainants in accordance with their statutory obligations under the Crime and Misconduct Act. We found that many agencies are not providing outcome advice to complainants as required. Complainants were often not told of the individual action taken in relation to substantiated allegations or why their complaint could not be substantiated.

In order to obtain a shared view of complex issues such as the impact of privacy considerations, and not to duplicate the work being done in this area by other accountability

agencies, we consulted with the Office of the Ombudsman, the Information Commissioner, the Commission for Children and Young People and Child Guardian, and the Public Service Commission. Early in 2012–13 we will be providing specific guidance to agencies about the level of information required when responding to complainants.

Investigations

The CMC itself investigates the most serious cases of alleged official misconduct as one of its strategies to expose and deal with serious misconduct. Our decisions to investigate matters, either ourselves or in cooperation with a public sector agency, are based on factors such as:

- the nature and seriousness of the alleged misconduct, particularly if there is reason to consider it prevalent or systemic in an agency
- whether our special powers will be needed to effectively investigate the matter
- whether the relevant agency has the capacity and resources to effectively deal with the misconduct itself
- whether there is likely to be an increase in public confidence in having the misconduct dealt with by the CMC directly.

CMC misconduct investigations are conducted by multidisciplinary teams comprising police, civilian investigators, lawyers, intelligence analysts, financial investigators and prevention officers.

This year has been significant within the investigations area.

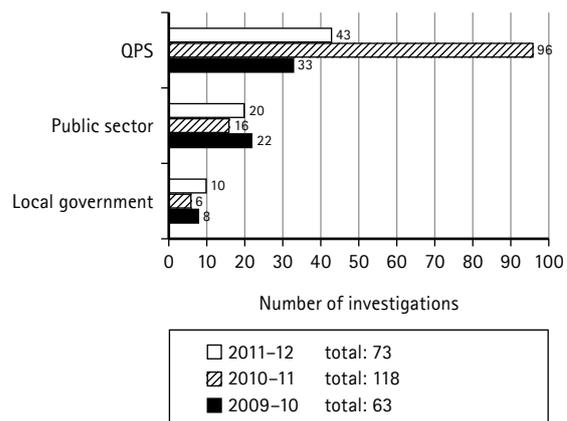
- Considerable resources were directed to an investigation into alleged major fraud at Queensland Health; a referral arising from the Queensland Floods Commission of Inquiry; and an examination of admission irregularities at the University of Queensland (see pages 32–33).
- We trialled an all-civilian investigation team for investigating police misconduct, at the recommendation of the Independent Review of the Police Discipline, Complaints and Misconduct System. (For further information on the Independent Review and the civilianisation model, see page 34.)

- We commenced 51 investigations:
 - 23 of these were QPS-related and 28 were public sector investigations, reflecting increased numbers of complaints against public sector officials
 - an additional 27 matters were retained for cooperative investigations with public sector agencies, including the QPS.
- The CMC finalised 73 misconduct investigations.³ As a result of our investigations we made 182 recommendations to help prevent misconduct, 60 recommendations for disciplinary action and 10 recommendations for criminal charges. Additionally, the Director of Public Prosecutions gave his consent to bringing a further 62 criminal charges arising from 2 investigations. These matters are pending.

Figure 5 shows the number of finalised investigations per sector. The large number of investigations of police in 2010–11 relative to other years was in part due to Operation Tesco, an investigation into police misconduct on the Gold Coast (see www.cmc.qld.gov.au/tesco for a copy of the Operation Tesco report).

For details of investigations in specific sectors, see pages 32, 37 and 40.

Figure 5. Finalised investigations (by sector)



³ The number of misconduct investigations finalised in the year differs from the number commenced in the year as matters can carry over from previous financial years depending on when the complaint was received.

Misconduct prevention and anti-corruption activities

Under its legislation the CMC has a function of helping to prevent misconduct.

Prevention officers are now attached to all investigation teams, enabling reviews of the systems, policies, procedures and work practices relevant to the matter under investigation. Prevention officers focus on the systemic causes of misconduct, rather than the individual who has been involved, to identify weaknesses and gaps and make recommendations to reduce opportunities for misconduct within the agency and, where relevant, across the public sector.

Agencies responded to 163 of our recommendations within this reporting year. Of these 163, they accepted 96 per cent (157). This represents an 8 per cent increase on the previous year.

Prevention training for public sector officers

The CMC has been identified by agencies as a valuable resource in helping to strengthen their integrity systems, resulting in invitations by agencies to provide tailored training and support. Training in 2011–12 was conducted on many topics, including the following:

- Ethics and building integrity – four workshops were jointly facilitated by the CMC and the former Department of Environment and Resource Management; training was provided in Mackay, on the Sunshine Coast and in Brisbane, with 46 senior managers attending, including Regional Managers, Directors, Deputy Directors and Team Leaders, representing approximately 680 staff
- Conflict of interest – training for 250 inspectors and staff from the Office of Liquor and Gaming Regulation
- Code of Conduct and conflicts of interest – training for 70 procurement officers at Queensland Rail
- Ethics and complaints management – information sessions to staff of the Queensland University of Technology's Human Resources Unit

- The CMC's Misconduct functions and how to deal with suspected official misconduct – presentations to the Senior Management Committee and senior staff of the University of Queensland
- Ethics and Code of Conduct – four sessions held with senior management and supervisors at the Wide Bay Water Corporation in conjunction with *Facing the facts* training. (*Facing the facts* is our published guidelines for how agencies should deal with matters involving official misconduct – for more information see www.cmc.qld.gov.au/facingthefacts.)

Public information program

This year we maintained our extensive public information program, both in Brisbane and across the state, and made information available through our website.

- More than 670 people attended lunchtime information sessions for public sector employees on integrity-related topics (see the box on the next page).
- 23 misconduct advisories were reissued in November 2011 to include updated advice and links to relevant legislation.
- The CMC's publication *Ethics, integrity and elected officials – state government* was released in February 2012. This checklist-based approach to ethics information provided candidates for the March 2012 state election with advice on their legal and ethical obligations during the election period.

All misconduct prevention publications are available on our website www.cmc.qld.gov.au/prevention.

Lunchbox sessions in Brisbane CBD for public sector workers

Lunchbox sessions canvass topical issues and generate discussion around potential misconduct risks. Run jointly with partner agencies, sessions to date have focused on caretaker conventions in the run-up to the last state election (with the Department of the Premier and Cabinet), social media and public officials (with the Queensland Government Chief Information Office), and public interest disclosures (with the Public Service Commission).

One aspect of Misconduct Prevention's role is to provide information to assist managers make sound decisions. The CMC Lunchbox sessions were created to provide timely, practical and reliable advice on high-profile or potentially confusing issues. Sessions were aimed at middle to senior level managers needing authoritative information upon which to base their decisions.

Feedback has been very positive, with attendees saying that the information has demystified issues and given sound guidance on complex questions.

Australian Public Sector Anti-Corruption Conference (APSACC)

In November 2011, the CMC again co-hosted APSACC with the Western Australian Corruption and Crime Commission and the New South Wales Independent Commission Against Corruption. APSACC is recognised as Australia's leading conference for public sector corruption prevention and investigation professionals. Over 500 state, national and international delegates from 20 countries attended the event in Fremantle, Western Australia.

The theme of APSACC 2011 was 'A global compass – navigating public sector corruption'. Officers of the CMC spoke on our investigation into police misconduct (Operation Tesco), police use of Tasers, emerging misconduct trends and the review of the police complaints, discipline and misconduct system undertaken in Queensland in 2011. CMC officers also delivered workshops on codes of conduct, whistleblowing and ethics. Several sessions were pre-booked to capacity. For a full list of the presentations and papers see www.apsac.com.au.

The next APSACC will take place in Sydney from 26 to 28 November 2013.

National cooperation between integrity agencies

With the coming introduction of standing integrity bodies in Victoria and South Australia, each Australian state will have one or more integrity agencies responsible for overseeing misconduct issues relating to law enforcement⁴ and the public sector.

During the year the CMC participated, together with interstate integrity agencies and the Australian Commission for Law Enforcement Integrity (ACLEI), in the establishment of the Australian Anti-Corruption Commissions Forum (AACF). The forum enables member organisations to exchange knowledge and resources, work cooperatively, and promote common areas of interest. In fact, this kind of exchange is required of the CMC under its legislation.

The principals of the various Australian agencies met in Fremantle in 2011, during APSACC.

Regional cooperation in combating fraud and corruption

Australia is one of the least corrupt countries in the world, having ranked equal 8th with Switzerland on the recent index compiled by Transparency International. The index ranks countries based on how corrupt their public sector is perceived to be, assessing perceptions of bribery of public officials, kickbacks in public procurement, embezzlement of public funds and the effectiveness of anti-corruption measures.

Recognising the high cost of corruption, Australia has a range of federal and state anti-corruption agencies and programs. Among them is Australia's anti-money laundering and counter-terrorism financing regulator and specialist financial intelligence unit, the Australian Transaction Reports and Analysis Centre (AUSTRAC).

AUSTRAC also funds a number of programs aimed at building the capacity of financial intelligence units in our region and, as part of this work, has requested assistance from the CMC to jointly design and deliver a number of financial intelligence training courses.

⁴ Including the Australian Commission for Law Enforcement Integrity at a Commonwealth level.

In November 2011, the CMC provided a subject matter expert to present at a regional seminar, Combating Corruption through Coordination: Strengthening Anti-Money Laundering Outcomes, held in Kuala Lumpur. Joining with presenters from AUSTRAC and the World Bank, CMC Proceeds of Crime Manager David Goody delivered a range of interactive sessions to senior officials from the financial intelligence units and anti-corruption agencies of Indonesia, Malaysia, Thailand and the Philippines.

In conjunction with AUSTRAC, the Australian Federal Police and the Australian Taxation Office, Mr Goody also assisted in conducting a five-day workshop in Bandung, Indonesia on 26–30 March 2012, focused on using financial intelligence to investigate corrupt behaviour. Senior investigators from six Indonesian government agencies attended. CMC travel and accommodation costs were met by the requesting agencies.

CMC officer David Honeyman will assist as a subject matter expert in corruption prevention in a related workshop in Bandung in September 2012.

Links with overseas integrity agencies

Each year the CMC is visited by delegations and individuals from other countries keen to draw upon the experience the CMC has gained in over twenty years of investigating and preventing public sector misconduct, fraud and financial crime. In 2011–12 these visitors included:

- an official delegation from the Attorney-General's Office, Bhutan (May 2012)
- Mr Joe Poraiwai, Ombudsman and Chief Investigators Mr James Maneforu and Ms Judith Waleanisia (Solomon Islands) (June 2012)
- representatives from the Incheon Port Authority, South Korea (November 2011)
- Mr Kelly Kaisa, police officer, Papua New Guinea (July 2011)
- Mr Royd Katongo, Senior Prevention Officer, Zambian Anti-Corruption Commission (July 2011).

A senior officer from the Indonesian Corruption Eradication Commission (Ms Husnunnisa) also worked in the CMC's Misconduct Prevention area for three months to assist in completing the requirements of her master's degree in governance and public policy at the University of Queensland.

Public sector

Promoting a trustworthy public sector – the Building Integrity Program

One of the CMC's strategic priorities in the period 2010–13 has been to progressively build agencies' capacity to manage and be accountable for the misconduct of their own officers, subject to our oversight. By 30 June 2013, through our Building Integrity Program (BIP), we will have worked with all core agencies to support the implementation of improved complaints management and integrity systems in the public sector. (For a full description of the project, go to our website www.cmc.qld.gov.au/bip.)

The first two years of the BIP program saw four 'early adopter' agencies – Brisbane City Council, Queensland Health, the Department of Employment, Economic Development and Innovation and the Department of Justice and Attorney-General – rated as at least 'competent' in relation to their integrity systems.

In 2011–12, we assessed the integrity systems of 12 government departments in existence before the machinery-of-government changes that followed the 2012 elections. To do this, the CMC:

- reviewed each department's integrity framework, including the related policies and procedures
- surveyed more than 15 000 departmental staff to ascertain their knowledge of and trust in departmental complaints and integrity systems
- used survey results to assist agencies to identify implementation issues or possible areas for improvement
- audited how departments dealt with actual complaints, and examined 228 matters referred to them by the CMC.

Outcomes and recommendations

We provided a BIP evaluation report to seven public service departments:

- Department of Justice and Attorney-General
- Department of the Premier and Cabinet
- (former) Department of Public Works
- (former) Treasury Department
- (former) Department of Local Government and Planning
- (former) Department of Environment and Resource Management
- Department of Community Safety.

The reports assessed the integrity frameworks of all these departments as being at least 'satisfactory', with some being 'exceptional', exceeding our performance target. Nonetheless, we were able to provide them with 284 suggested actions for improvement.

As at 30 June 2012, 84 per cent of existing Queensland Government departments have been assessed by the CMC. Remaining departments will be provided with a BIP evaluation report in 2012–13. Since the integrity frameworks are broadly transferable, it is expected that agencies established under machinery-of-government changes will take with them the integrity systems from the parent agencies that have been assessed by the CMC.

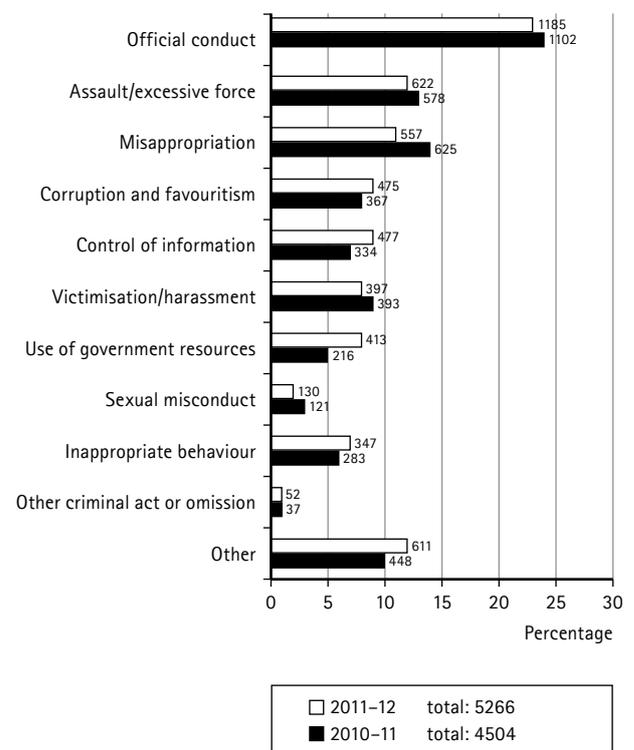
Queensland Health requires particular mention. A major misconduct event was reported to the CMC in late 2011, despite that organisation's integrity system having been rated last year under the BIP program as 'competent'. Although the CMC's investigation into Queensland Health undertaken this year (see pages 32–33) is not yet complete, indications as at 30 June 2012 are that while the integrity framework was indeed satisfactory, questions surround individual conduct within that framework in terms of meeting requirements and expected standards.

Nevertheless, this experience will be taken into account as the CMC evaluates the methodologies of the first major stage of the BIP project, including reviewing the value of conducting large-scale surveys, the challenges associated with engaging a very large, geographically dispersed agency such as Queensland Health in the 'early adopter' stage, and the resources required to extend the BIP throughout other areas, such as local government or the tertiary education sector.

Complaints

In 2011–12, the CMC received 2616 complaints containing 5266 allegations against public sector employees. The number of complaints received was 9 per cent higher than in 2010–11. The 5266 allegations against public sector employees were about 42 per cent of total allegations received by the CMC.

Figure 6. Types of allegations — public sector



Monitoring

In 2011–12, the CMC:

- Reviewed a total of 136 complaints dealt with by public sector agencies. During these reviews a range of concerns were identified across all agencies, including delays in finalising investigations, failure to provide adequate investigation reports for review, failure to interview (and record interviews with) all relevant witnesses, and failure to identify and manage systemic issues. The CMC was satisfied with the way in which agencies dealt with these matters in 96 per cent of cases, compared with 89 per cent in the previous year.

- Made over 100 procedural recommendations across 13 public sector agencies. Recommendations included those relating to improvements to record-keeping processes, staff training, dealing with the public and information and workplace security.
- Audited complaints involving allegations relating to purchasing and procurement across the public sector. The CMC found that, overall, most matters were being dealt with satisfactorily.
- Found that some agencies were not providing outcome advice to all complainants as required, and that complainants were not properly informed of the action taken or the reasons for decisions.
- Published its latest reports on the Queensland public's perceptions of the QPS, public service agencies and local government in key areas such as behaviour, corruption and complaints processing. Overall, our research found that the Queensland public has more confidence in the CMC to properly investigate complaints than it does in the QPS, public service agencies and local governments to investigate complaints about their own staff. All the public perception survey reports are available on our website www.cmc.qld.gov.au/publicperceptions.

Oversighting misconduct matters in youth detention centres

In 2009–10 the CMC and the Commission for Children and Young People and Child Guardian observed an increasing trend in alleged assaults against young people in detention. As a result, the CMC closely reviewed how the Department of Communities dealt with these types of complaints. The reviews identified factors hindering the department's ability to appropriately deal with misconduct, including the limited participation of young people in the investigation processes and a workplace culture that prevented timely resolution of matters.

The CMC and the department are now working together to develop an integrity program targeted at youth detention centres. It aims to promote timely, independent reporting of possible misconduct, and resolve significant cultural issues. As of 30 June 2012, 300 youth detention staff at Wacol and 120 staff at Cleveland (Townsville) had received training by CMC officers on ethical work practices. Feedback indicated that they found the training relevant and beneficial.

Investigating allegations of serious official misconduct

Of the complaints received in 2011–12, the CMC conducted 20 investigations into 93 allegations of official misconduct in the public sector (see Figure 5, page 27). While all matters investigated involved serious allegations of misconduct, some matters were of a particularly high profile and public interest.

As a result of our investigations, we recommended 5 criminal charges and 9 disciplinary charges involving 6 officers.

Enrolment irregularities at the University of Queensland

In January 2012 the CMC decided, in the public interest, to independently examine issues associated with a forced offer for entry into the University of Queensland's 2011 medical program (MBBS).

The matter is ongoing and a public report will be released in the next reporting period. The public report will also incorporate recommendations from two ongoing reviews earlier announced by the CMC and associated with the forced offer for entry. These reviews address:

- the University of Queensland's handling of the complaint concerning the forced offer (focusing on broader aspects surrounding the university's handling of and response to allegations concerning the then Vice-Chancellor and Senior Deputy Vice-Chancellor)
- quality issues arising out of the university's overall management of official misconduct matters, to help restore public confidence in the institution's ability to deal with related allegations.

Alleged major fraud at Queensland Health

In December 2011, the CMC received a request from the QPS for assistance regarding an alleged case of major fraud at Queensland Health. Mr Hohepa Morehu-Barlow was arrested that same month and charged by the QPS with fraud offences against Queensland Health and other offences for allegedly misappropriating in excess of \$16.6m. The QPS had sought the CMC's assistance to restrain assets related to the alleged fraud (see also the proceeds of crime section regarding the restraining of assets, page 15).

An Inter-Agency Task Force was established to coordinate the investigation into the alleged fraud including representatives from Queensland Health, the Department of the Premier and Cabinet, the QPS, the Queensland Audit Office and the CMC.

The CMC's investigation has also examined how Queensland Health's Ethical Standards Unit (ESU) and the QPS dealt with information relating to allegations of misconduct received by the CMC in August 2010 and passed to the ESU. As a matter of transparency, the investigation has also examined how the CMC dealt with that information.

The charges against the former Queensland Health employee are still before the courts. These matters are ongoing and will be reported on in the next reporting period.

Independent assessment of health matters

In April 2012, the Parliamentary Crime and Misconduct Committee referred a series of allegations about medical matters that may reveal misconduct to the CMC. Allegations included that systemic failures and inappropriate cultures and behaviour within responsible agencies were putting patients across Queensland at risk of being harmed by incompetent doctors.

The CMC engaged a retired Justice of the Queensland Court of Appeal, Richard Chesterman AO RFD QC, to conduct an independent preliminary assessment of the allegations. Mr Chesterman, with the assistance of CMC officers, was engaged to determine the detail of the complaints, prioritise the many potential issues raised and provide a framework for further examination.

Following a recommendation from Mr Chesterman, and after examining the allegations and available material, the CMC referred criminal allegations against a Gold Coast doctor to the QPS in May 2012 for its attention and any actions it saw appropriate.

In late May 2012, the CMC provided two interim reports from Mr Chesterman to the PCMC.

Further information regarding medical misconduct has also been brought to the attention of the CMC and provided for consideration by Mr Chesterman, including information from Peter Wellington MP, the Member for Nicklin. A final report by Mr Chesterman has since been provided to the PCMC.

Queensland Floods Commission of Inquiry

On 17 January 2011, the government established the independent Queensland Floods Commission of Inquiry (Floods Inquiry) to examine the unprecedented flood disaster that affected 70 per cent of the state in 2010–11.

In March 2012, the Floods Inquiry handed down its final report recommending that, in respect of a number of the engineers involved in the flood event, the CMC investigate whether any or all of them had committed official misconduct and/or a criminal offence in respect of their actions after the event, including: first, preparation of documents surrounding the January 2011 flood event, including a 17 January 2011 brief to the Minister, the 2 March 2011 flood event report, and statements provided to the Floods Inquiry; and, secondly, during oral testimony given to the Floods Inquiry.

The proceedings of the Floods Inquiry ran for some 14 months and involved voluminous material of a complex and technical nature. The outcome of the CMC's investigation will be advised in the next reporting period.

Queensland Police Service

This year was dominated by the ongoing implementation of the recommendations arising from the major review of the police discipline system, currently being considered by the Queensland Government.

Review of the police discipline system (the SETS Review)

In 2011, the then Queensland Government commissioned an Independent Review of the Queensland Police Complaints, Discipline and Misconduct System. In May 2011 its report, *Simple effective transparent and strong* (SETS), made a number of recommendations aimed at improving public confidence in how police complaints and disciplinary matters are dealt with.

In late 2011 the government endorsed an implementation plan, with recommendations due for completion over the next two to three years. These included:

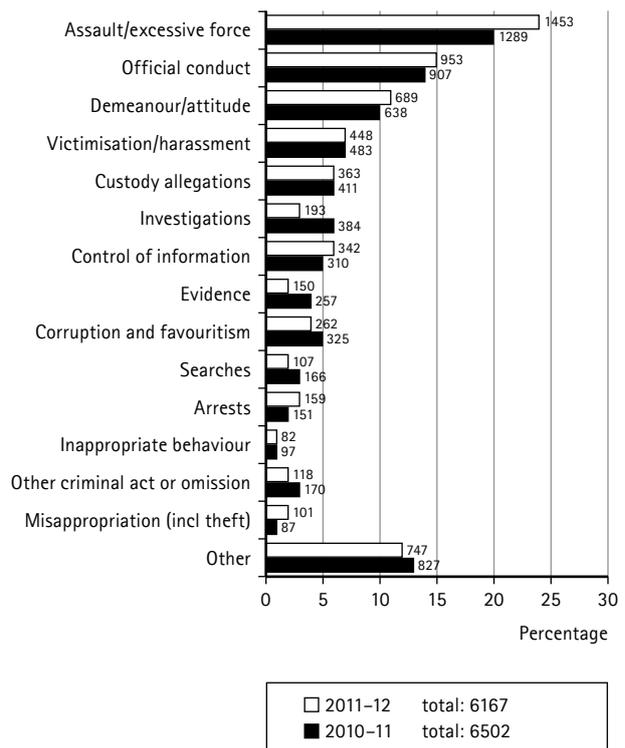
- The introduction of an all-civilian (non-QPS) model for investigating police misconduct by the CMC within two years. In response, we trialled and evaluated such a model in 2012, in order to identify the necessary resources, legislative changes and operational requirements to civilianise the police misconduct investigation function within the CMC.
- The finalisation of a Memorandum of Understanding (MOU) for the investigation of deaths in police custody (Recommendation 21). (For more information about the CMC's role in these matters, see page 35.)
- A re-engineering of our complaints management process and related IT processes.
- Amending the legislation relating to the independent review of QPS disciplinary decisions (arising out of the 2011 conclusion to the Palm Island investigation).

Complaints

In 2011–12, we received 2305 complaints containing 6167 allegations against police. The number of complaints received was 4 per cent lower than in 2010–11. The 6167 allegations against police were about 49 per cent of total allegations received by the CMC.

Where possible, the CMC and the QPS record whether complaints about police involve incidents with Indigenous people. Indigenous complaints remained steady for the year, comprising 8 per cent of the total complaints made against police.

Figure 7. Types of allegations — QPS



Monitoring

The CMC monitors the QPS's handling of complaints through various mechanisms. These include oversight of the investigation of serious incidents involving police, described below; settling initial investigative steps to be taken by the QPS in a matter; overseeing an investigation while it is taking place; and reviewing interim or final reports as an investigation progresses and before any disciplinary or other action is taken. We may also audit the way the QPS has dealt with a general class of complaints or dealt with particular areas of focus.

Oversight of police-related deaths and 'significant events'

The CMC is informed of all police-related deaths and also of 'significant events' involving police. It may elect to attend an incident if there is concern regarding the public interest (for example, where a police officer has shot at someone, regardless of whether there have been injuries or deaths).

During this reporting period the CMC responded to nine police incidents across the state. This included incidents in police watch-houses, car pursuits, suicides, a siege and police

More timely assessment of complaints against police

Consistent with recommendations from the Independent Review, a Joint Assessment Committee (JAC) involving the CMC and the Ethical Standards Command of the QPS has been introduced to improve the efficiency and timeliness in assessing more serious complaints. This is done through joint discussion about what inquiries need to be undertaken to deal with a matter and provide for the best concentration of investigative effort. JAC meetings are held weekly and, since its introduction, have dealt with over 60 complaints.

The JAC process is currently being evaluated. Initial data suggest that it has improved timeliness, allowed quicker resolution of issues, and reduced the need for protracted correspondence between the CMC and the QPS. It has also enabled decision makers to more quickly identify the focus of an investigation. As a result, both the response time to the public and the quality of investigations have improved.

shootings (see also 'Police discharge of firearms', page 36). The CMC attended each incident as part of its oversight function to:

- provide independent oversight of the QPS investigative response
- assess the probity and sufficiency of the initial investigation
- determine, together with the State Coroner, if there is a likelihood of any police misconduct, such as would warrant the CMC's further involvement, including assuming control of an investigation if that is considered necessary.

Where the CMC has deemed further investigation warranted, these matters have been referred accordingly.

The CMC is also monitoring the progress of the inquest into the Taser-related death of Mr Antonio Galeano in Townsville in 2009, as noted in last year's annual report. The Coroner's findings have been reserved.

Memorandum of Understanding relating to deaths in custody

Arising from the 2004 death of Mulrunji in police custody at the Palm Island police station, there have been ongoing negotiations between the State Coroner, QPS, CMC and government to put in place a MOU that clearly defines the role of each agency when responding to a death and how any misconduct issues should be handled.

Since 2005, investigations into deaths involving police have been conducted by investigators from the ESC acting under the direction of the State Coroner, with the CMC now providing oversight and assistance.

To ensure that investigations are independent and are undertaken by suitably qualified investigators, the MOU proposes that the State Coroner establish its own autonomous investigative capability that would be staffed by seconding QPS investigators experienced in homicide investigation. That capacity would be augmented where necessary by CMC resources.

These matters are currently being progressed under the ongoing work relating to the review of the police discipline system (SETS Review) (see page 34).

Because the MOU is not finalised, the CMC has been unable to report on its performance in the Service Delivery Statement in regard to its oversight of police-related deaths.

Reviews of matters dealt with by the QPS

This year, 193 police matters (compared with 195 last year) were the subject of individual close scrutiny through a case review, reflecting our heightened focus on serious police misconduct. The CMC was satisfied with the way in which the QPS dealt with matters in 85 per cent of the cases, which is comparable to last year. This included a number of matters where the investigations conducted by the Ethical Standards Command clearly identified issues and provided relevant and sound conclusions in the investigation report.

Other, more specific concerns identified by the CMC have been referred back to the QPS to be addressed through either individual case management or broader training programs, as appropriate. This year, similar to last year, some of the CMC's concerns related to conflicts of interests, unexplained delays in completing inquiries, and matters pertaining to prosecution and legal authority to take action.

Police discharge of firearms

The CMC will conduct a review of police discharge of their firearms as a result of a rise in the number of these incidents.

Between 1 October 2011 and 30 June 2012 there have been eight incidents where police officers have discharged their firearms during operational policing. This compares with two in each of 2009–10 and 2010–11.

The discharge of a firearm by a police officer does not in itself constitute misconduct. However, the CMC is concerned that, in all but two of the incidents in 2011–12, police have shot at moving vehicles when the vehicle was fleeing police and arguably was no longer a threat to the safety of the police officer or any other person.

Current QPS policy states that officers should not fire at moving vehicles, and the Police Commissioner issued a circular reinforcing the policy following incidents in October and November 2011. Given what appears to be a rising trend in the occurrence of these incidents, the CMC is concerned whether there is appropriate recognition within the QPS of the dangers inherent in discharging a firearm when other persons are present, either in a suspect vehicle or in close proximity to one, and the potential for serious or fatal injury.

As a result, the CMC's Integrity Services area will review the police shootings that occurred from late 2011 to June 2012. It will consider any misconduct issues as well as any organisational or policy measures that may reduce or restrict this type of engagement with offenders.

QPS audits

As previously described, the CMC conducted an audit of the way the public sector, including the QPS:

- dealt with complaints involving allegations relating to purchasing and procurement
- provided outcome advice to complainants.

QCAT referrals

In 2011–12 we examined 76 'reviewable decisions'. These are decisions the QPS makes in internal disciplinary proceedings against police officers for police misconduct. Our purpose in reviewing these decisions is to ensure that the findings were justified and that the sanctions imposed (where relevant) were proportionate to the facts disclosed to us.

The CMC made application to the QCAT to review three cases because we considered the findings were inconsistent with the relevant law and facts, or the sanctions were disproportionate to the disclosed facts.

QCAT review of the sinking of the *Malu Sara*

In October 2005, all five people on board died when the Department of Immigration patrol boat *Malu Sara* sank while travelling between the islands of Saibai and Badu in Torres Strait.

In February 2009, a coronial inquest recommended that a federal official and a Queensland police sergeant in charge of the search and rescue operation be disciplined over the sinking. The coroner stated that the sinking was a 'totally avoidable disaster'.

The sergeant, based on Thursday Island at the time, was the police officer in charge of the search and rescue operation. He was criticised by the Coroner for not doing more to save the boat and its passengers. He accepted an internal QPS charge of misconduct and received a suspended demotion.

However, the CMC applied to the QCAT for a harsher penalty, arguing that the sergeant should have been dismissed. In March 2012, the QCAT announced its decision to take no further action against the subject officer, saying that he had already been adequately punished.

The CMC has lodged an appeal with the QCAT's appeals tribunal against that decision.

Including matters which were already pending from 2010–11, the QCAT reviewed five cases during 2011–12. The QCAT confirmed the original decisions in four review cases and we appealed against the QCAT review decision in one of these matters. In the remaining review case, the QCAT increased the original sanction from a \$200 salary deduction to a salary reduction of two pay-points for two years. This increase was significant and equated to \$6650 on basic salary rates. The police officer's appeal against the QCAT decision is pending.

Misconduct investigations

The CMC may investigate police misconduct independently, but in some situations it may choose to conduct joint investigations with the QPS. These give QPS investigators access to the CMC's unique powers, as well as our in-house expertise and specialised services in intelligence, financial analysis, forensic computing, research and prevention. The CMC can also assume responsibility for an investigation under the CM Act if the public interest requires – for instance, when information about more serious misconduct arises during an investigation, or when an investigation by an agency is not being conducted effectively.

This year, the CMC conducted 43 investigations covering 191 allegations alleging official misconduct by QPS officers, which included 12 joint investigations. The most common types of allegations investigated were corruption and favouritism (17%) and official conduct (duty failures) (12%). As a result of our investigations, we recommended that 5 criminal and 51 disciplinary charges be instituted against 26 persons.

Below are details of some investigations conducted this year.

Lessons learned from Operation Tesco

In last year's annual report, the CMC described Operation Tesco, an investigation into police misconduct on the Gold Coast. Arising out of that investigation, the CMC is developing a strategic intelligence assessment examining illicit use of steroids by police officers in Eastern Australia, for release to law enforcement agencies in the first quarter of 2012–13.

Operation Nighthawk

Operation Nighthawk began in September 2010, in response to allegations that a police sergeant was supplying ecstasy and amphetamines to other police officers and members of the public. We reported on this operation in last year's annual report.

As a result of the investigation, the police sergeant and three other police officers resigned. In February 2012, the sergeant and a civilian who was also involved were both convicted of drug offences and sentenced to 15 months imprisonment, suspended for a period of 18 months.

The CMC ultimately also recommended disciplinary action be taken by the QPS against six other members. In two cases the QPS took disciplinary action against the officers for failing to report misconduct and they were demoted for a 12-month period. However, the other four officers resigned before disciplinary proceedings were initiated. The QPS determined not to proceed with disciplinary declarations.

Police assault in Surfers Paradise police station

The CMC and the QPS Ethical Standards Command launched a joint investigation after video footage was released in the media showing Gold Coast police appearing to assault a handcuffed man in the basement of the Surfers Paradise police station in January 2012. This investigation is ongoing.

Alleged misappropriation of funds from the QPS

In September 2011, the CMC finalised an investigation into an allegation that Queensland police officer Senior Sergeant Christopher Hurley misappropriated an overpayment of almost \$35000 by the QPS. The overpayment related to Snr Sgt Hurley's property which was destroyed by fire during a riot on Palm Island in 2004.

As a result of the investigation, the Police Commissioner has agreed with the CMC's recommendation that the QPS assess and take steps to recover any remaining overpayment to Snr Sgt Hurley. The CMC also made several recommendations to the QPS in regard to its administration of public monies and the QPS has agreed to review its policies, procedures and risk management treatments to ensure compliance with its legislative obligations under the *Financial Accountability Act 2009*.

Police assault of Mr Bruce Rowe

In 2006, Mr Bruce Rowe alleged that he had been assaulted and unlawfully arrested by police officers in Brisbane's Queen Street Mall. The CMC referred the matter to the QPS to be dealt with but the matter was delayed by court action taken against Mr Rowe. The Court of Appeal subsequently quashed Mr Rowe's convictions. The QPS and the CMC determined, at that time, not to take further action in the matter.

Mr Rowe subsequently brought a private prosecution against one of the police officers in the Magistrates Court, and in February 2011 that officer was convicted of common assault and fined \$1000. His appeal to the District Court against that conviction was dismissed on 19 December 2011. Following the officer's trial, the CMC investigated Mr Rowe's allegations of misconduct against all four officers involved in the incident.

The CMC finalised its investigation and recommended that the QPS consider disciplinary action against both the officer who was found guilty of assaulting Mr Rowe and a second officer in relation to allegations of unlawful arrest and use of excessive force.

Research in policing

The CMC conducts applied research and evaluation that shapes public policy and legislation. Our policing research focuses on police methods of operation, police powers and their use, and law enforcement by police. Our work over the past year included the following.

Use of force

- In June 2012, the CMC hosted the Police Integrity Agency Research Forum. The forum brought together Australian and international experts on police use of force to examine new and innovative ways to understand use of force decision making and monitor use of force incidents.

- As a result of the CMC's 2011 review of the evade police provisions, the QPS will now report police pursuits, including evade police incidents, annually to the CMC and will publicly report them in its Annual Statistical Review. The review's 13 recommendations, all of which have been supported by government, targeted policy, training, reporting and legislative deficiencies relating to high-speed pursuits. The QPS has already addressed the policy deficiencies, and will action the remaining recommendations, which require amendment of the *Police Powers and Responsibilities Act 2000*, in 2013.
- We continued our involvement in the area of Taser use by Queensland police. In 2010–11 we released our report *Evaluating Taser reforms: a review of Queensland Police Service policy and practice*. The Queensland Government supported or supported in principle all 21 recommendations. In the report we identified a number of ongoing concerns, such as multiple and prolonged Taser use, that we are currently examining and will publish findings of this work in the next reporting period.

Police integrity

The CMC has a long history of researching police integrity. The work program is currently being reviewed and updated to ensure that our research tools measure contemporary ethical dilemmas. Our annual ethics survey is being expanded to include experienced officers, to identify whether there are differences in the ethical attitudes of recruits, first-year constables and officers with years of experience. We will also examine the relationship between ethical attitudes and ethical behaviour.

Policing in Indigenous communities

As a follow-on to our 2009 *Restoring order* report, we reviewed how the QPS uses, manages and supports Indigenous people in policing roles. CMC researchers visited 14 Aboriginal and Torres Strait Islander communities to hear firsthand about the strengths and weaknesses of the existing approaches. The results of this latest review, which will include recommendations for reform to deliver improved outcomes to Indigenous communities, will be published in the next reporting period.

Local government and government-owned corporations

There are currently 73 local governments in Queensland. They are responsible for developing and maintaining community assets and delivering essential services, and they are a major employer. Importantly local government controls large amounts of public funds and makes decisions that can have a significant impact on the public. It is therefore vital that local government has a high level of integrity and transparency to ensure that public confidence is maintained and operates in the most corruption-resistant way possible. It is the CMC's role to help them achieve this.

In recognition of the importance of integrity and transparency in this sector, the CMC created a separate program in our Integrity Services area to specifically deal with complaints about local governments and government-owned corporations.

Local government

Complaints

For the period 1 July 2011 to 30 June 2012 we received 440 complaints of official misconduct involving local governments, an increase of 7 per cent for the same period in 2010–11. These complaints contained 1002 allegations, or 8 per cent of all allegations made to the CMC. This was a 22 per cent increase on the previous year. Of these:

- 5 per cent involved local governments
- 32 per cent were against councillors
- 63 per cent were against local government employees.

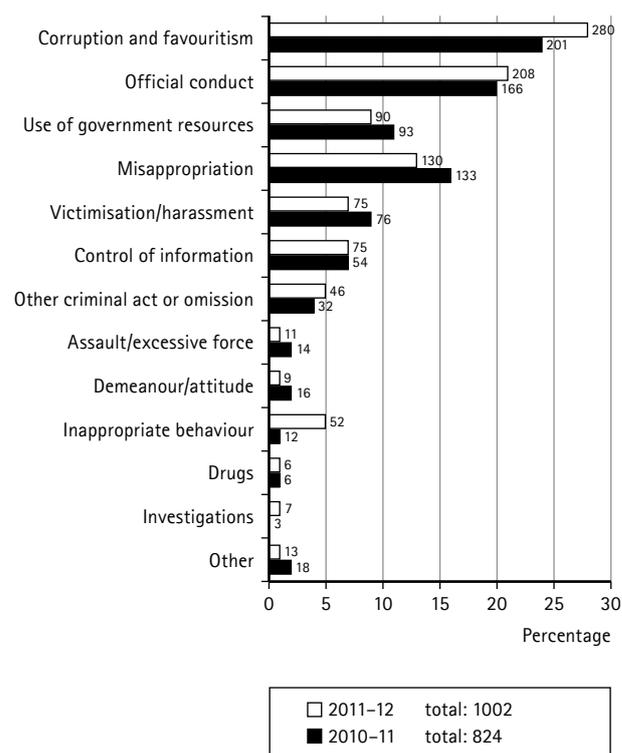
Monitoring

Our assessment and monitoring work is directed to continuously improving the capacity of local governments. Due to its close contact with the local community, the CMC recognises that local government has unique risks regarding misconduct.

Reviews of complaints

In 2011–12, the CMC reviewed 35 reports provided by public officials concerning complaints related to local government. The CMC was satisfied with how these matters were dealt with in 86 per cent of matters.

Figure 8. Types of allegations — local government



Identifying risks in the local government sector

This year we focused on identifying high-risk areas within local government — those which may require greater scrutiny and to become a focus of our misconduct prevention work. To this end, an intelligence-led project was initiated to identify risks within local government. It found the areas most susceptible to misconduct were:

- access to confidential information
- planning and development
- procurement⁵
- recruitment of staff.

Key government agencies and associations that interact with local government were also consulted and those consultations also identified some common themes and areas that can be further focused upon to ensure capacity building regarding integrity and transparency in local government.

⁵ We undertook an audit of procurement in local government, as described on page 26.

Investigations

The CMC conducted 10 investigations into 23 allegations involving official misconduct in the local government sector (see Figure 5, page 27). The most common types of allegations investigated were corruption and favouritism (61%) and official conduct (duty failures) (13%).

Investigation into a council employee

In 2012, information received as part of a CMC investigation into drug trafficking indicated that there was a close association between an alleged major crime figure and a council employee. A team of CMC Crime Investigators became aware of allegations that the council employee was dishonestly conducting checks on behalf of his criminal associate and passing on restricted information as well as receiving stolen property.

The council employee was subject to further investigations by a multidisciplinary Misconduct Operations team. As a result, a search warrant was executed at the employee's home. The council employee has been charged with drug and property-related offences along with offences relating to misconduct in public office. The alleged crime figure has also been charged with procuring the misconduct in public office offences.

Allegations received during 2012 elections

In 2012, Queensland had elections for state and local governments. The CMC not only received complaints but also initiated inquiries in the public interest, including matters relating to the then candidate for Ashgrove and now Premier, Mr Campbell Newman, in his former role as Lord Mayor of Brisbane. This action generated a considerable amount of public attention.

In matters concerning Brisbane City Council, the CMC determined there was no evidence of official misconduct on the part of Mr Newman in relation to allegations raised about the period when he was Lord Mayor of Brisbane. It determined that the role of a businessman allegedly associated with the matter warranted further investigation, which was not finalised in the current reporting year.

Prevention activities

Prevention activities this year were heavily focused on the local government elections and conduct during the transition period, and procurement, an area well known as a misconduct risk across all sectors.

- A new *Councillor conduct guide* was released in October 2011, providing advice to new and prospective councillors about their obligations as elected officials under the *Local Government Act 2009*.
- In readiness for the state and local government elections held in March and April 2012 we updated and reissued the *Councillor conduct guide* to all councils for their newly elected councillors. Our ethics, integrity and elected officials checklists provided candidates for state and local government elections with advice on their legal and ethical obligations during the election period.
- Revised and updated versions of *Managing public records responsibly* and *Retention and disposal of council records* have been completed in partnership with State Archives, and are part of the revised suite of misconduct advisories on our website www.cmc.qld.gov.au/prevention.
- The CMC attended four local conferences held by individual Local Government Managers Association regional branches this year, thereby reaching out to over 45 councils. These are an ideal opportunity for mayors, councillors and senior managers to engage with CMC staff about integrity issues. The sessions were also attended by officers from the former Department of Local Government and Planning, and the Offices of the Ombudsman and the Auditor-General.
- The CMC participated in the Local Government Association of Queensland's (LGAQ) LocalBuy State Conference. LocalBuy is the company established by the LGAQ to assist councils with procurement services.

- Prevention officers were invited to deliver training on Code of Conduct and conflicts of interest to 70 procurement officers of the Cairns Regional Council.
- A prevention officer addressed the Far North Queensland Regional Organisation of Councils Buying Group Forum on 'Procurement pitfalls'.

“ *The FNQROC Procurement Committee requested I pass on our ... thanks to you and the CMC for your presentation on Friday 4th May ... there is no doubt the 'face to face' approach is more accurate and informative especially with queries being answered.*

... I view your presentation and the following Committee action as a valuable contribution to providing FNQROC members with a greater awareness of their roles and responsibilities regarding local government procurement ”

Steven Cosatto,
Far North Queensland Regional Organisation of Councils

Government-owned corporations

In 2011–12, we received 176 complaints containing 388 allegations involving government-owned corporations.

A significant aspect of our work regarding GOCs concerned our submissions to government, which have recently been supported by the Parliamentary Crime and Misconduct Committee's Three Yearly Review of the Crime and Misconduct Commission.

The submissions had been developed in cooperation with the GOCs and other sector stakeholders such as Queensland Treasury (Office of Government Owned Corporations) to resolve cross-jurisdiction issues concerning the application of the *Crime and Misconduct Act 2001* (CM Act), the *Public Interest Disclosure Act 2010* (PID Act) and the whistleblower protection mechanisms under the *Corporations Act 2001* (Cwlth) (Chapter 9, Part 9.4AAA) which GOCs must give precedence to as public corporations.

The submissions seek certainty for GOCs to report suspected official misconduct to the CMC; to prevent the possibility of concurrent investigations of the same alleged misconduct being undertaken by the CMC and a Commonwealth agency; and to give effect to the CMC's specific obligations and powers as outlined in the CM Act.

In January 2012 the CMC also delivered a submission to the Public Service Commission 12-month review of the PID Act. Our submission recommended that GOCs be deemed to be units of public administration under the CM Act for the purposes of the PID Act.