

An organisation of high public value

Achievements

- Completed a fraud risk assessment and reviewed the agency's existing fraud and corruption control plan, in consultation with an external consultant (see page 45).
- Implemented a revised records management framework (see page 45).
- Developed a new workforce continuity program to ensure the best use and development of our human capital, especially given the agency's changing responsibilities (see page 40).
- Revised the organisation's processes, structures and governance arrangements to ensure the effective implementation of the *Crime and Corruption Act 2001* from 1 July 2014.

Completed a fraud risk assessment

Records management framework implemented

Prepared the agency to operate effectively under a new structure

Challenges

- Maintaining and developing business processes to effectively implement legislative changes.
- Maintaining agency performance in a period of major reform.

Performance summary

This year the CMC has focused on strengthening its corporate governance framework, particularly in the areas of recordkeeping and risk management, following a number of significant reviews in 2012–13. As a result, the CMC has introduced a revitalised records management framework to assist staff in effectively managing complex and sensitive information. An audit of our Fitzgerald Inquiry holdings at the Queensland State Archives (QSA) was also completed this year, while a project to protect and preserve original Fitzgerald Inquiry documents held in CMC files has commenced (see page 45).

A review of the CMC's operations and resourcing levels was completed this year as part of an administrative review of the CMC. Broad organisational changes will be further progressed once amendments to the Crime and Misconduct Act are implemented from 1 July 2014.

Looking forward

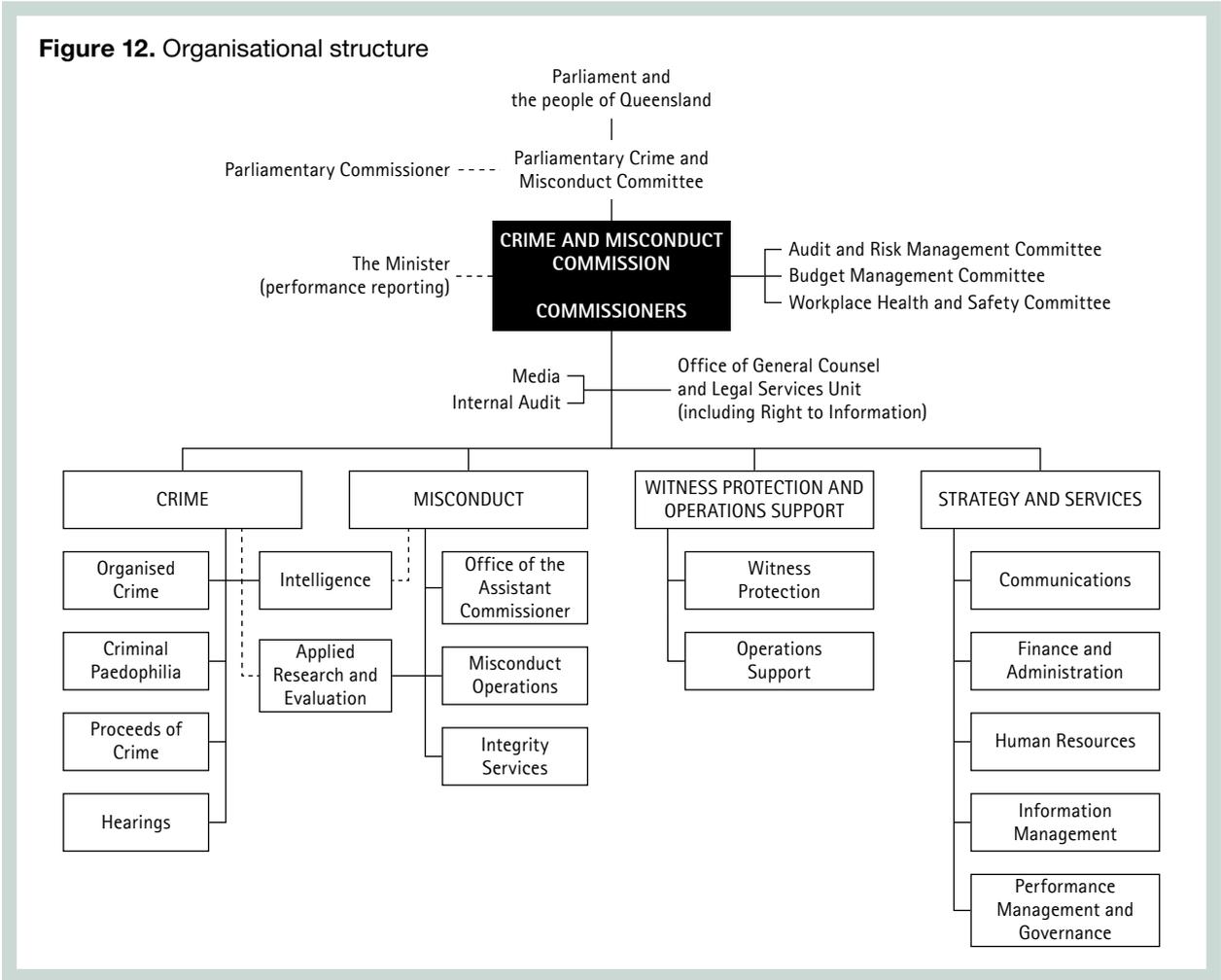
- From 1 July 2014 the CCC will implement a new organisational structure to ensure the agency operates effectively under new legislation and governance arrangements.
- Our interim 2014–18 strategic plan will also be revised to reflect our new focus and direction.

Our governing body

The CMC is led by a five-member group referred to as the Commission, comprising a full-time Commissioner who is the Chairperson (and the Chief Executive Officer) and four part-time Commissioners who represent the community. The Commission functions as the board of the CMC, and has

primary responsibility for achieving the purposes of the CM Act. See page 36 for further details of the Commission members as at 30 June 2014.

Figure 12 below illustrates the CMC's organisational structure.



Dr Ken Levy RFD, BA, BCom, LLB, PhD, FCA, FCPA, MAPS, CTA

Acting Chairperson, commenced May 2013

Dr Levy has Bachelor degrees in Commerce and Arts (Psychology), a PhD from the University of Queensland and a Bachelor of Laws from the Queensland University of Technology. He has extensive experience and achievement in a range of fields, including professional practice, research and teaching, and leadership in the private and public sectors.

He holds an appointment as an Adjunct Professor of Law at Bond University, and as a part-time Senior Member of the Administrative Appeals Tribunal since 2004. He has also served as the Queensland and National President of CPA Australia.

Dr Levy has had a long career in the Queensland Public Service, retiring as Director-General of the Department of Justice and Attorney-General in Queensland in December 2003. Dr Levy has also served many years with the Australian Army Reserve as a Lieutenant Colonel.

Professor Marilyn McMeniman AM, BA, DipEd, MA, PhD

Commissioner, commenced April 2011

Professor McMeniman has a Bachelor of Arts, a Diploma of Education and a Doctor of Philosophy from the University of Queensland and a Master of Arts from the University of London. She has held academic positions at both the University of Queensland and Griffith University. Her main teaching and research interests are language acquisition, learning and education policy review.

Throughout her career, Professor McMeniman has provided advice to governments, industry, the wider education sector and the community, and has co-authored major national and state reviews and reports.

In 1997, Professor McMeniman was made a Member of the Order of Australia for services to education, and in 2007 she received the Zonta Woman of Achievement Award.

Mr George Fox BCom, LLB (Hons)

Commissioner, commenced September 2011

Mr Fox has a Bachelor of Commerce and Bachelor of Laws (Hons). He has practised as a solicitor for more than 35 years in regional Queensland and Brisbane, and has significant experience in mediation and ethics.

Mr Fox was previously president of the Queensland Law Society and chair of the Queensland Law Society Human Rights

Committee. He served as a Law Reform Commissioner in Fiji between 1995 and 1998, and has advised and assisted the High Court of Solomon Islands and the National Court of Papua New Guinea to develop court frameworks for mediation.

He is an Adjunct Professor of Law at Murdoch University and the University of Southern Queensland, and is currently a member of the University of Southern Queensland Council.

Mr Michael Keelty AO, APM, GradCert CJE, MPPA

Acting Commissioner, commenced December 2013

Mr Mick Keelty was the Commissioner of the Australian Federal Police (AFP) from 2001 to 2009. During this time he oversaw the expansion of the AFP's role into counter terrorism and high tech crime. In September 2009 he retired from policing after 35 years of service at the local, national and international levels.

Mr Keelty holds qualifications in public policy and administration and criminal justice education. He holds an appointment as Adjunct Professor at both the Australian National University and Charles Sturt University.

Mr Keelty has headed inquiries into the 2011 Perth and 2012 Margaret River bushfires and the 2013 Western Australian Senate election. In 2013 he conducted major reviews of Queensland's Police and Emergency Services and the Crime and Misconduct Commission.

Mr Sydney Williams QC, BCom, LLB

Acting Commissioner, commenced December 2013

Sydney Williams QC has Bachelor degrees in Commerce and Law from the University of Queensland. He was admitted to the Queensland Bar in September 1975 and as a barrister in Papua New Guinea later that year.

Mr Williams took silk in 1986. Since then he has been in continuous practice as a barrister, focusing on insurance and personal injury litigation.

Mr Williams was a member of the University Squadron of the Royal Australian Air Force Reserve and subsequently was commissioned into the Reserve as a Legal Officer, retiring with the rank of Squadron Leader.

The Commission's responsibilities are to:

- set the strategic direction of the organisation and approve its strategic plan
- oversee, have input into and approve the CMC's budget and budgetary activities, as well as significant human resources allocations and initiatives
- develop and maintain effective management committees, consider their reports, and periodically review their performance, responsibilities and utility
- monitor the performance, operational results and effectiveness of CMC management

- develop and maintain a reporting system that enables the Commission to receive the information it needs to fulfil its role
- develop and maintain appropriate arrangements for delegating the Commission's powers.

The Commission meets fortnightly, with 22 ordinary meetings held in the past year (see Table 6). The CMC's two Assistant Commissioners (the Assistant Commissioner, Crime and the Assistant Commissioner, Misconduct); the Director, Witness Protection and Operations Support; and the Executive General Manager also participate in Commission meetings but do not have voting rights. In 2013–14, the Commission met with the PCMC 4 times (for more information, see page 46).

Table 6. Commission meetings from 1 July 2013 to 30 June 2014

Name	Ordinary meetings attended / meetings eligible to attend	Special meetings	PCMC meetings attended / meetings eligible to attend
Dr Ken Levy RFD	22 / 22	2	4 / 4
Professor Marilyn McMeniman AM ¹	14 / 19	1	3 / 3
Mr George Fox	20 / 22	2	4 / 4
Mr Michael Keelty AO ²	10 / 10	1	2 / 2
Mr Sydney Williams QC	9 / 10	1	1 / 2
Mr Philip Nase ³	9 / 9	–	2 / 2
<i>Ex-officio members:</i>			
Ms Kathleen Florian ⁴	19 / 22	–	4 / 4
Mr Paxton Booth	6 / 6	–	1 / 1
Mr Michael Scott ⁵	16 / 17	–	3 / 3
Mr Dan Mahon	17 / 22	–	–
Ms Dianne McFarlane	9 / 11	–	2 / 2
Ms Edith Mendelle ⁶	8 / 11	–	2 / 2

1. Professor McMeniman's appointment ended 7 April 2014. However, transitional provisions enacted by the *Crime and Misconduct and Other Legislation Amendment Act 2014* to retrospectively validate Commissioner appointments current as at 19 March 2014 did not commence operation until 21 May 2014. Accordingly, to avoid any doubt about the validity of appointments from 8 April to 20 May, Professor McMeniman did not attend Commission meetings or take any role in Commission business during that period.
2. For the meeting on 11 April 2014, Mr Keelty's attendance was via teleconference.

3. Term ended effective 5 November 2013.
4. Ms Florian attended meetings as Acting Assistant Commissioner, Misconduct between 1 July 2013 and 1 April 2014. On 2 April 2014 Ms Florian returned to her substantive position as Assistant Commissioner, Crime.
5. Acting Assistant Commissioner, Crime until 1 April 2014.
6. Last meeting attended 22 November 2013.

Note: Two scheduled meetings in 2013–14 did not proceed.

Commissioners' appointment criteria and terms of appointment

The *Crime and Misconduct Act 2001* (the Act) requires that the CMC Chairperson must be a legal practitioner who has served as, or is qualified for appointment as, a judge of the Supreme Court of any state, the High Court or the Federal Court.

The Act also requires one of the part-time Commissioners to be a practising lawyer with a demonstrated interest in civil liberties. Other Commissioners can qualify for appointment through qualifications or expertise in public sector management and review, criminology, sociology, crime research or crime prevention. At least one Commissioner must be a woman.

All members are appointed by the Governor-in-Council for a maximum of five years. Nominations for appointment must

have the bipartisan support of our oversight body, the Parliamentary Crime and Misconduct Committee.

Recent amendments to the Act allow the Governor-in-Council to appoint an acting Chairperson or temporary part-time Commissioner during a period of absence or when there is a temporary vacancy in the role. In addition, transitional provisions enacted by the *Crime and Misconduct and Other Legislation Amendment Act 2014* in May 2014 allowed for Commissioner appointments current as at 19 March 2014 to continue through to 30 June 2014.

The appointment criteria are detailed in the Crime and Misconduct Act at www.legislation.qld.gov.au/.

The Executive Leadership Group

The Executive Leadership Group (ELG) functions as the CMC's peak operational committee that drives corporate activities. The ELG considers strategic priorities, resource allocation and operational performance to ensure the efficient, effective and economical management of the

organisation. The ELG also considers and endorses matters for progression to the Commission. Members of this group (in addition to the Chairperson) as at 30 June 2014 are shown below.

Ms Dianne McFarlane BA, LLB

Acting Executive General Manager, appointed November 2013

Ms McFarlane holds a Bachelor of Arts degree from the University of New South Wales and a Bachelor of Laws from the Queensland University of Technology.

Throughout her career, Ms McFarlane has worked across both the public and the private sector and has extensive experience as a human resources practitioner specialising in industrial relations.

Ms Kathleen Florian BA, LLB (Hons)

Assistant Commissioner, Crime, commenced January 2012; Acting Assistant Commissioner, Misconduct, appointed 2 April 2013 to 1 April 2014

Ms Florian graduated from the University of Queensland, and in 1992 was admitted as a barrister of the Supreme Court of Queensland. She commenced her career with the Queensland Director of Prosecutions in 1988 before joining the National Crime Authority in 1992. She stayed on with the Australian Crime Commission when it was established in 2003, and from 2009 headed the agency's operations in Queensland until joining the CMC. In 1999, Ms Florian was awarded the Geoffrey Bowen Memorial Award, the highest individual award offered by the National Crime Authority.

Mr Paxton Booth LLB, BCom

Acting Assistant Commissioner, Misconduct, appointed April 2014

Mr Paxton Booth studied for a Bachelor of Laws and a Bachelor of Commerce at Bond University. He has worked at the CMC since 2010, where he has held various legal roles directing misconduct investigations.

Prior to working at the CMC, Mr Booth worked for 10 years as a lawyer for the Queensland Police Service. This included six years as the Manager of the Legal Unit providing advice to police on major and complex investigations, as well as extensive experience overseeing covert strategies and the exercise of covert powers. He has also worked for five years in the Office of the Director of Prosecutions.

Our people

The CMC employs a diverse mix of professionals – lawyers, police, accountants, investigators, intelligence analysts, social scientists, computing specialists, corporate specialists and support officers. As at 30 June 2014, the CMC had a workforce that equated to 329.1 full-time equivalent staff in various full-time and part-time roles. Compared with 30 June 2013, our full-time equivalents (FTEs) have increased by 26.13 FTEs. This increase is largely due to the establishment of a number of temporary positions to support additional activities related to criminal motorcycle gangs (CMGs).

Seventy-six of our staff are employed under the CMC Employees Award – State 2012, with the balance employed under written contracts of employment. Staff covered by the Award are generally at the Administrative Officer 1–5 levels and equivalents (with limited exceptions). Our Award staff are covered by an enterprise bargaining agreement, the CMC Certified Agreement 2009, which had a nominal expiry date of 31 July 2012.

Table 7 shows the allocation of full-time equivalent permanent and temporary employees across the functional areas, compared with the previous two years.

Table 7. Workforce profile by functional area

Functional area	Full-time equivalents*		
	30/6/12	30/6/13	30/6/14
Crime (including Intelligence)	87.0	84.93	99.50
Misconduct (including Applied Research and Evaluation)	134.3	99.84	104.10
Witness Protection and Operations Support	54.0	50.00	50.40
Strategy and Services (including Office of the Commission)	82.2	68.20	75.10
Total	357.5	302.97	329.10

*Full-time equivalents refer to all permanent and temporary staff.

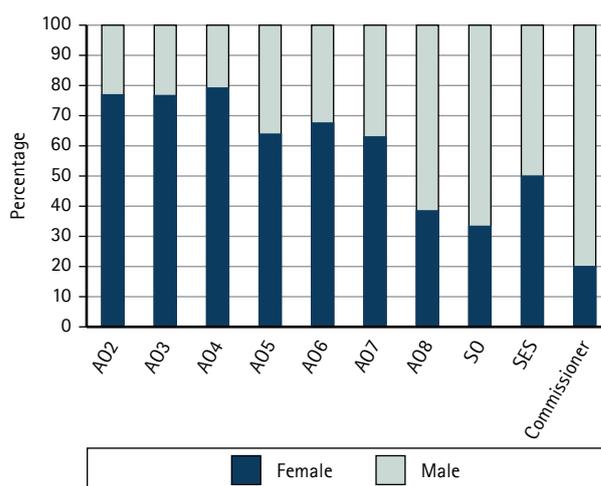
Note: the CMC had a total of 318 permanent positions as at 30 June 2014.

Workforce composition

Women comprise 62.8 per cent of our permanent, non-police workforce: they fill 46.67 per cent of all positions at and above A07 and equivalent classifications, and 38.46 per cent at the senior executive levels (which include Senior Executive Staff and Commissioners). See Figure 13.

Of our permanent, non-police workforce, 42.33 per cent of staff are aged 45 years and over, and 18.6 per cent are aged 55 years and over.

Figure 13. Profile of classification by gender



Notes:

AO data ranges include equivalent classifications.

Salaries range from \$42 186 (A02) to \$202 655 (SES).

Commissioner salaries not included as Commissioners work on a part-time basis.

Table 8. Equity and diversity measures

	Percentage of permanent staff
Women	62.80
Men	37.20
Aborigines and Torres Strait Islanders	0.93*
People with a disability	2.33*
People from non-English-speaking backgrounds	6.51*

*These results are drawn from the CMC's annual EEO census and from information maintained on HR files.

Retention

This year our permanent employee retention rate was 89.76 per cent (compared with 94.09 per cent last year). Our permanent employee separation rate was 14.53 per cent, down on last year's 17.72 per cent. This is due, in part, to not having a program of redundancies in this financial year.

We are unable to compare this with the public service annual separations because the Public Service Commission provides quarterly figures based on separations from the public service as a whole and not on separations from individual public sector agencies. By contrast, the CMC counts as a separation any permanent or contracted staff member leaving the agency, whether or not the person moves to another public sector agency.

The CMC's long service rate is high, with 26 per cent of our permanent staff having 10 or more years service and a further 35 per cent of staff having five or more years service.

Early retirement, redundancy and retrenchment

During the period, one permanent employee received a redundancy package at a cost of \$112 668 (gross). No retirement packages were paid during this period.

Workforce management and planning

This year, the CMC has developed a revised organisational structure to ensure it can best meet the changes in its functions resulting from the administrative review of the CMC in 2013, and from the implementation of the *Crime and Corruption Act 2001* from 1 July 2014. This new organisational structure will be implemented in the next financial year to ensure the effective alignment of resources with our functions.

In 2013–14, the CMC developed a workforce continuity rotation program designed to:

- identify and mitigate risk for unfilled critical organisational roles
- identify talent within the organisation
- create knowledge transfer protocols
- create development and career opportunities for staff
- provide rotational opportunities based on a fair and merit-based selection process.

A process to identify critical roles and suitable staff to act in those positions (when required) has commenced and will continue in 2014–15.

This year the CMC's Agency Appointment Review Committee continued to review appointments to ensure the ongoing sustainability of our workforce, given available resources. This initiative supports the Queensland Government's commitment to achieving better control of establishment numbers and realising savings through greater scrutiny over recruitment decisions.

To promote workplace productivity and a performance-based culture, the CMC maintains an Achievement and Capability Planning (ACP) framework. ACP is specifically structured to align individual effort and development opportunities with corporate and business objectives, thereby contributing in a strategic and economical way to a highly skilled and flexible workforce. As part of the ACP process, staff behaviour is monitored and assessed against the requirements of the Code of Conduct.

Attracting and developing our staff

The CMC offers employees unique professional and developmental experience. This year the CMC helped 18 staff to undertake tertiary study by granting study leave and providing financial assistance toward course fees. Courses being undertaken by our staff include the Master of Fraud and Financial Investigations, Bachelor of Justice, Bachelor of Business, and certified practising accountant programs.

To ensure that specialist staff maintain and enhance their skills, staff were given opportunities to attend a range of workshops, seminars and conferences. This year a Courageous Conversations pilot training program was launched, to assist managers and senior executives when addressing difficult personnel and performance matters. Additionally, study leading to certification in Government Investigations was offered to a number of our staff. To assist staff with their ongoing professional development and engagement, we reimbursed 27 staff either 50 per cent or 100 per cent of their professional membership fees.

New staff are also provided with a structured induction program when they start working at the CMC. This includes a corporate orientation covering the role of the CMC and our Code of Conduct. Job-specific induction focuses on role requirements and business unit expectations. This year, organisation-wide training focused on compliance-related matters. To increase awareness of information security, staff attended training sessions which covered topics such as information protection and classification, identifying potential security threats, and the role staff can play in reducing the risk of such threats.

Promoting staff wellness

The CMC supports flexible work practices that help staff balance their work and home lives. Our flexible working arrangements incorporate options such as part-time work, flexible start and finish times, access to accrued time off, compressed working arrangements and flexible leave options, including "purchasing" additional recreation leave through salary averaging. This year we reviewed our existing flexible work arrangements with a view to implementing improvements in the 2014–15 financial year.

In the period, part-time work arrangements were in place for 12.09 per cent of our permanent, non-police staff. Of these staff, 53.85 per cent are at or below A05 (and equivalent), while 46.15 per cent are at or above A06 (and equivalent).

Through our Employee Assistance Program, we continued to offer staff and their families access to free, confidential professional counselling for personal or work-related problems.

As part of the CMC Staff Wellness Program, three workshops were offered this year: Trigger Point Therapy; Physical Activity for the Busy Worker; and a Grow Your Super (QSuper) session. Our free corporate flu vaccination program was utilised by 171 staff.

The CMC also maintains a comprehensive workplace health and safety (WHS) program consistent with the *Work Health and Safety Act 2011*. This year the CMC's Workplace Health and Safety Charter was reviewed and updated. WHS committee members also conducted a workplace inspection, with identified issues subsequently addressed by CMC management.

In 2013–14, the CMC had eight reported workplace health and safety incidents and five WorkCover claims. We also provided rehabilitation and return-to-work programs for staff where required.

Promoting ethical conduct

The CMC's Code of Conduct provides guidance to Commissioners and staff on appropriate behaviour, and CMC Commissioners and all employees are expected to uphold the ethical principles and values outlined in the Code of Conduct. The current code is based on the following principles as outlined in the *Public Sector Ethics Act 1994*:

- integrity and impartiality
- promoting the public good
- commitment to the system of government
- accountability and transparency.

A review of the Code of Conduct commenced in 2013 and will continue in 2014–15 to accommodate changes arising from the implementation of the Crime and Corruption Act from 1 July 2014. The CMC also has a comprehensive suite of policies that set organisational standards and provide guidance on undertaking corporate activities. Policies and procedures are available to all staff on the intranet.

Our governance framework

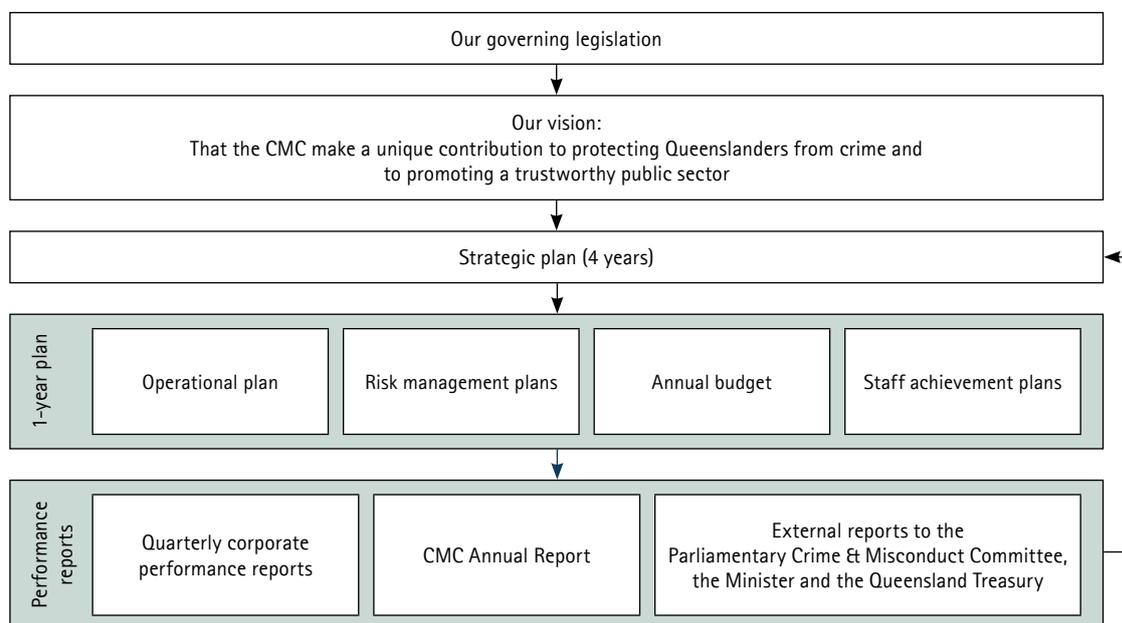
The CMC's governance framework provides the foundation for planning, evaluating and reporting the work that we do. It sets out procedures for making decisions, assessing risk and ensuring that our compliance obligations are met.

Strategic planning

Strategic planning is an ongoing organisational process that helps the Commission determine its strategic objectives and priorities. Each year, the Commission reviews its strategic plan to ensure that the CMC remains responsive to emerging issues and challenges. The CMC's 2013–17 strategic plan can be accessed at www.ccc.qld.gov.au/strategicplan.

From our strategic plan, we develop an annual CMC Operational Plan that identifies the high-level, agency-wide activities to be undertaken in the coming year to help achieve our strategic objectives. It includes information about the CMC's service areas and service standards, as detailed in the CMC's Service Delivery Statement; it also considers key risks and how to mitigate them. The goals in our strategic plan and operational plan are congruent with the public sector ethics principles, and support the Queensland Government's objectives for the community.

Figure 14. CMC planning cycle



Risk management

The CMC's risk management framework and associated training programs provide guidance to help staff identify, evaluate and report risk. The CMC's risk management framework applies the principles of AS/NZS ISO: 31000:2009 Risk Management – Principles and Guidelines and Queensland Treasury's *A Guide to Risk Management*. This framework is maintained in accordance with the *Financial Accountability Act 2009*, and includes financial, operational, public perception, safety, political and legal aspects.

During the year the CMC conducted a number of focused training sessions for key decision makers (AO6 to SES levels) involved in identifying, assessing and managing organisational risk.

The CMC Corporate Risk Register is monitored by the Audit and Risk Management Committee and endorsed by the Commission. A formal review and annual update of this risk register occurs in conjunction with the CMC's corporate planning process (see page 42). This year, following an independent audit of the CMC's fraud and corruption control program, operational risk controls were reviewed to ensure they adequately address identified fraud risks.

Our risk incident reporting tool also enables staff to report any immediate or emergent risks. These risks are monitored quarterly by the Audit and Risk Management Committee (see page 44).

Our internal audit function

Internal audit is an integral part of the CMC's governance framework. The internal audit function operates independently of the activities it reviews, and serves to evaluate systems and processes to ensure the agency is operating efficiently, effectively and economically. All audits are risk-based, comprising financial compliance audits, performance audits and information technology computing audits, to ensure that areas of highest risk are addressed in Annual Internal Audit Plans.

The CMC's Internal Auditor retains an independent and direct reporting relationship to the Chairperson and the Audit and Risk Management Committee. The Internal Audit function operates under its own charter to ensure that our procedures, controls and practices are consistent with audit standards and the code of ethics prescribed by the Institute of Internal Auditors International Professional Practices Framework. The Internal Auditor also has due regard to Queensland Treasury's Audit Committee Guidelines.

A number of internal audits were completed this year, including audits of financial systems and processes, human resources management, misconduct operations, covert and controlled operations, and proceeds of crime operations. In addition, the Internal Auditor initiated and coordinated several IT-related outsourced projects, and an audit exercise in relation to the Fitzgerald Inquiry documents held at the Queensland State Archives.

The Internal Auditor also prepared the Strategic and Annual Internal Audit Plans for 2014–19 and 2014–15 respectively. These plans were accepted by the Executive, endorsed by the Audit and Risk Management Committee and submitted for approval to the Commission.

Audit and Risk Management Committee

This year, two existing committees – the Audit Committee and the Risk Management Committee – were merged to form the new Audit and Risk Management Committee. The Audit and Risk Management Committee assists the Commission in monitoring and developing systems to improve accountability and strengthen risk management. The activities of the committee focus on areas such as:

- financial management and reporting
- risk monitoring and management
- fraud and corruption control
- external and internal audit functions
- internal controls over the various functions performed by the CMC.

During the reporting period, the committee assisted the Commission to oversee the audit process as well as the committee's processes for monitoring compliance with law and regulations. It also monitored the efficiency and effectiveness of the activities of the internal and external auditors (see pages 43 and 47 respectively).

As well, the committee monitored and assessed the CMC's risk management plans, and helped the Commission to fulfil its governance and oversight responsibilities for financial reporting, as prescribed in the *Financial and Performance Management Standard 2009* and the *Financial Accountability Act 2009*.

It also liaised effectively with the Queensland Audit Office to ensure that all audit findings and recommendations made by the Queensland Audit Office were promptly followed up and implemented.

The committee meets quarterly. Its inaugural meeting was held in March 2014.

The committee operates within, and observes, the terms of its charter. It has due regard to the Queensland Treasury's Audit Committee Guidelines.

Committee membership

To ensure the committee's independence, its five-person membership includes a CMC Commissioner and two external members, one of whom is the Chair (see Table 9). Queensland Audit Office representatives have standing invitations to attend committee meetings.

As committee Chair, Mr Peter Dowling AM was paid \$8000 for his services, while Mr Mike Meintjes was paid \$5000 for his services as an external member of the committee. These remuneration expenses are for the period 1 July 2013 to 30 June 2014 and include payment for duties as members of the former CMC Audit Committee.

Information on the meetings of the Audit Committee and the Risk Management Committee between 1 July and 31 December 2013 can be found in Appendix 2 (page 100).

Table 9. Membership of the Audit and Risk Management Committee

Name	Position	Meetings attended / meetings held
Mr Peter Dowling AM	Chair (external)	2 / 2
Mr Mike Meintjes	External member	2 / 2
(vacant)	Commissioner	-
Mr David Goody	Manager, Proceeds of Crime	2 / 2
Mr David Honeyman	Principal Adviser, Misconduct Prevention	1 / 2
<i>Ex-officio members</i>		
Dr Ken Levy RFD	Chairperson	0 / 2
Ms Dianne McFarlane ¹	Acting Executive General Manager	2 / 2
Mr Brendan Clarke	Internal Auditor	2 / 2
Ms Karyn Worth	Senior Adviser, Performance Management and Governance	2 / 2

1. Appointed Acting Executive General Manager, effective 29 November 2013.

Fraud and corruption control

The CMC's fraud and corruption control plan includes measures to prevent, detect and respond to fraud and corruption, and provides guidance and direction to CMC staff and stakeholders on implementing those processes.

This year, the CMC engaged PricewaterhouseCoopers (PwC) to conduct an independent review and risk assessment of the CMC's fraud and corruption control program. Although the audit found that the program contained the attributes of, and generally aligned with, better practice, it also identified areas for future improvement. These include developing automated testing of high risk transactional processes, implementing a staff training program, reviewing risk registers to ensure fraud and corruption risks are adequately addressed, and updating the CMC's existing fraud and corruption control plan. The CMC is progressively implementing the consultant's recommendations and work on this will continue in 2014–15.

Maintaining effective recordkeeping and information systems

The CMC remains committed to responsible lifecycle management of its information assets consistent with the requirements of the *Public Records Act 2002* and the State Government Information Standards (including IS40: Recordkeeping and IS31: Retention and Disposal of Public Records).

In 2013–14, following an external review of our records management policies and practices, the CMC has implemented a revised records management framework. Policies, procedures and work instructions have been developed that provide guidance on topics such as general recordkeeping, managing emails as records, and the retention and disposal of records. A contemporaneous mandatory staff training package has been developed and will be delivered to staff early in 2014–15.

This year, a maintenance health check of TRIM, the CMC's electronic corporate recordkeeping system, was undertaken. A number of recommendations for system improvements have been implemented, with a focus on disaster recovery.

Information for staff on how to use TRIM is published on our intranet, along with details of CMC recordkeeping protocols and policies. This year, targeted training on information security was provided to all staff.

In response to specific recommendations made in the Parliamentary Crime and Misconduct Committee (PCMC) Inquiry report on the CMC's release and destruction of Fitzgerald Inquiry records, the CMC has also:

- completed an audit and reclassification of 484 Fitzgerald Inquiry documents that were accessed or potentially accessed between 24 February 2012 and 4 March 2013
- completed a review of the Fitzgerald Inquiry records held by the Queensland State Archives (QSA), including determining the most appropriate restricted access period (RAP) for each record series, checking that all exhibits were open or closed according to Commissioner Fitzgerald's direction, and reviewing the status of the metadata
- developed a restricted access period decision-making guide, which is available to staff on the CMC intranet.

New RAPs applied to the record series for documents held at the QSA took effect from 14 February 2014. Changes to the status of the metadata, where appropriate, also took effect from this date.

The CMC has also commenced a project to protect and preserve original Fitzgerald Inquiry documents held in CMC files. As there are potentially over 35 000 files, the CMC has determined, in consultation with the QSA and the Director of Public Prosecutions (DPP), that the safest way to ensure the preservation of any Fitzgerald Inquiry records is to make all of the relevant file classifications created during the extended Fitzgerald Inquiry period permanent public records to be sent to QSA. These files will eventually be made available for public access at the expiry of their restricted access period.

Other improvements in records management systems this year include the implementation of a third-party product to work with TRIM to streamline and automate the file creation process for the large and complex CMC operational files. As a result, the file creation time has decreased significantly with little user input.

In addition, the CMC has started to implement another third-party product to improve the way metadata is managed internally by allowing for the creation of Microsoft Word templates for significant documents, based on TRIM metadata. This is supported by stronger revision and document management protocols, as articulated in the CMC recordkeeping framework.

During the year, audits of the CMC warrants records were conducted by the Commonwealth Ombudsman and the Parliamentary Crime and Misconduct Commissioner. These confirmed that the CMC was complying with recordkeeping requirements.

Our business continuity program

The CMC continues to build organisational resilience by developing good governance in the areas of disaster recovery, training, reporting and, in particular, testing. Annual testing of the CMC business continuity plan ensures that we are equipped and ready to respond to any significant disruption to business.

In 2013–14 the Business Continuity Committee participated in a scenario-based exercise to test a major disruption to the Commission's information technology (IT) systems. This exercise was further developed into a business unit exercise for IT staff, who enacted the Information Technology Disaster Recovery Plan. A report on these exercises was submitted to the Business Continuity Committee, and recommendations are being considered and implemented by the Commission in order to improve the Commission's preparedness and response to critical operational issues.

The Internal Auditor audits the business continuity framework, scenario testing and committee activities every two to three years, with longer-term recommendations monitored on an ongoing basis.

External oversight of our operations and use of powers

Parliamentary Committee

The Parliamentary Crime and Misconduct Committee (PCMC) is a seven-member all-party committee established under the Crime and Misconduct Act. The Committee monitors and reviews the performance of the functions of the CMC. It also receives and deals with complaints and other concerns about the conduct or activities of the CMC or an officer or former officer of the CMC.

The Commission formally meets with the PCMC on a regular basis (about every two months) to report on its activities and performance. This includes a public hearing and a private meeting for confidential matters. A public report on CMC activities is provided to the PCMC for publication on the Parliamentary website.

The PCMC is assisted in its oversight process by the Parliamentary Crime and Misconduct Commissioner (the Parliamentary Commissioner), who undertakes activities including audits of CMC records and files. The Parliamentary Commissioner also investigates complaints against the CMC or its officers.

In 2013–14, the Parliamentary Commissioner:

- audited the CMC's compliance with legislation governing covert instruments and the use of surveillance devices and assumed identities
- inspected selected registers that the CMC is required to maintain
- inspected the telecommunications interception records
- inspected the covert human intelligence sources register.

Where issues were raised by the audits and inspections, appropriate action was taken to address those issues.

In September 2013, the PCMC tabled its report on an investigation of a former CMC staff member (Report 93). The report criticised the time taken by the CMC to conclude the matter, and considered its subject matter warranted it being brought to the attention of the committee during its 2013 Inquiry into the CMC's release and destruction of Fitzgerald Inquiry documents.

Reports to the Minister

As required by the Crime and Misconduct Act, the CMC provided budgetary information to the Department of Justice and Attorney-General (DJAG) according to the prescribed DJAG schedule. The CMC also provided a half-yearly report (the Section 260 Report) to the Minister as well as all other information required to fulfil its external accountability requirements. These six-monthly reports on the efficiency, effectiveness, economy and timeliness of the CMC's systems and processes applied to the periods ending 30 June and 31 December. Additionally, the Minister could request, in writing, that the Chairperson convene a Commission meeting (which must have a quorum).

External audit

The CMC's financial statements were audited by the Queensland Audit Office in accordance with the *Financial Accountability Act 2009* and other applicable statutes. As in previous years, in 2013–14 we received an unqualified audit report.

Controlled Operations Committee

The Controlled Operations Committee was established under the *Police Powers and Responsibilities Act 2000* to consider and make recommendations about applications for "controlled operations" to be undertaken by the QPS or the CMC. (Controlled operations are investigations of serious indictable offences, misconduct or organised crime that may involve authorised police officers and others engaging in activities that may be unlawful – for example, buying illicit drugs from an investigation target.)

The committee comprises the Commissioner of Police (or a nominee), the Chairperson of the CMC and an independent member, presently a retired Court of Appeal judge, who is the Chair.

In the case of any controlled operation by the CMC that involves investigating a police officer, the Chairperson may approve the application without referring it to the committee, but must first contact the independent member and obtain their agreement.

For more information on our powers and how they are monitored, see our website at www.ccc.qld.gov.au/ourpowers.

Evidence Act 1977

Section 21KG(1) of the *Evidence Act 1977* requires the CMC to include in its annual report information about witness identity protection certificates given by the Chairperson of the CMC and the Commissioner of Police.

One certificate was given by the Commissioner on the basis that he was satisfied that the disclosure of the operative's identity was likely to endanger the safety of the operative.

No certificates were given by the CMC Chairperson.

Telecommunications (Interception and Access) Act 1979 (Cwlth)

The CMC is required to report annually to the Commonwealth Attorney-General on the use of its telecommunications interception powers. The information supplied is included in the Commonwealth Attorney-General's *Telecommunications (Interception and Access) Act 1979* – Annual Report, which is tabled in the Commonwealth Parliament.

The courts

The courts – in particular, the Supreme Court of Queensland – play a significant role in the use of our coercive powers, including applications for warrants, in reviewing our decisions and deciding contempt of court matters in relation to CMC hearings.

Public Interest Monitor

The Public Interest Monitor must ensure that the CMC complies with the *Crime and Misconduct Act 2001*, the *Police Powers and Responsibilities Act 2000* and the *Telecommunications Interception Act 2009* (Qld).