

Our governance

The CMC recognises that, while strong governance principles provide the foundation and processes for planning and evaluating the work that we do, unless they are properly applied public confidence in our work cannot be maintained.

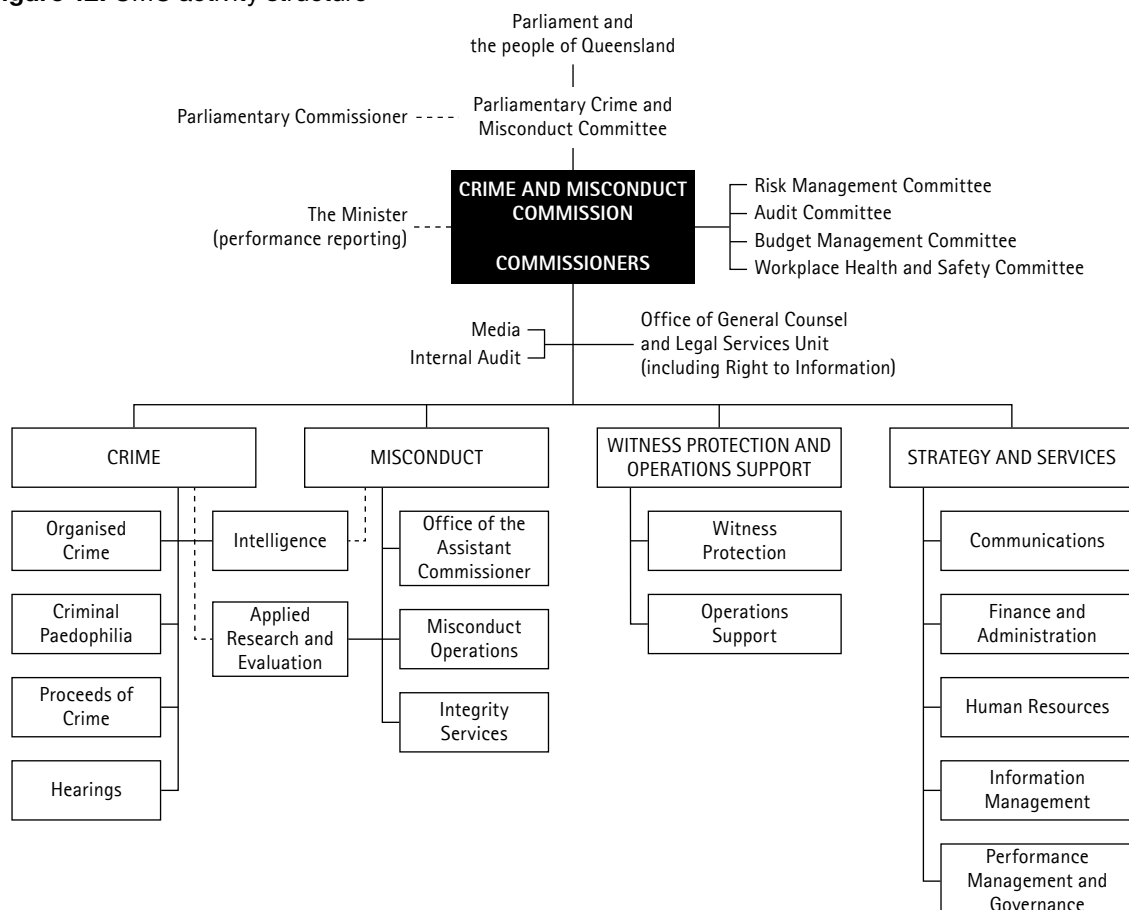
The effectiveness of the CMC's corporate governance framework was critically examined this year, with public hearings into the release and destruction of sensitive historical records. While our oversight Parliamentary Committee acknowledged the appropriateness of the CMC's governance framework, it also pointed to a failure to adequately manage risks associated with records management and to formally document significant decisions and outcomes.

To improve internal and external accountability, in 2012–13 we have focused on specific governance initiatives to:

- integrate risk management into organisational activities
- review and improve information management systems
- ensure that staff formally record and communicate decisions
- educate staff on key corporate policies, delegations and their responsibilities.

The administrative restructure of the CMC, which is being overseen by the Implementation Panel progressing outcomes of the review of the Crime and Misconduct Act and the PCMC Inquiry, will also address matters of internal accountability to ensure continuous improvement in this area.

Figure 12. CMC activity structure



Our Commission

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

The CM 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. Appointment criteria are explained in full on our website at www.cmc.qld.gov.au/appointmentcriteria.

Providing regular oversight

The Commission meets fortnightly, with 24 ordinary meetings held in the past year (see Table 7, page 46).

The CMC's two Assistant Commissioners (the Assistant Commissioner, Crime and the Assistant Commissioner, Misconduct); the Director, Witness Protection and Operations Support; the Executive General Manager; and the Manager of Performance Management and Governance also participate in Commission meetings but do not have voting rights.

In 2012–13, the Commission met with the PCMC four times (for more information, see page 57).

Role and responsibilities

The Commission functions as the board of the CMC, and has primary responsibility for achieving the purposes of the CM Act.

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
- monitor the performance, operational results and effectiveness of CMC management
- develop and maintain appropriate arrangements for delegating the Commission's powers
- develop and maintain effective management committees, consider their reports, and periodically review their performance, responsibilities and utility
- develop and maintain a reporting system that enables the Commission to receive the information it needs to fulfil its role.

Remuneration for Commissioners

Remuneration and allowances for part-time Commissioners are decided by the Governor-in-Council (see page 89) and are based on rates specified in the government guidelines for Remuneration of Part-time Chairs and Members of Government Boards, Committees and Statutory Authorities. Further details can be found at www.psc.qld.gov.au.

The Chairperson's separate remuneration is provided for under the *Judicial Remuneration Act 2007*.

In accordance with section 238 of the CM Act, all Commissioners have completed a declaration of pecuniary interests and personal and political associations, which has been provided to the Minister.

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

Acting Chairperson, appointed 22 May 2013

Dr Levy was appointed as CMC Chairperson in May 2013, following the resignation of Mr Ross Martin SC. 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 which has included professional practice, research and teaching, and leadership in the private and public sectors.

He holds an appointment as 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.

Mr Ross Martin SC BA, LLB

Chairperson, appointed 5 March 2012; resigned effective 3 April 2013

Mr Martin has Bachelor degrees in Arts and Law from the University of Queensland, and was admitted to the Queensland Bar in 1984.

He spent a large part of his legal career with the Office of the Director of Public Prosecutions, commencing as a Crown Prosecutor in 1986. In 1988 he was seconded to the Fitzgerald

Inquiry as a lawyer, and subsequently to the Office of the Special Prosecutor in 1990. He returned later that year to the Office of the Director of Public Prosecutions, and in 2010 was appointed Deputy Director of Public Prosecutions.

Mr Martin has been a Vice-President of the Australian Association of Crown Prosecutors since 2003, a Senior Research Fellow at the Centre for Transnational Crime Prevention, and a member of the Human Research Ethics Committee at West Moreton Health Services District.

Mr Philip Nase BA, LLB, LLM

Commissioner, reappointed 6 November 2011

Mr Nase has Bachelor degrees in Arts and Law from the University of Queensland, and a Master of Law from the University of London.

His legal experience of almost four decades includes 17 years as a Crown Prosecutor, during which he appeared for the Crown in criminal appeals and special leave applications before the

High Court of Australia. For almost 10 years he was president of the Queensland Crown Prosecutors Association.

After working in private practice between 1989 and 1994, Mr Nase served as a judge of the District Court for almost 15 years. For his last seven years he regularly sat in the remote communities of Mornington Island, Doomadgee and Normanton, taking a special interest in justice issues in those communities.

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

Commissioner, appointed 8 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, appointed 23 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 Fox was Acting Chairperson from 20 to 22 May 2013.

Ms Judith Bell BA, DipEd*Commissioner, reappointed 3 June 2011, term concluded 2 June 2013*

Ms Bell has a Bachelor of Education, a Bachelor of Arts (Aboriginal and Torres Strait Islander Studies) and a Diploma of Teaching.

She has more than 30 years experience as a teacher in Queensland and the United Kingdom, extensive experience and knowledge of the public sector and, as a former member of the CMC's Crime Reference Committee, specific experience of the CMC. She is a member of the University of Queensland Senate.

In 2003, Ms Bell was a recipient of the Centenary of Federation Medal for services to education.

Table 7. Commission meetings from 1 July 2012 to 30 June 2013

Name	Ordinary meetings (n = 24)	Ordinary meetings eligible to attend	Special meetings (n = 2)	Meetings with the PCMC (n = 4)	Meetings with the PCMC eligible to attend
Dr Ken Levy ¹	3	3	–	–	–
Mr Ross Martin SC ²	15	17	2	4	4
Ms Judith Bell ³	21	22	2	3	4
Mr Philip Nase	21	24	2	4	4
Professor Marilyn McMeniman AM	21	24	2	3	4
Mr George Fox ⁴	22	24	2	4	4
Mr Warren Strange ⁵	19	20	–	4	4
Ms Kathleen Florian ⁶	22	24	–	4	4
Mr Michael Scott ⁷	6	6	–	–	–
Mr Peter Barron	15	24	–	–	–
Ms Edith Mendelle	21	24	–	4	4
Mr Gary Adams ⁸	16	17	–	–	–
Ms Michelle McKay ⁹	1	1	–	–	–
Ms Deborah Cook ¹⁰	4	6	–	–	–

1. Appointed Acting Chairperson 22 May 2013.

2. Resigned effective 3 April 2013.

3. Appointment expired on 2 June 2013. Last meeting attended 24 May 2013.

4. In the absence of Mr Warren Strange, Mr George Fox was Acting Chairperson from 20 to 22 May 2013.

5. Acting Chairperson, 12 to 15 November 2012; 10 to 14 December 2012; 25 February 2013 to 22 May 2013. Resigned effective 22 May 2013.

6. Acting Assistant Commissioner, Misconduct, 2 April 2013.

7. Acting Assistant Commissioner, Crime, 2 April 2013.

8. Mr Gary Adams, Manager, Performance Management and Governance, attended meetings from 12 October 2012 following the resignation of Ms Michelle McKay, Director, Office of the Commission.

9. Resigned effective 6 July 2012.

10. Resigned effective 21 September 2012.

How we ensure accountability and compliance

The Commission also oversees a range of governance activities to ensure the organisation operates effectively and transparently.

Risk management framework

The CMC's risk management framework and associated training programs provide guidance to help staff identify, evaluate and report risk.

To more effectively embed risk management within everyday business activity, this year the CMC initiated a number of training and education projects to raise staff awareness of risk and compliance responsibilities. A revised corporate training package focusing on corporate policies, delegation authorities and risk management has been developed for all staff. A more targeted training program will be provided to key decision makers (AO6 to SES levels) involved in identifying, assessing and managing organisational risk.

Our CMC Operational Risk Register and the Strategic Risk Register are both endorsed by the Risk Management Committee, with the Strategic Risk Register requiring Commission approval. A formal review and annual update of these risk registers occurs in conjunction with the CMC's corporate planning process (see page 50).

Our risk incident reporting tool also enables staff to report any immediate or emergent risks. These risks are monitored quarterly by the Risk Management Committee (see page 53).

The CMC's risk management framework applies the principles of AS/NZS ISO: 31000:2009 Risk Management – Principles and Guidelines and Queensland Treasury's 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.

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 March 2013 the CMC identified a serious breach of information security with the incorrect release and destruction of Fitzgerald Inquiry records, which resulted in a Parliamentary Inquiry into the matter (see pages 57). In support of the Parliamentary Inquiry, and as an initial response, the CMC immediately audited its recordkeeping systems. This work is ongoing and includes:

- developing detailed guidelines for determining and applying the restricted access period for all documents
- reviewing CMC destruction procedures, including the delegated authority of decision makers
- establishing formal protocols for capturing and recording decisions
- reviewing existing policies and procedures with a view to developing a comprehensive records management framework
- developing quality assurance measures to ensure that electronic systems accurately capture information kept on hard-copy files
- assigning formal recordkeeping responsibilities to new staff as part of their induction process, and providing ongoing training to all staff on their compliance obligations and recordkeeping responsibilities.

In response to specific PCMC Inquiry recommendations, the CMC also:

- developed a project plan to identify original Fitzgerald Inquiry documents on CMC files and replace original records with duplicate records, sourced from electronic or external sources
- commenced a review of Fitzgerald Inquiry records held by Queensland State Archives, assessing the status of those records.

Other improvements in information systems this year include an upgrade of TRIM software for our electronic document and records management system. Additional information for staff on how to use TRIM is published on our intranet, along with details of CMC recordkeeping protocols and policies.

During the year, audits of the CMC's warrants records were conducted by the Commonwealth Ombudsman and the Parliamentary Crime and Misconduct Commissioner and 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. Our business continuity awareness program includes staff induction, a business continuity handbook, and supporting information available on the intranet. Annual testing of the CMC business continuity plan ensures that we are equipped and ready to respond to any significant disruptions to business.

In 2012–13 the Business Continuity Committee conducted an exercise to practise our response to a possible major interruption to our information technology capability.

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.

Our internal audit function

Internal audit is an integral part of the CMC's governance framework. The Commission recognises that, by providing assurance on the effectiveness of the CMC's internal control environment and identifying opportunities for performance improvement, internal audit can make a valuable contribution to achieving the CMC's corporate objectives.

The CMC's Internal Auditor retains an independent and direct reporting relationship to the Chairperson and the Audit 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.

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.

These plans, which are prepared by the Internal Auditor, address the CMC's strategic objectives on matters of high risk in Crime, Witness Protection, Misconduct and corporate support. They were endorsed by the Executive Leadership Group and the Audit Committee and approved by the Commission.

Audits completed in the 2012–13 financial year focused on:

- the CMC's response to information requests from the PCMC Inquiry
- covert surveillance digital system
- accounts payable, procurement and finance-related operations (including Witness Protection and Operations Support)
- project management arrangements
- business continuity follow-up
- legal compliance
- document classification and security review.

Additionally, the Internal Auditor prepared the Strategic and Annual Internal Audit Plans for 2013–17 and 2013–14 respectively.

Encouraging ethical decision making

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.

In 2012–13, mandatory refresher training was conducted for staff on the Code of Conduct. As part of the Achievement and Capability Planning process, behaviour of staff is monitored and assessed against the requirements of the Code of Conduct. In addition, new staff receive Code of Conduct training at induction. Ethical values congruent with the public sector ethics principles are also addressed through our strategic plan objectives and strategies.

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.

The CMC has adopted the requirements of the Commonwealth Fraud Control Guidelines 2011, its own fraud and corruption control guidelines for best practice (2005), and relevant features of the revised Australian Standard Fraud and Corruption Control AS 8001 – 2008. The CMC's 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.

The CMC's Fraud and Corruption Prevention and Control Policy is published on our website,

www.cmc.qld.gov.au/fraudpreventionpolicy.

Human Research Ethics framework

In 2012–13, a Human Research Ethics framework was established to guide the design and conduct of research projects involving human subjects. Independent advisers have been appointed to the newly formed Human Research Ethics Advisory Panel to ensure that all research conforms to the highest ethical and quality standards.

Independent legal advice

The General Counsel, who reports directly to the Chairperson, provides the Chairperson and Commissioners with independent legal advice and support on any matter bearing on the responsibilities of the CMC. The related Legal Services Unit provides services concerning:

- all litigation involving the CMC, including crime or misconduct investigations where it is necessary to make an application to a court
- responding to requests for access to CMC material under subpoenas, summonses or section 62 of the Crime and Misconduct Act, or as part of the litigation process
- appearing on behalf of the Commission in the Queensland Civil and Administrative Tribunal in relation to police misconduct reviews and appeals
- providing independent legal advice to the Commission and briefing external counsel if required
- helping the CMC meet its obligations to external and Commonwealth agencies overseeing our telecommunications interception function.

Strategic planning

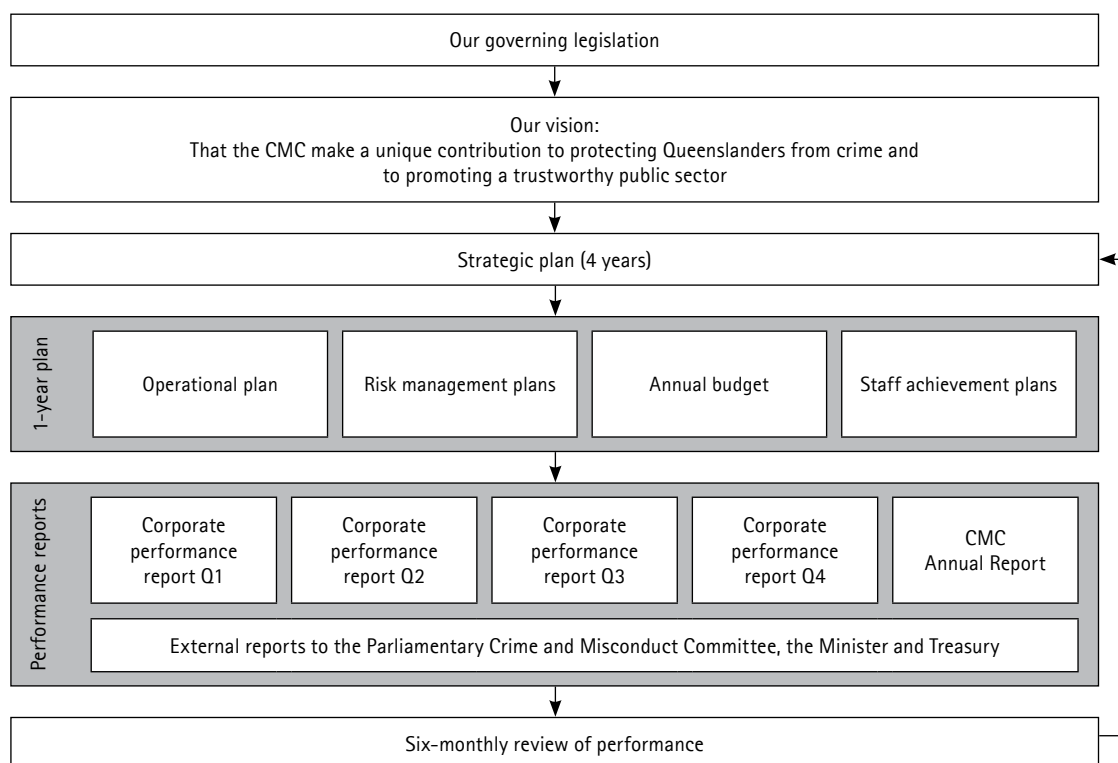
Strategic planning is an ongoing organisational process that helps the Commission determine its strategic objectives and priorities. Each year, the Commission reviews its strategic plan to ensure that the CMC remains responsive to emerging issues and challenges. The CMC's 2012–16 and 2013–17 strategic plans can be accessed at www.cmc.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 us 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 support the Queensland Government's objectives for the community. The CMC's full planning cycle is presented in Figure 13.

Figure 13. The CMC's planning cycle



The Executive Leadership Group

The Executive Leadership Group (ELG) functions as the CMC's peak operational committee that drives corporate activities. This group of key executives supports the Chairperson in his role as the Chief Executive Officer, by considering 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.

The ELG meets on a weekly basis and reports to staff through the intranet. Remuneration details of its key executive management personnel are given on pages 92–3.

Members of this group (in addition to the Chairperson) throughout 2012–13 were as below.

The appointment criteria for Assistant Commissioners and senior officers are available on our website at www.cmc.qld.gov.au/appointmentcriteria.

Ms Edith Mendelle BA (Hons), MBA

Executive General Manager, Strategy and Services, appointed 27 April 2011

Ms Mendelle has a Bachelor of Arts and a Master of Business Administration. Her background includes general management experience with the international biotechnology company ForBio Limited and senior management roles with Freehills, KPMG and ANZ Bank. More recently, she led reforms in the justice and human service systems in Victoria and Queensland.

Ms Kathleen Florian BA, LLB (Hons)

Assistant Commissioner, Crime, appointed 9 January 2012; Acting Assistant Commissioner, Misconduct, 2 April 2013

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 Warren Strange BSc, LLB, LLM

Assistant Commissioner, Misconduct, appointed 14 June 2010; resigned 22 May 2013

Mr Strange has a Master of Laws and a Bachelor of Science and was admitted as a solicitor in Queensland in 1988. Mr Strange worked in a variety of senior roles within the CMC and its predecessor, the Criminal Justice Commission, between 1992 and 2004. From 2004 to mid 2010, he was the Director, Criminal Law Services at Legal Aid Queensland.

Mr Michael Scott BA, LLB (Hons), LLM

Acting Assistant Commissioner, Crime, 2 April 2013

Mr Scott studied Arts/Law at the University of Queensland and was admitted as a Barrister of the Supreme Court of Queensland in 1986. He later completed a Master of Laws degree at Queensland University of Technology. Mr Scott commenced his career at the Queensland Office of the Director of Public Prosecutions, where he was a Crown Prosecutor for several years. He has worked in legal roles at both of the CMC's predecessor organisations, the Criminal Justice Commission and the Queensland Crime Commission, and has been employed as a senior lawyer in the Office of the Assistant Commissioner, Crime since the CMC's inception. In 2012, Mr Scott was appointed to the position of Director of Crime Hearings and Legal Services.

Mr Gary Adams MA (App)

Manager, Performance Management and Governance

Mr Adams has worked in the public sector and private enterprise, often in large agencies. His earlier work focused on policy development in public sector reform, management support activities, and the project management of initiatives to implement new legislation or institute organisational change.

Ms Michelle McKay BHSc

Director, Office of the Commission, appointed 31 October 2011; resigned 6 July 2012

Ms McKay has a Bachelor of Health Science and postgraduate qualifications in health management. She has held executive positions in the public health sector in both Queensland and South Australia, and in these roles managed large, multidisciplinary organisations with significant budget responsibilities. Prior to her appointment to the CMC, Ms McKay had focused on performance management and service planning.

ELG achievements

In 2012–13, the Executive Leadership Group:

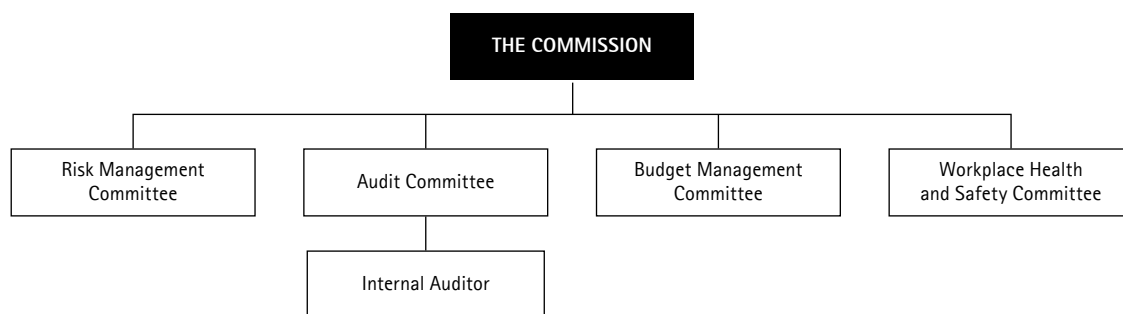
- assisted the Chairperson to provide information requested by the PCMC Inquiry and the Independent Advisory Panel reviewing the Crime and Misconduct Act
- endorsed the CMC's draft 2013–17 strategic plan
- assisted in developing and progressing recommendations of the Strategy, Structure and Resource Allocation project, resulting in the CMC's alignment of its staffing resources with its budget
- coordinated responses to PCMC recommendations published in its Report No. 90 by initiating a range of activities to build stronger corporate accountability
- monitored operational risks and took action to manage risk and maintain organisational productivity
- considered issues of performance and resourcing, arranging for matters to be referred to the Commission or relevant governance committees where appropriate.

Our governance committees

Figure 14 shows the governance committees that support the Commission. Each committee maintains a strategic focus through adherence to its published charter, which defines the roles and responsibilities of the committee and its members. Each committee requires at least one member to be a Commissioner.

These committees address matters of risk falling within their area of responsibility (referring issues to the Risk Management Committee as necessary), and support the Commission by ensuring internal transparency and developing best management practice within the CMC.

Figure 14. Committees supporting the Commission



Risk Management Committee

Role and responsibilities

The Risk Management Committee provides ongoing support and advice to the Commission, and assists in developing and monitoring systems to strengthen risk management performance (see page 47). The committee meets quarterly.

Membership

The committee comprises six members, one of whom is an external member appointed by the Commission as an independent Chair (see Table 8). In 2012–13, this role was undertaken by Ms Marita Corbett of Risk Advisory Services, BDO (Qld) Pty Ltd. Ms Corbett was paid a retainer of \$1250 per meeting for her services as committee Chair. The Internal Auditor and Media Adviser hold a standing invitation to attend meetings.

2012–13 achievements

This year the Risk Management Committee:

- monitored the activities of the Business Continuity Committee
- monitored the progress of recommendations from the internal audit of the Business Continuity Plan
- monitored the reports of the Internal Auditor
- focused on risk incident reporting to identify trends and areas for further improvement
- monitored risks associated with information and communication technology (ICT) disaster recovery
- monitored and assessed the CMC's risk management plans and procedures.

Table 8. Membership of the Risk Management Committee

Name	Position	No. of meetings attended/Total held
Ms Marita Corbett	Chair (external)	4/4
Ms Judith Bell ¹	Commissioner	2/4
Ms Edith Mendelle	Executive General Manager	4/4
Mr Andrew Stapleton ²	Manager, Electronic Collections Unit	2/4
Mr Rob Hutchings	General Counsel	1/4
Ms Karyn Worth	Senior Adviser, Performance Management and Governance	3/4
Mr Brendan Clarke	Internal Auditor (standing invitation)	3/4

1. Appointment expired 2 June 2013. Last meeting attended on 5 March 2013.

2. Chairperson nominee following the resignation of the Director, Intelligence, effective 18 September 2012.

Audit Committee

Role and responsibilities

The Audit Committee assists the Commission in its governance by ensuring that it exercises due diligence, care and skill in such areas as:

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

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

The committee assisted the Commission to oversee the audit process as well as the committee's processes for monitoring compliance with law and regulations. Further, as necessary, the committee advised on the CMC's Code of Conduct and

policies, procedures and guidelines. The committee also monitored the activities of the internal and external auditors for efficiency and effectiveness (see pages 48 and 59 respectively).

In 2012–13, the Audit Committee met on a quarterly basis. At the end of the year it conducted a self-assessment of its performance and met separately with the external and internal auditors, without managers present, to identify any significant concerns.

The committee 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.

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). The CMC Chairperson and the Executive General Manager are ex-officio members and they attend meetings as necessary to brief the committee on forthcoming issues and any possible risks to the organisation.

Queensland Audit Office representatives and the Internal Auditor have standing invitations to attend committee meetings.

Mr Dowling was paid \$2000 per meeting for his services as committee Chair. Mr Mike Meintjes was paid \$1250 per meeting for his services as an external member of the committee.

2012–13 achievements

This year the Audit Committee:

- endorsed the Strategic Internal Audit Plan 2012–17 and the Annual Internal Audit Plan 2012–13
- ensured that CMC financial statements complied with Treasury guidelines and appropriate accounting standards
- undertook a benchmarking assessment of the CMC internal audit function against the principles published in the Institute of Internal Auditors Australia policy agenda
- endorsed the Chief Finance Officer's Statement about the efficient, effective and economical operation of the CMC's internal financial controls in accordance with section 77(2)(b) of the *Financial Accountability Act 2009*
- reviewed the CMC Risk Management Committee's progress in dealing with significant risk issues
- reviewed internal audit reports and oversaw the implementation of their recommendations.

Table 9. Membership of the Audit Committee

Name	Position	No. of meetings attended/Total held
Mr Peter Dowling	Chair (external)	4/4
Mr Mike Meintjes ¹	External member	2/4
Mr Philip Nase	Commissioner	4/4
Mr David Goody	Manager, Proceeds of Crime	3/4
Mr David Honeyman	Principal Adviser, Misconduct Prevention	3/4

1. Appointed external member 29 November 2012.

Budget Management Committee

Role and responsibilities

The Budget Management Committee assists the Commission in its financial management responsibilities and reviews its financial and budget process. Although it provides independent advice to the Commission through its reporting structure, it does not replace existing lines of authority or reporting.

Membership

The Budget Management Committee's membership is shown in Table 10.

2012–13 achievements

This year the Budget Management Committee:

- ensured that resources were allocated so as to maximise outputs from the strategic plan
- reallocated resources following a significant workforce restructuring exercise
- monitored expenditure against the budget, reviewing significant financial transactions and budget variances and recommending corrective action where necessary
- adopted a process of continuous improvement in budget management and reporting by ensuring that budgeting and forecasting tools were accurate and user-friendly.

Table 10. Membership of the Budget Management Committee

Name	Position	No. of meetings attended/Total held
Dr Ken Levy ¹	Chair	1/11
Mr George Fox ²	Chair	1/11
Mr Philip Nase	Commissioner	9/11
Ms Kathleen Florian ³	Acting Assistant Commissioner, Misconduct	10/11
Mr Michael Scott ⁴	Acting Assistant Commissioner, Crime	4/11
Mr Peter Barron	Director, Witness Protection and Operations Support	6/11
Mr Daniel Mahon ⁵	Acting Director, Witness Protection and Operations Support	2/11
Ms Edith Mendelle	Executive General Manager	11/11
Ms Radhika Munien	Finance and Administration Manager (Secretary)	10/11
Mr Ross Martin SC ⁶	Chair	6/11
Mr Warren Strange ⁷	Assistant Commissioner, Misconduct	8/11

1. Appointed Acting Chairperson 22 May 2013.

2. Acting Chairperson, 20 May 2013 to 22 May 2013, in the absence of Mr Warren Strange.

3. Acting Assistant Commissioner, Misconduct, 2 April 2013.

4. Acting Assistant Commissioner, Crime, 2 April 2013.

5. Acting Director, Witness Protection and Operations Support, 17 June 2013.

6. Resigned as Chairperson effective 3 April 2013.

7. Acting Chairperson, 12 to 15 November 2012; 10 to 14 December 2012; 25 February 2013 to 22 May 2013. Resigned effective 22 May 2013.

Workplace Health and Safety Committee

Role and responsibilities

The Workplace Health and Safety Committee was established to meet legislative requirements and to provide a focal point for employee participation in the CMC's safety program. The committee monitors conditions to ensure that employees' health is being safeguarded. It also promotes a cooperative approach between staff and management, and aims to provide management with information and advice about relevant workplace health and safety matters.

Membership

The committee includes both managers and employee representatives (see Table 11). Several core representatives are longstanding employees; others have been recruited in more recent years and bring new perspectives to their responsibilities.

2012–13 achievements

This year the Workplace Health and Safety Committee:

- maintained a free influenza vaccination program for employees, resulting in vaccinations being provided to 166 staff
- maintained specialist support services for staff engaged in covert activities that carry significant risk
- continued arrangements for, and monitored, our Employee Assistance Program, which is available to all employees
- assisted in the audit of our compliance with the recently introduced *Work Health and Safety Act 2011* and overviewed required changes to practice and documentation
- ensured that all electrical equipment was checked and tagged in accordance with the requirements of the *Work Health and Safety Act 2011* and the *Electrical Safety Act 2002*.

Table 11. Membership of the Workplace Health and Safety Committee

Name	Position
Ms Edith Mendelle	Executive General Manager (Chair)
Ms Judith Bell	Commissioner
Ms Julie Berry	Workplace Health and Safety Adviser and Rehabilitation Coordinator, Human Resources
Mr Peter Delaney	Security Supervisor
Ms Jodie Boland	Executive Officer, Applied Research and Evaluation
Mr Lincoln Hansen	Senior Financial Investigator, Misconduct Operations
Ms Sarah Kane	Administrative Officer, External Premises
Ms Sally Doyle	Fleet and Assets Officer, Finance and Administration
Ms Beulah Davies	Intelligence Analyst, Misconduct Operations
Mr Jeffrey Farrah	Senior Legal Officer, Integrity Services

Name	Position
Mr Lance Vercoe	Operations Coordinator, Crime
Mr Robbie Crease	Intelligence Analyst, Crime
Mr Sean Arthur	Senior Intelligence Analyst, Intelligence
Ms Sandra Hill	Support Officer, Integrity Services
Mr Chris Lee	Indigenous Adviser, Office of the Assistant Commissioner, Misconduct
Ms Sue Harbidge	Principal Legal Officer, Misconduct Operations
Ms Melissa Letondeur	Executive Assistant, Misconduct Operations
Ms Makeeta McIntyre	Senior lawyer, Misconduct Operations
Mr Norm Hung	Administration Manager, External Premises

Our external accountability

The Parliamentary Crime and Misconduct Committee (PCMC)

The PCMC is a seven-member all-party committee of the Legislative Assembly of Queensland. The PCMC has the following principal functions:

- monitor and review how the CMC performs its functions
- receive and consider complaints against the CMC and deal with issues concerning the CMC
- request reports on matters that have come to the PCMC's attention through the media or by other means
- consult with the Minister on the appointment of CMC Commissioners.

The Commission formally meets with the PCMC on a regular basis (about every two months) to discuss current activities and performance.

Members of the PCMC

As at 30 June 2013, the members of the PCMC were:

- Mrs Liz Cunningham MP, Chair, Member for Gladstone
- Mrs Jo-Ann Miller MP, Deputy Chair, Member for Bundamba
- Mr Peter Dowling MP, Member for Redlands
- Mr Jon Krause MP, Member for Beaudesert
- Mr Ian Kaye MP, Member for Greenslopes
- Ms Jackie Trad MP, Member for South Brisbane
- Mr Peter Wellington MP, Member for Nicklin.

Activities of the PCMC

In March 2013, the PCMC held public hearings as part of its inquiry into the CMC's management of Fitzgerald Inquiry records. The committee's subsequent report, Report No. 90, was tabled on 5 April 2013. The CMC is currently responding to the committee's recommendations. The Implementation Panel progressing outcomes from the review of the Crime and Misconduct Act will also monitor the implementation of some PCMC recommendations.

The PCMC tabled its report on the three-year review of CMC activities (as prescribed by the Crime and Misconduct Act) in May 2012. The government's response was tabled on

8 November 2012. Many of the recommendations remain under consideration pending outcomes from the review of the Crime and Misconduct Act.

Other reports tabled in 2012–13:

- Report on the Crime and Misconduct Commission's assessment of a public interest disclosure (No. 87)
- Report on the Crime and Misconduct Commission's investigation of suspected improper conduct of a Crime and Misconduct Commission employee (No. 89)
- Report on a complaint by Mr Scott Flavell (No. 91).

The PCMC's reports are available at

🌐 www.parliament.qld.gov.au.

PCMC Inquiry into CMC management of Fitzgerald Inquiry documents: key dates

6 March 2013: CMC issued a press release acknowledging potential public access to Fitzgerald Inquiry documents between February 2012 and 4 March 2013.

8 March 2013: Attorney-General called for a Parliamentary Inquiry into the incorrect classification and release and destruction of Fitzgerald documents.

13 March–28 March 2013: Public hearings held.

28 March 2013: In a public statement to the Parliamentary Inquiry, the Acting CMC Chairperson acknowledged the failure of the CMC to appropriately manage the historical records of the Fitzgerald Inquiry.

5 April 2013: The PCMC Report (No. 90) *Inquiry into the Crime and Misconduct Commission's release and destruction of Fitzgerald Inquiry documents* was tabled in the Legislative Assembly.

Report No. 90 contained 24 recommendations aimed at improving the management of confidential historical information. The report also addressed broader organisational issues within the CMC.

The government-appointed Implementation Panel overseeing the recommendations from the review of the CM Act will also oversee some of the PCMC recommendations.

In 2013–14 the CMC will be implementing those PCMC recommendations that are not the responsibility of the Implementation Panel and/or specified other agency. The CMC will report to the PCMC on the progress of those recommendations.

The Parliamentary Crime and Misconduct Commissioner

The Parliamentary Crime and Misconduct Commissioner (Parliamentary Commissioner) assists the PCMC to monitor and review the CMC by undertaking a range of important activities on the committee's behalf and reporting back to it. For example, the Commissioner may conduct audits of the CMC's records and files, and is authorised to investigate complaints against the CMC or its officers.

Mr Paul Favell is the appointed Parliamentary Commissioner. In 2012–13, 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
- oversaw an investigation into an allegation against a CMC staff member
- inspected the covert human intelligence sources register.

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

Relationship with the Minister

The Crime and Misconduct Act requires that:

- the Minister is kept reasonably informed of the CMC's operations, including its financial and operational performance, systems and processes, and the achievement of its goals
- the CMC must provide the Minister with the reports and information that the Minister requires when and in the way required by the Minister (section 260(2)).

To fulfil the requirement of sections 259 and 260 of the CM Act, the CMC provides budgetary information to the Department of Justice and Attorney-General (DJAG) according to the prescribed DJAG schedule. It also provides a half-yearly report (the Section 260 Report) to the Minister as well as all other information required to fulfil its external accountability requirements. Currently, these six-monthly reports on the efficiency, effectiveness, economy and timeliness of the CMC's systems and processes apply to the periods ending 30 June and 31 December. Additionally, the Minister can request, in writing, that the Chairperson convene a Commission meeting (which must have a quorum).

On 11 October 2012 the Attorney-General and Minister for Justice announced the appointment of an Independent Advisory Panel to review the *Crime and Misconduct Act 2001*. The review was undertaken by former High Court Justice the Honourable Ian Callinan AC and University of Queensland Professor Nicholas Aroney.

Review of the *Crime and Misconduct Act 2001*: key dates

11 October 2012: Independent Advisory Panel (the Panel) appointed by the Attorney-General and Minister for Justice to review the *Crime and Misconduct Act 2001*.

3 April 2013: The Panel released a summary of its conclusions and recommendations.

The Panel's executive summary contained 17 recommendations aimed at ensuring the effective operation of the CMC, including a stronger focus on major crime and the management of high-level misconduct.

18 April 2013: The Panel's full report (redacted version) *Review of the Crime and Misconduct Act and related matters: Report of the Independent Advisory Panel* was tabled in the Legislative Assembly.

3 July 2013: Government released its response to matters raised through the Panel's review of the Crime and Misconduct Act and the PCMC Inquiry.

This report included details on the Implementation Panel to advise government on the review recommendations and some recommendations from the PCMC Inquiry of 2013, including oversight of the organisational and administrative restructure of the CMC. The Acting CMC Chairperson was appointed to the Panel.

Government agreement on implementation action and the shape of draft legislation giving effect to accepted recommendations will be finalised in 2013. The implementation of all accepted recommendations is expected to be finalised by March 2014.

The Independent Advisory Panel's executive summary is available at www.justice.qld.gov.au. The report is available at www.parliament.qld.gov.au.

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).

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 the review of our decisions and in deciding contempt of court matters in relation to CMC hearings.

Crime Reference Committee

The Crime Reference Committee is responsible for referring crime matters – general or specific – to the CMC. It can also place a limitation on the power exercised by our Crime area in regard to any referral (for more detail, see page 11).

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 www.cmc.qld.gov.au/ourpowers.

External audit

The CMC's financial statements are audited by the Queensland Audit Office in accordance with the *Financial Accountability Act 2009* and other applicable statutes. As in previous years, in 2012–13 we received an unqualified audit report.

Other reporting obligations

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. No certificates were given this year by the Chairperson or the Commissioner.

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.