



02 Reducing crime and corruption in Queensland

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Focus area | Illicit markets

Target participants in criminal organisations that are active in illicit markets of highest threat to Queensland communities

The CCC gives priority to investigating major crime that is most harmful to Queensland. This is why one area of focus for the CCC is Queensland's illicit markets, in particular those of highest value and highest community impact such as matters involving dangerous drugs, firearms or financial crimes, especially those that target the vulnerable.

A range of individuals and groups are involved in Queensland's illicit markets with varying levels of sophistication. Outlaw motorcycle gangs (OMCGs) continue to have a presence in these markets, however, they do not have a monopoly over them. Online marketplaces have broadened the demographic of people involved in Queensland's illicit markets and have provided additional avenues for the supply of illicit commodities, particularly into regional areas of the state.

Methylamphetamine remains the most pervasive illicit drug market due to the high levels of organised crime involvement and the significant harm its use causes individuals, families and communities, the burden on the public health system and continued pressure on law enforcement.

Crime investigations

During 2018–19 the CCC commenced seven major crime investigations focused on illicit markets, with nine investigations (some having commenced during the 2017–18 financial year) being concluded in the same period. As a result of those investigations, 28 people were charged with 107 offences including drug possession, supply and trafficking. Some of these charges were made with the assistance of the QPS.



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The CCC may investigate major crime once approval has been given by the CCC Crime Reference Committee by way of a referral or authorisation. Investigations undertaken by the CCC may be led by the CCC or by another law enforcement or intelligence agency with which the CCC works in partnership.


The CCC may also be authorised to undertake specific intelligence operations and other intelligence activities to assess and better understand the criminal activities in which criminal organisations and their participants may be involved.



Hearings

In 2018–19 the CCC held 37 days of hearings and examined 47 witnesses to support and advance investigations that concerned illicit markets. These included:

- An investigation of a criminal network engaged in the large-scale transportation of cannabis from Sydney to Brisbane. These hearings were successful in identifying the interstate source of the cannabis and a number of local trafficking syndicates receiving and trafficking it.
- A weapons trafficking investigation, in which hearings were successful in locating and recovering numerous illegal firearms.
- An investigation of a Brisbane-based network involved in trafficking significant quantities of MDMA (ecstasy) and cocaine sourced from a Sydney-based syndicate (also active in the Australian Capital Territory). These hearings were successful in obtaining evidence against the principals of the network and led to the seizure of a significant quantity of MDMA, as well as providing extensive insight into the operations and methods of the group.
- An investigation into a Brisbane-based group trafficking methylamphetamine, cocaine and MDMA in Fortitude Valley and the Sunshine Coast region, and money laundering. The hearings were successful in identifying a supplier and others involved in the supply network.



Operation Tabloid

In October 2018 the CCC finalised an investigation focused on the movement of illicit drugs from New South Wales into south-eastern Queensland, money laundering and associated offences by a group of Brisbane-based individuals involved in property development, hospitality and retail outlets.

Over the course of the investigation (including in the 2017–18 reporting period) eight people were charged with 32 offences, involving drug trafficking and supply. Cocaine with a street value of approximately \$200,000 was seized, along with smaller amounts of heroin, cannabis, amphetamines and MDMA (ecstasy), and \$9,200 in cash.

Focus area | Illicit markets

Significant investigation outcomes achieved in 2018–19

Given the nature of our work and the lengthy litigation process that follows a complex investigation, often the impact of what we do is not immediately realised.

Operation Amulet was a CCC investigation undertaken in 2015 into a network of persons based in south-east Queensland involved in the trafficking, production and supply of dangerous drugs, and money laundering. In March 2019, one offender received five years imprisonment after pleading guilty to a significant number of drug-related offences with which he was charged as a result of the investigation.

Operation Gloss was a 2013 CCC investigation focused on the Queensland-based activities of a criminal syndicate producing and trafficking crystal amphetamine (ice) in New South Wales and on the Gold Coast. On 31 July 2018 one offender was sentenced to nine years imprisonment for drug trafficking and related offences.

In October 2018 another two offenders were convicted of trafficking and multiple

counts of supplying drugs as well as other drug-related charges. One of those offenders was sentenced to 7.5 years imprisonment while the other received 5.5 years imprisonment.

In December 2018 a further two offenders were convicted of trafficking dangerous drugs and associated offences with one person being sentenced to three years imprisonment and the second offender receiving 18 months imprisonment.

Operation Altana was an investigation finalised in 2017 which targeted an organised crime syndicate involved in the production, supply and trafficking of crystal amphetamine (ice) and cocaine on the Gold Coast. In August 2018, one offender charged as a result of the investigation was sentenced to five years imprisonment for drug trafficking and related offences and received an additional 12 months imprisonment in relation to a fraud charge.

In June 2019 another offender was sentenced in the Brisbane Supreme Court for a total of 91 offences, including trafficking dangerous drugs, supplying a dangerous drug, possession of property obtained from a drug offence, and fraud. He was sentenced to 3.5 years imprisonment for the drug matters with an additional 12 months (cumulative) for the fraud.

Intelligence operations and activities

In 2018–19 the CCC finalised four specific intelligence operations focused on illicit markets. In the same period, the CCC also held 19 days of hearings and examined 14 witnesses to support and advance investigations of this kind.

One specific intelligence operation was an investigation into a network alleged to be involved in the trafficking, supply and possible production of dangerous drugs in south-east Queensland, and which had established a supply chain to central and northern areas of the state. This operation was successful in obtaining information that led to the commencement of a joint QPS/CCC organised crime operation that remains ongoing.

Another specific intelligence operation was undertaken into a criminal organisation operating in the Gold Coast region and alleged to be engaged in the importation, production and supply of the dangerous drug Gamma-hydroxybutyric (GHB), commonly known as Fantasy.

In 2018 there was a noticeable spike in Fantasy-related overdoses on the Gold Coast, two of which were fatal. Numerous

other persons were hospitalised as a result of their ingestion of this drug. The operation was undertaken to assist the QPS to understand the nature and extent of illegal activity by the criminal organisation, and to identify and disrupt relevant supply lines. Hearings undertaken to support the operation were successful in identifying a significant interstate importer of the dangerous drug. This information was disseminated to the New South Wales Police Force who were able to take immediate investigative action. A search warrant executed on the business of the importer located 21.2 litres of Fantasy and a quantity of cash.

The importer was subsequently charged with 15 offences, which included supplying a large commercial quantity of prohibited drugs and organising or conducting a drug premises to which a child was exposed.

Intelligence obtained during this operation identified the characteristics of the GHB drug market and this information and other intelligence was disseminated to other state and Commonwealth law enforcement agencies.



Assessment of illicit markets 2018–19

The CCC's strategic intelligence assessments aim to inform law enforcement about high threat illicit markets and emerging crime trends in Queensland. These assessments are used to prioritise high risk matters, aid efficient use of CCC and other law enforcement resources and highlight intelligence gaps that require further examination.

In 2018–19 the CCC completed an assessment of illicit markets in Queensland. The assessment highlighted the demand for methylamphetamine, MDMA, cocaine and GHB remains problematic, as well as the level of risk associated with the misuse of pharmaceuticals, particularly opioid pharmaceuticals.

During the reporting period, 52 separate intelligence reports were disseminated to state and commonwealth law enforcement agencies, including the QPS, the Australian Criminal Intelligence Commission, the Australian Federal Police, Department of Home Affairs, New South Wales Crime Commission, and have been uploaded to the Australian Criminal

Intelligence Database. Further reports from the assessment will be disseminated early in 2019–20.

To aid law enforcement and intelligence agencies, the CCC also produced a *2018–19 Drug Commodities Guide*, providing updated information about market trends, drug prices, and risk assessments for each of Queensland's primary illicit drug markets. The guide will be distributed to law enforcement agencies early in 2019–20.



Focus area | Illicit markets

Recovering the proceeds of crime

The CCC has civil confiscation functions under the *Criminal Proceeds Confiscation Act 2002*, to investigate, restrain, and seek the forfeiture of criminal assets, the proceeds of crime and the unexplained wealth of persons reasonably suspected of having engaged in serious crime-related activity. The CCC may itself initiate proceeds of crime investigations and associated action or it may receive referrals to consider such action from the QPS or other law enforcement agencies.

Recovering proceeds of crime is a key prevention strategy engaged by the CCC because it removes the financial benefit

and support for serious and organised crime. When criminal assets are forfeited, it not only reduces the incentive for engaging in the criminal activity, it disrupts the business model for the criminal activity by preventing the reinvestment of illicit profits to support the ongoing enterprise.

In 2018–19 the CCC concluded 54 proceeds recovery actions resulting in more than \$13.651 million in assets forfeited to the State of Queensland.

In 2018–19 the CCC assessed 90 opportunities to undertake proceeds of crime recovery action in relation to criminal proceeds alleged to be derived from serious crime related activity involving illicit markets. This represented 73.77 per cent of new matters considered for proceeds of

crime action. In the same period, proceeds action related to illicit markets resulted in 29 restraining orders being obtained over assets valued at more than \$8.768 million and 36 proceeds forfeitures valued at over \$6.919 million.

As at 30 June 2019 the CCC has 44 active proceeds of crime cases related to illicit markets with over \$23.807 million in assets under restraint.



The CCC has civil confiscation functions under the *Criminal Proceeds Confiscation Act 2002*

Disrupting an organised crime syndicate

Working alongside the QPS, and with the assistance of the Office of the Director of Public Prosecutions and the Public Trustee of Queensland, this year the CCC finalised proceeds action against the head of a Brisbane-based organised crime syndicate involved in trafficking methylamphetamine, cocaine, heroin, cannabis and MDMA.

In 2015 restraining orders were granted by the Supreme Court of Queensland for property owned by the head of the syndicate comprised of \$1.782 million in cash, a vehicle, bank account and six properties. As a result of a financial investigation, the

CCC was able to demonstrate that the head of the syndicate had acquired significant unexplained wealth and in 2018 the State commenced an action in the Supreme Court under the provisions of the *Criminal Proceeds Confiscation Act 2002*.

In 2019 the Court made an unexplained wealth order against the head of the syndicate requiring that person to pay to the State an amount of \$1.970 million, assessed by the Court to be the value of the person's unexplained wealth.





Action on ice

The Queensland Government's *Action on ice* plan aims to address the harms caused by ice by breaking the cycle of drug use and building upon existing efforts across government agencies. The key activities address every aspect of the path to addiction, with a focus on reducing supply and demand for ice, and minimising harm. The CCC is committed to the government's plan to addressing and minimising the harms ice has upon Queensland communities through these measures. The CCC supports the Queensland Government's *Action on ice* initiatives by prioritising investigations into high threat criminal networks that are trafficking ice into Queensland.

Operational activities and hearings

In 2018–19 the following operational activities and hearings were undertaken in relation to matters involving methylamphetamine supply:

Crime investigations 9

Witnesses examined	50
Hearing days	29

Intelligence operations 3

Witnesses examined	1
Hearing days	1

Restraining orders and forfeitures

In 2018–19 the following restraining orders and forfeitures were made in relation to matters involving methylamphetamine supply:

Restraining orders
20 matters with an approximate value of **\$5.85M**

Forfeitures
25 matters with an approximate value of **\$6.03M**

Focus area | Organised crime threats and unresolved major crime

Respond to the most serious organised crime threats and advance investigations into unresolved major crime

A second area of focus for the CCC is on responding to the most serious and organised crime threats, and on achieving better outcomes for major crime investigations that are unlikely to be resolved with powers ordinarily available to police.

Crime groups continue to evolve, diversify and adapt their methodologies to avoid law enforcement detection, and the use of encrypted communications and other technologies, and professional facilitators are key enablers of serious and organised criminal activity in Queensland. The CCC, working in co-operation with the QPS and other law enforcement agencies, is uniquely placed to help address these challenges.

Investigations

During 2018–19 the CCC commenced 22 major crime investigations focused on serious and organised crime with 23 investigations finalised in the same period. As a result of those investigations, the CCC was responsible for the arrest of eight people, charged with 19 offences including aggravated fraud and money laundering. The QPS was responsible for the arrest and charge of other offenders as a result of these investigations.

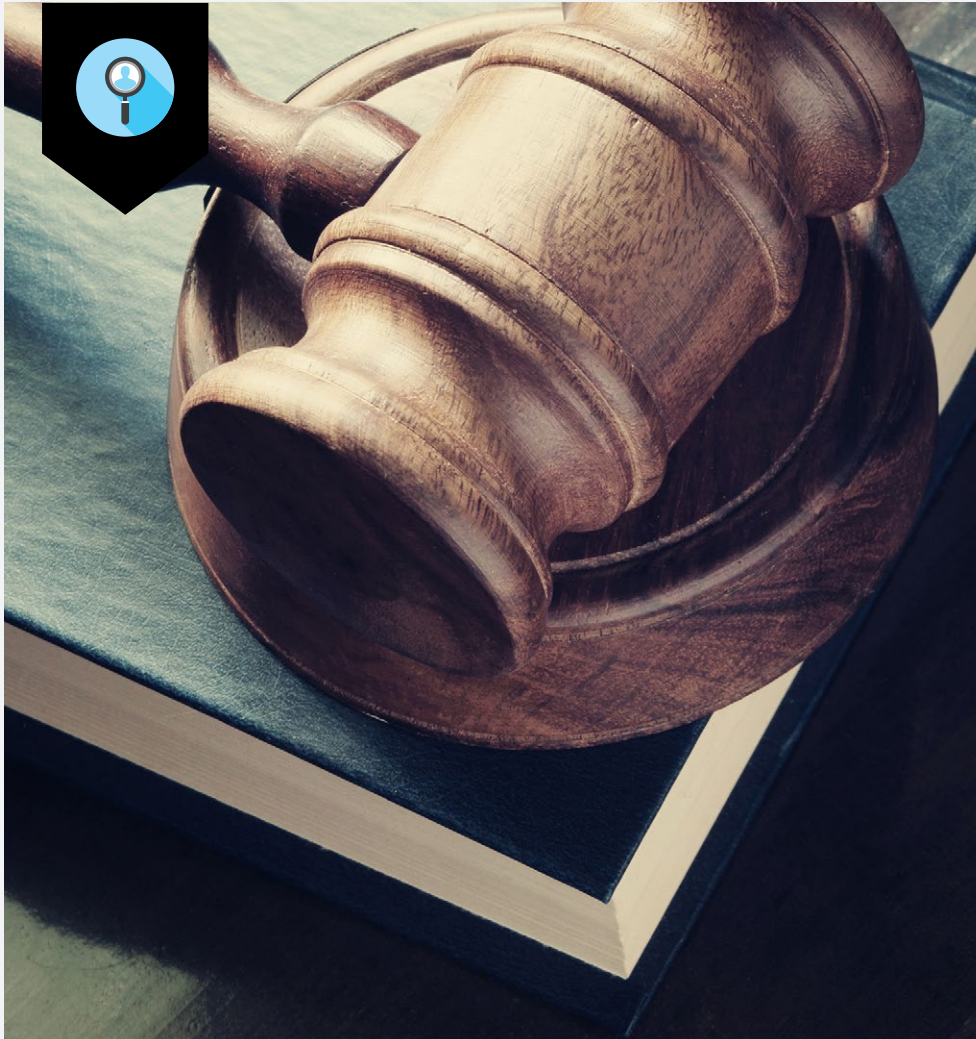
Coercive hearings

Our coercive hearings power allows us to obtain new information and evidence that can advance complex and unresolved major crime, as well as enhance law enforcement's awareness of organised crime involvement in criminal activity. Through the use of our hearings we are also able to improve our understanding of emerging major crime threats within Queensland, and identify vulnerabilities and opportunities to disrupt and dismantle criminal networks.

The assistance of the CCC may also be sought for serious crime investigations such as unresolved murders and the physical and sexual abuse of children. Our hearings are a valuable tool in criminal paedophilia investigations because they can assist in obtaining details about child exploitation networks from individual offenders, obtaining access to information to encrypted devices, or obtaining details of offending which facilitate the identification of victims.

The CCC holds hearings throughout Queensland to ensure regional investigations receive a similar level of support to those in metropolitan areas.





Operation Stockade

Operation Stockade concentrated on allegations that a principal solicitor of a Brisbane-based criminal law firm received cash payments from certain clients and failed to comply with legal requirements to deposit those monies into the firm's trust account. It was alleged that this was done with the intention of concealing the payments from both the firm and the Australian Taxation Office. In addition, some of the clients received financial support from Legal Aid Queensland and were alleged to have obtained this support by supplying false pay summaries and other information to Legal Aid Queensland. The Legal Aid payments were alleged to have been made to the law firm in addition to the cash payments received from the clients. The investigation resulted in a number of persons being charged with aggravated fraud, money laundering and related offences in relation to a total of over \$900,000 in alleged cash payments made by the clients and an additional \$350,000 in alleged payments obtained from Legal Aid Queensland.

Focus area | Organised crime threats and unresolved major crime

Hearings

In 2018–19 the CCC held 134 days of hearings and examined 142 witnesses in various locations such as Brisbane, Ipswich, Gympie, Gladstone, Townsville, Cairns and Charters Towers, to support and advance organised crime or unresolved major crime investigations.

Organised crime

- In December 2018 hearings undertaken in relation to the stabbing and violent assault of a Cairns man and his 12-year-old son in the course of an attempted armed robbery in October 2014 were successful in confirming the identity of one of the offenders and statements being obtained from two previously uncooperative witnesses.
- Between November 2018 and January 2019 hearings undertaken in relation to an investigation into the alleged theft of approximately 400 head of cattle from a station near Richmond called Strathpark, resulted in additional witnesses providing statements and identified how the offences were occurring, and who was involved. In March 2019 two people were charged with offences including stock stealing and receiving tainted property.

- In April and May 2019 hearings undertaken in relation to an organised crime group committing burglaries in south-east Queensland resulted in evidence being gathered about the location of the stolen property and generated a number of valuable lines of inquiry and investigation opportunities.

Homicides

- Between November 2017 and October 2018 hearings undertaken in relation to the disappearance and suspected murder of a 26-year-old Brisbane man in February 2015 resulted in statements being obtained from several previously uncooperative witnesses and several leads were generated. In June 2018 police charged two men with murder and associated offences.
- From April to October 2018 hearings held in relation to the stabbing murder of a 35-year-old man at Kuraby in October 2017 were successful in obtaining evidence from one previously uncooperative witness and testing the credibility of an alibi. In January 2019 a man was charged with the murder.
- In July 2018 hearings undertaken in relation to the fatal shooting of a man at Petrie in April 2018 for which multiple alleged offenders had already been charged by police, were successful in excluding another suspect in relation to the offence and identifying a key witness who provided evidence not previously known to investigators.
- In August 2018 hearings held in relation to the disappearance and suspected murder of a Cairns man in 1989 were successful in clarifying circumstances relevant to the disappearance of the man, eliminating three suspects and identifying a previously unknown suspect.
- In September 2018 hearings held in relation to the suspected murder of a 30-year-old man at Maryborough in 1997 obtained statements from two previously uncooperative witnesses. In March 2019 a man was charged with the missing person's murder.
- In February and March 2019 hearings held in support of an investigation into the stabbing murder of a man in Brisbane in January 2019 were successful in identifying and obtaining evidence from a previously unknown witness, identifying further lines of inquiry, securing evidence from two previously uncooperative witnesses and identifying a further witness. Three persons were later charged with the murder.

Child homicide and abuse

- In August 2018 and January 2019 hearings held in relation to the alleged torture and grievous bodily harm of a 13-month-old infant at Toowoomba in 2017 were successful in eliminating one suspect and strengthening the evidence against another.
- In August 2018 hearings held in relation to the activities of a suspected child sex offender were successful in obtaining password information so as to access further suspected child exploitation evidence, a statement being obtained from a previously uncooperative witness and in identifying multiple children whose images were found on other devices in the possession of the suspect.
- In September 2018 hearings held in relation to the grievous bodily harm (suspected “baby-shake”) of an eight-week-old infant on the Gold Coast in June 2018 were successful in eliminating a suspect and leading to evidence strengthening the case against another. In November 2018 a man was charged with the grievous bodily harm.



- In September 2018 hearings held in relation to the suspected unlawful killing of a seven-month-old baby boy at Edmonton in February 2013 were successful in eliminating one suspect and obtaining evidence of how the child was cared for before his death.
- In December 2018 hearings undertaken in support of an investigation into the death of a four-month-old baby girl in Logan in November 2018 were successful in identifying further evidence and lines of inquiry. During the hearings a woman was charged with murder and, subsequent to the hearings, a man was charged with several child neglect offences.

Fraud and money laundering

- In February and July 2018 hearings held in support of a fraud investigation into the alleged activities of a property development company based on the Gold Coast were successful in causing a previously uncooperative witness giving evidence. Several persons associated with this company were charged with fraud.

Intelligence operations and activities

In 2018–19 the CCC finalised a specific intelligence operation that was focused on a criminal organisation suspected of being involved in criminal activity (other than matters involving illicit markets). In the same period the CCC also held 18 days of hearings and examined 17 witnesses to support and advance investigations of this kind.


One such investigation was a specific intelligence operation concerning the activities of an outlaw motorcycle gang (OMCG) operating on the Gold Coast. The hearings were held in Brisbane and the investigation was undertaken in consultation with the QPS Organised Gangs Group to assess emerging issues within the OMCG environment.

This intelligence operation was successful in addressing intelligence gaps that included an understanding of the current members of the OMCG chapters, recruitment strategies implemented by this OMCG to increase their membership base, the extent and use of distinctive OMCG-related tattoos and patches to display membership and allegiance to an OMCG, and the nature and extent of their association with social and military motorcycle clubs.

Recovering the proceeds of crime

In 2018–19 the CCC assessed 32 opportunities to undertake proceeds of crime recovery action in relation to criminal proceeds alleged to be derived from major crime other than matters involving illicit markets. This represented 26.23 per cent of new matters considered for proceeds of crime action. In the same period, proceeds action related to major crime matters resulted in nine restraining orders being obtained over assets valued at more than \$19.480 million and 18 proceeds forfeitures valued at over \$6.732 million.

As at 30 June 2019 the CCC has 13 active proceeds of crime cases related to major crime other than matters involving illicit markets with over \$21.441 million in assets under restraint.



Results

In 2018–19 the following restraining orders and forfeitures were made in relation to matters involving major crime (excludes illicit markets):

Restraining orders

9 matters with an approximate value of **\$19.480M**

Forfeitures

18 matters with an approximate value of **\$6.732M**

Focus area | Organised crime threats and unresolved major crime



Restraining the proceeds of crime

Working alongside the QPS, and with the assistance of the Office of the Director of Public Prosecutions and the Public Trustee of Queensland, in January 2019 the CCC initiated proceeds action resulting in the successful restraint of \$15.770 million cash being funds alleged to be the proceeds of suspected fraud on the State of Queensland.

The suspected fraud relates to alleged activity engaged in since 2010 by a large scale cotton grower in south-western Queensland and concerns claims made by the cotton grower on the Healthy Headwaters Water Use Efficiency Project (HHWUE). The HHWUE is funded by the Commonwealth government and administered by the State Government, Department of Natural Resources, Mines and Energy, as part of the national

scheme to preserve the Murray-Darling Basin. Criminal prosecutions arising from the investigation and the proceeds of crime action remain ongoing, however the restraint of funds represents the largest single proceeds of crime action taken under the *Criminal Proceeds Confiscation Act 2002*, since the legislation commenced.

Terrorism Act

The CCC may be asked by the government to explore and report on complex public policy issues relating to the administration of justice. In 2017 the CCC was asked by the Police Minister to conduct a mandatory review of Queensland's *Terrorism (Preventative Detention) Act 2005* (TPDA) to determine the need for, and effectiveness, of the legislation.

The CCC's review report was provided to the Police Minister in September 2018. The report made nine recommendations for changes to the TPDA designed to ensure an appropriate balance was maintained between protecting the liberties of individuals being detained and protecting the community from real threats.

Review findings and recommendations

The CCC was requested to conduct the review due to its independent research capacity and experience with similar legislative reviews. As part of its review, the CCC received 10 written submissions from stakeholders and members of the public.

Although the TPDA has never been used in Queensland, the CCC identified that there was a narrow but ongoing role for its specific powers. The review also revealed that a significant factor potentially limiting the effectiveness of TPDA was an inability for police to question detained persons. As such, the CCC recommended consideration be given to amendments to the legislation, including in relation to the questioning power, evidence use, contact and information access for detainees (recommendations 1-3 and 5).

Other recommendations related to:

- the expansion of compensation schemes for people who were detained (recommendation 4)
- the improvement of policies, procedures, training and guidelines to support proper operationalisation of the Act (recommendations 6 and 8)
- additional safeguards for children (recommendation 7), and
- new reporting requirements when a person is detained (recommendation 9).

Government response

The CCC report and Government response was tabled in Parliament by the Police Minister on 19 November 2018. The Government supported two recommendations (recommendations 6 and 8) for immediate implementation, another two recommendations (recommendations 7 and 9) were supported in principle. One recommendation (recommendation 4) was not supported and the Government deferred consideration of recommendations 1-3 and 5 to allow for incorporating any changes already being considered for the *Commonwealth Crimes Act 1914* and to maintain national legislative consistency.

Additionally, while the CCC did not recommend it, the Government also committed to further reviewing the need for the TPDA by 2024, just prior to when it would automatically expire under a sunset clause.



The *Terrorism (Preventative Detention) Act 2005* enables a person to be detained by police to prevent a terrorist act or to preserve evidence relating to a terrorist act.

Focus area | Investigations into corruption

Pursue corruption involving elected officials, excessive use of force and misuse of confidential information

The CCC investigates reports of corrupt conduct — in particular, more serious or systemic corrupt conduct — affecting Queensland public sector agencies.

Elected officials

Elected officials must act with integrity and should exercise judgement that is not motivated or perceived to be motivated by self-interest and must put the interests of the public ahead of their own personal interest. Failure to demonstrate accountability and transparency in decision-making can severely erode public confidence in the work of elected officials.

One of the most significant increases in complaints received by the CCC over the last 12 months has been in relation to the local government sector. In 2018–19 the CCC received 235 complaints relating to elected officials, representing eight per cent of all complaints received. In relation to the local government sector, the number of complaints received this year increased by 29 per cent compared to 2017–18.

In 2018–19 the CCC received 444 allegations of corrupt conduct by elected officials, with 94 per cent of these allegations related to local governments. Most allegations involved people misusing their authority to benefit themselves or others (mostly in the areas of procurement, recruitment, and development applications and zoning) or misusing public resources (mostly in the areas of fraud, unauthorised use of resources and theft).

This area will remain a focus of the CCC in 2019–20 as there is still more work to be done in the local government sector. In addition to conducting and monitoring investigations, the CCC will seek to influence the improvement of governance and culture in local government authorities.

Investigations

In 2018–19 the CCC finalised 21 investigations and 31 reviews involving allegations of corruption by elected officials, which resulted in 13 people being charged with 28 criminal offences. The CCC also made nine prevention recommendations to four councils to improve their governance, systems and processes and documentation of decision-making.

Of the 21 investigations finalised, two matters were referred to the relevant council and the Office of the Independent Assessor for consideration of disciplinary action.

The CCC referred 43 matters back to the relevant council and the Office of the Independent Assessor to investigate, with the investigations to be monitored by the CCC.

Prevention

The CCC continues to include the local government sector in corruption prevention initiatives. For example, the CCC will shortly complete its audit in relation to local government community grants (see page 48).

The CCC also collaborates with other integrity agencies and public sector agencies in relation to corruption prevention initiatives relating to the local government sector. For example, in 2018–19 the CCC worked with the Queensland State Archives to prepare the publication *Council records: a guideline for mayors, councillors, CEOs and government employees* (published in July 2019).



Table 1. Elected officials – complaints, allegations and investigations

Year	No. of complaints	No. of allegations	No. of CCC Investigations
2018–19	235	444	17
2017–18	212	584	34
2016–17	158	413	31
2015–16	122	272	4

Table 2: Elected officials – summary of investigations and reviews outcomes

Description	Number
Investigations commenced	17
Investigations finalised	21
Reviews commenced	43
Reviews finalised	31
People charged	13
Criminal charges laid	28
Referred back to, or continue to be dealt with by, the public sector agencies as a disciplinary matter	2
Prevention recommendations	9

Complaints made to the CCC

Complaints and allegations (including notifications from units of public administration) are the principal starting point for most CCC investigations and they can also be a significant indicator of emerging corruption risks and issues across the public sector. A complaint can often consist of multiple allegations.

Complaints can be referred back to an agency when, for example, the agency has capacity to investigate the complaint or another agency such as the QPS is actively investigating related criminal offences or is better equipped to investigate the criminal conduct. Complaints may also be referred to agencies that have jurisdiction to deal with the matter under their own statutory framework.

For those matters dealt with by another agency, the CCC may:

- require no further advice from the agency concerning the outcome of the matter
- review the investigation while it is in progress
- review the outcome once the matter has been finalised
- where no further advice was sought by the CCC, conduct audits of how the matter was dealt with by the agency.

In 2018–19 the CCC received 3109 complaints of suspected corruption involving 8329 allegations. In comparison to 2017–18, these numbers have remained steady. The CCC assessed a total of 3381 complaints, which represents a decrease of 6 per cent in assessed complaints compared to 2017–18.

Our five-year trend data is provided on page 17.



Focus area | Investigations into corruption

Local government investigations

Recognising the importance of public confidence in elected officials, improving integrity, accountability and transparency in Queensland's local government sector has been a priority for the CCC for the past two years.

During this time, the CCC's investigations into local government have exposed a number of significant and systemic corruption risks in the local government sector.

In October 2017 the CCC published its report, *Operation Belcarra: A blueprint for integrity and addressing corruption risk in local government*, which made 31 recommendations to strengthen transparency and integrity in local government throughout Queensland. This report was the outcome of the CCC's investigation into the conduct of candidates involved in the 2016 local government elections for the Gold Coast City Council, Moreton Bay Regional Council, Ipswich City Council and Logan City Council. As a result of Operation Belcarra, the CCC found widespread non-compliance with legislative obligations relating to local government elections and political donations. The government endorsed all 31

recommendations, supporting some in full and others in principle.

Operation Belcarra spurred wide-ranging reforms to address deficiencies relating to local council elections and to improve transparency, integrity and accountability in local government. This includes the introduction of the Local Government Electoral (Implementing Stage 2 of Belcarra) and Other Legislation Amendment Bill 2019 in the Queensland Legislative Assembly on 1 May 2019.

There has been legislative reform in relation to the local government sector and the Office of the Independent Assessor was established in 2018–19.

Following Operation Belcarra, the CCC received new allegations about the conduct of elected officials and employees. The CCC began a number of investigations, including pursuing allegations of corruption at Ipswich City Council (Operation Windage) and Logan City Council (Operation Front).

Operations Windage and Front are two of the most significant investigations carried out by the CCC – whilst complex and protracted in nature, both investigations have resulted in significant outcomes. More information about these operations is detailed in the case study to the right.



Operation Front

Operation Front commenced in November 2017 after evidence relating to the Mayor of Logan City Council was uncovered during Operation Belcarra.

The investigation focused on allegations of reprisal, bullying, misuse of authority and misuse of council funds.

In April 2018 the CCC charged the suspended Mayor with four criminal offences. Following further investigation, in April 2019 the CCC charged the Mayor with further criminal offences and seven current serving councillors were also charged. A total of 14 serious criminal offences have been the subject of charges to date.

This investigation remains ongoing.





Operation Windage

In October 2016 the CCC commenced Operation Windage to investigate allegations of corruption related to the Ipswich City Council. As at 30 June 2019, 16 people, including council employees, two mayors, two Chief Executive Officers (CEOs) and one Chief Operating Officer, have been charged with 91 criminal offences.

As well as the matters that resulted in criminal charges, Operation Windage found evidence of a wide spectrum of governance and integrity failures, from inappropriate workplace interactions to consistent breaches of policy.

On 14 August 2018 the CCC tabled a report entitled *Culture and corruption risks in local government: Lessons from an investigation into Ipswich City Council (Operation Windage)*. The report was intended to inform councillors and council staff of the corruption risks that arise when governance, legislative

and disclosure obligations pertaining to local government are ignored, and to remind public and elected officials of the importance of transparency and accountability.

Based on the behaviours and potential corruption risks identified during its investigation, the CCC's recommendations related to:

- the use of controlled entities by councils,
- the use of private emails to conduct official business,
- improving councillors' financial literacy, controls and management, and
- ensuring greater compliance with policies and procedures, particularly in high-risk areas.

On 21 August the Ipswich City Council was sacked by the State Government and an administrator was appointed.

Criminal charges and sentences

To date a number of people have appeared in court on charges arising from Operation Windage.

On 15 February 2019 four people were sentenced to terms of imprisonment for corruption offences:

- Former Ipswich City Council CEO Carl Wulff pleaded guilty to two counts of official corruption and one count of attempting to pervert the course of justice, and was sentenced to a total of five years imprisonment, to be suspended after 20 months.
- Sharon Oxenbridge, Mr Wulff's wife, pleaded guilty to two counts of official corruption and was sentenced to three years imprisonment, to be suspended after nine months.
- Council contractor Claude Walker pleaded guilty to one count of official corruption, and was sentenced to three years imprisonment, to be suspended after nine months.
- Businessman Wayne Myers pleaded guilty to a single count of official corruption, and was sentenced to 2.5 years imprisonment, to be suspended after six months.

On 3 May 2019 contractor Wayne Innes pleaded guilty to a number of charges including corruption, forgery and attempted fraud in the District Court in Brisbane and was sentenced to four years imprisonment, to be suspended after 12 months.

On 6 June 2019 former Ipswich Mayor Andrew Antonioli was convicted on 12 fraud offences and one attempted fraud in the Ipswich Magistrates Court. On 9 August, Mr Antonioli was sentenced to six months imprisonment, wholly suspended for 18 months.

On 12 June 2019 Troy Anthony Byers was found not guilty of fraud charges.

A number of criminal matters are ongoing.

Focus area | Investigations into corruption

Excessive use of force

Excessive use of force by a public sector employee against a member of the public constitutes a serious abuse of power.

The CCC continues to investigate and closely monitor allegations of excessive use of force within the Queensland public sector. Allegations of excessive force are most commonly received about police officers and other officers working in corrections and youth detention.

In 2018–19 the CCC received 837 use of force allegations accounting for 10 per cent of all corrupt conduct allegations received. Excessive use of force complaints account for 13 per cent of allegations received in relation to the QPS and seven per cent of allegations in relation to the broader public sector, including complaints against correctional officers, teachers and hospital and health service staff.

The number of allegations received in 2018–19 has decreased by 16 per cent when compared to 2017–18. While there is no single explanation for the decrease in allegations of use of force, the CCC is optimistic about the influence of its focus of resources in this area. The lessons from Taskforce Flaxton, the roll-out of

body worn cameras and the CCC's review of public sector agency compliance, have raised the level of awareness amongst our stakeholders.

In terms of police conduct, assault or excessive use of force continues to be one of the most common allegations made to the CCC. In 2018–19, a total of 507 allegations relating to excessive use of force by the police were received by the CCC.

As we have noted a decrease in allegations, excessive use of force will no longer be a primary area of focus in 2019–20.

Investigations

In 2018–19 the CCC finalised 12 investigations and reviewed a further 85 matters where it was alleged that excessive force was used. As a result of the investigations, a custodial correctional officer from the Wolston Correctional Centre was charged with common assault and two matters were referred to the Gold Coast Hospital and Health Service recommending disciplinary action. A further two matters were referred to Queensland Corrective Services to continue to deal with as disciplinary matters. The CCC was satisfied with the way the agencies dealt with the majority of the 85 investigations reviewed.

The CCC recommended seven procedural improvements, mainly focused on additional training and supervision in use of force situations.

The CCC also referred 453 matters back to agencies, including 86 matters to be investigated subject to monitoring by the CCC.

Prevention

In November 2018 the CCC released a Prevention in focus paper entitled *Body worn cameras – their role in complaint resolution*. This paper draws on CCC

complaints data and investigation case studies. Both of these information sources indicate that, in the event of a complaint, body worn cameras can be a protective measure for all parties involved and can result in a matter being resolved without an unnecessarily protracted investigation.

The footage obtained from body worn cameras has been critical to the CCC in assessing and investigating complaints about excessive use of force, not just by police officers but also in corrections and some health services.



Above: The CCC's Prevention in focus publication, *Body worn cameras – their role in complaint resolution*

Table 3. Use of force – complaints, allegations and investigations

Year	No. of complaints	No. of allegations	No. of CCC Investigations
2018–19 ¹	492	837	0
2017–18 ¹	580	999	14
2016–17 ²	452	850	3
2015–16 ²	518	946	19

Notes:

1. 2018–19 and 2017–18 figures include QPS and other public sectors.
2. QPS only.

Table 4. Use of force – summary of investigations and reviews outcomes

Description	Number
Investigations commenced	0
Investigations finalised	12
Reviews commenced	86
Reviews finalised	85
People charged	1
Criminal charges laid	1
Referred back to, or continue to be dealt with by, the public sector agencies as a disciplinary matter	4
Prevention recommendations	7



Recommendations to address corruption in corrective services facilities

In 2018 an investigation by the CCC found there were significant risks of corruption in Queensland corrective services facilities. The operation was titled Taskforce Flaxton and determined that corruption risks were not being effectively prevented, detected or dealt with by existing anti-corruption frameworks.

On 14 December the CCC tabled its report *Taskforce Flaxton: An examination of corruption risks and corruption in Queensland prisons* in Parliament, making 33 recommendations to address corruption and corruption risks.

Taskforce Flaxton

Taskforce Flaxton focused on 14 adult prisons and work camps in Queensland, including the two privately run facilities at Arthur Gorrie Correctional Centre and Southern Queensland Correctional Centre.

The taskforce commenced in March 2018 after the CCC noted an increased number of allegations relating to:

- assaults, including officers using excessive force to control prisoners.

- misuse of authority or power, including officers threatening to harm prisoners or staff.
- failing to provide prisoners with appropriate care or access to services, such as medical treatment and legal advice.
- officers helping to bring contraband into a facility.
- unauthorised access or release of official information.

For the investigation, emphasis was placed on engaging with people who had first-hand experience of the unique and challenging environment of custodial settings. The examination involved 16 days of public hearings and an anonymous survey for prisoners and prison staff.

During the hearings, the CCC heard from 34 witnesses who brought a range of different perspectives to the process. The hearings also provided an opportunity to examine features of the legislative, policy and operational environment that may enable corrupt conduct to occur or are vulnerable to corrupt conduct, as well as reforms to better prevent, detect and deal with corrupt conduct

within Queensland Corrective Services (QCS) facilities. Thirty-three detailed written submissions were also received.

Responding to issues

The investigation was timely as QCS had recently entered a new era of reform, having only recently separated from the Department of Justice and Attorney-General to operate as a standalone department. QCS provided its full cooperation to the taskforce, seeing it as a valuable opportunity to examine processes and receive expert advice.

As Taskforce Flaxton progressed, QCS began responding to the issues being raised in the public hearings.

In doing so, the QCS executive team demonstrated its willingness to deal with these issues with priority.

Recommendations

The 33 recommendations in the Taskforce Flaxton report ultimately aimed to improve safety for staff and prisoners, ensure ethical and impartial decision-making, enhance accountability and transparency, and raise performance standards.

Specifically, the recommendations encouraged QCS to:

- improve its strategy and performance
- implement more robust anti-corruption measures
- improve its internal oversight.

In addition, the CCC proposed enhancements to external oversight mechanisms.

The CCC encouraged the government to implement all 33 recommendations in order to deliver comprehensive improvements and ultimately reduce corruption risk.

Outcomes

On 5 July 2019 the State Government issued its response to the CCC's recommendations. The Government has supported all 33 recommendations, with 24 supported in full and nine supported in principle.

A copy of the CCC's report, a one page summary of Taskforce Flaxton and the Government's response can be found on the CCC website.



Misuse of confidential information

Queensland public sector agencies collect and store a wide range of private, confidential and sensitive information that employees use to carry out their duties. This information is held in trust for both the individuals concerned and the Queensland community generally. Public sector agencies must ensure that such information is protected against unauthorised access, use, modification or disclosure. The CCC focuses on the misuse of confidential information because the security and privacy of sensitive data is of great concern to the community, and it is a significant corruption issue facing the Queensland public sector. The CCC deals with the issue of misuse of confidential information through investigations, reviews and audits, and by providing public sector agencies with corruption prevention materials and advice.

Misuse of confidential information occurs when a public sector employee accesses information held by the agency for a purpose not related to the performance of the agency's functions.

In 2018–19 a total of 1060 allegations relating to the misuse of confidential information were received by the CCC, representing 13 per cent of all corrupt conduct allegations received, with 293 (28 per cent) of those allegations related to QPS officers. While there has been a steady decrease over the last four financial years in allegations of this type in relation to QPS officers, allegations against other public sector officers (including local government) have increased significantly (from 251 allegations in 2015–16 to 767 allegations in 2018–19).

Allegations relating to misuse of information may refer to accessing or disclosing official or private information without a legitimate reason, falsifying official records, acquiring or retaining information or records illegally or inadequately safeguarding information.

As the improper access to sensitive information continues to be an ongoing issue in the public sector, this area will remain a focus of the CCC in 2019–20.

Investigations

In 2018–19 the CCC finalised 16 investigations and 102 reviews involving allegations of misuse of confidential information, which resulted in three people being charged with 88 criminal offences. Five matters were referred back to, or continue to be dealt with by, the public sector agency as disciplinary matters. The matters were spread across a variety of sectors including police, local government, education, housing and public works, health, corrections, education and child safety. The CCC also made 29 prevention recommendations including six to the Department of Health in relation to ICT security controls and the ability for employees to forward classified material to private email addresses without warnings.

Examples of allegations investigated by the CCC during 2018–19 include:

- A custodial correctional officer was charged with 69 counts of computer hacking following an investigation concerning misuse of the Queensland Corrective Services data management system.

- A senior probation and parole officer was found guilty of computer hacking and misuse and fined \$8,000 with a conviction recorded (see text box on page 43).
- A police officer unlawfully conducted checks of a QPS information system to view records of family members.
- An employee from the Department of Health disclosed confidential information for personal benefit.

Prevention

In May 2019 the CCC released a Prevention in focus paper entitled *Improper access to public sector databases, no. 2*. This is the CCC's second publication on this topic (the first paper was released in February 2018). This advisory highlights the disciplinary and criminal sanctions that may be imposed on public sector officers who improperly access or use confidential information.

Focus area | Investigations into corruption

Table 5. Misuse of confidential information – complaints, allegations and investigations

Year	No. of complaints	No. of allegations	No. of CCC Investigations
2018–19	603	1060	9
2017–18	492	762	15
2016–17	459	710	21
2015–16	438	713	22

Table 6. Misuse of confidential information – summary of investigations and reviews outcomes

Description	Number
Investigations commenced	9
Investigations finalised	16
Reviews commenced	151
Reviews finalised	102
People charged	3
Criminal charges laid	88
Referred back to, or continue to be dealt with by, the public sector agencies as a disciplinary matter	5
Prevention recommendations	29





Probation and parole officer prosecuted for computer hacking

In January 2019 a former senior probation and parole officer pleaded guilty to one charge of computer hacking and misuse (section 408E(1) and (2) of the Criminal Code) for conduct between June 2012 and November 2017. The charge arose out of a CCC investigation.

The officer unlawfully used restricted-access computer systems to gain access to information on her partner and his family members, friends and ex-partners. The officer also searched her old school friends and other people she knew personally or knew of through her personal life.

After accessing information including criminal histories the officer released the information to her partner via the messaging application “WhatsApp”.

The Magistrate fined the officer \$8,000 with a conviction recorded, noting it was a serious breach to access the personal information of private individuals. The Magistrate considered it necessary to send a clear message that the officer’s behaviour was not acceptable.

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Upcoming public hearing on misuse of information

Recent CCC investigations in relation to the misuse of information have identified a number of possible systemic issues. In the second half of 2019, the CCC will conduct a project which will include conducting a public hearing in relation to misuse of information.

The project will aim to examine the possible systemic issues with a view to raising standards of integrity relevant to detecting, managing and preventing corruption risks.

The public hearing will examine:

- factors which facilitate misuse of information within the

Queensland public sector, by examining the technical, people and system components within a number of selected agencies

- features of the legislative, policy and operational environment within each agency that may enable corrupt conduct to occur or are vulnerable to corrupt conduct and
- reforms to better prevent, detect and deal with corrupt conduct relating to misuse of information within the selected agencies, and lessons that can be extrapolated to the broader Queensland public sector.

Focus area | Police discipline

Collaborate with key stakeholders to implement and monitor a program of reform of the police complaints and discipline system

A fair and robust performance management and discipline system is essential for ensuring the ongoing integrity of the QPS, and public confidence in the work of police.

Following the establishment of a CCC-led police discipline working group in 2016, the CCC has continued to focus on police complaints and discipline reform and collaborate with key stakeholders to implement a new system that delivers a more efficient and consistent approach to managing discipline matters.

As reported in last year's annual report, a significant milestone was reached in October 2017 with the signing of a Memorandum of Understanding by the CCC, the Queensland Government, the State Opposition, the QPS and QPS unions relating to a new discipline policy framework which will act as the basis for a new QPS discipline system.

While the legislative change process progresses, the QPS has implemented immediate policy reforms aimed at improving how complaints against police are managed. Significantly, this includes the trial of a new QPS discipline system which commenced on 1 July 2018.

Two key features of this discipline system are:

- the Joint Assessment and Moderation Committee (JAMC) which focuses on the assessment of more serious and systemic matters; and
- the Abbreviated Disciplinary Proceedings process which enables quicker resolution of matters where sufficient evidence exists at the outset, circumventing the need for a full and lengthy investigation.

Joint Assessment and Moderation Committee

The JAMC reviews how serious complaints are triaged and monitored, and aims to improve the timeliness and consistency in approach when the QPS investigates complaints against its own officers. The Committee includes representatives from the CCC and the QPS Ethical Standards Command (ESC).

The JAMC evaluates how each complaint is initially assessed and then agrees to a plan of action. This process gives both the CCC and the QPS an assurance that complaints are being appropriately assessed and clearly establishes the responsibilities of each agency. The JAMC draws on CCC allegations data and research to evaluate levels of risk. The analysis of allegations

data assists the JAMC to assess whether an officer's complaints history is significant compared to that of their peers. The CCC continues to conduct research to better understand the importance of an officer's allegations history in assessing matters at the JAMC. In 2018–19 the JAMC assessed 57 complaint matters.

Investigations

The Investigation Consultation Process (ICP) is the second tier of the JAMC process. Since its commencement in September 2017, the ICP enables the QPS and the CCC to collaborate on contemporary investigative methodologies in matters that are the subject of the CCC's statutory monitoring function. As part of the ICP, the progress of matters and the CCC's expectations regarding investigations and/or criminal, disciplinary and managerial processes are tabled. In addition, the QPS and the CCC can raise issues that are contentious or that impact on their resources so that an effective resolution may be achieved.



The ICP does not meet on every matter; a meeting is held when there is a stakeholder necessity or public interest in gaining a joint commitment to processes that will meet stakeholder expectations. During 2018–19, 16 meetings were held in relation to 32 matters.

A number of the matters discussed at the ICP involved the inappropriate access and disclosure of information from the QPS QPRIME database. Misuse of information allegations are an area of focus for the CCC and can constitute offences under the Criminal Code and under the *Police Service Administration Act 1990*. There is now an increased understanding that the privacy and security of personal data is of significant importance to the public. The outcome from JAMC is that we are seeing an increase in prosecutions of both sworn and unsworn officers for identified data breaches, and an increase in the knowledge of the QPS regional Professional Practice Managers regarding the CCC expectations.

The ICP also considered matters where the QPS initially did not pursue criminal charges against subject officers. During this period the ICP considered a matter that involved the misuse of authority and failure of duty. The CCC had

previously assumed responsibility for the investigation of the matter from the QPS and had charged the subject officers with criminal offences. In this case the CCC was of the view that the intended discipline action to be taken against one of the subject officers would not meet public expectations.

The outcome of this ICP was that, as there was a difference of opinion between the CCC and the QPS, and having regard to the nature and seriousness of the alleged corrupt conduct, the CCC would again assume responsibility for the matter and will now prosecute the discipline charges in our original jurisdiction before the Queensland Civil and Administrative Tribunal.

Abbreviated Disciplinary Proceedings process

In July 2018 the pilot of the Abbreviated Disciplinary Proceedings (ADP) process commenced. The ADP seeks to finalise disciplinary proceedings in a more simplified and timely manner where there is little doubt the conduct occurred, and the subject officer readily admits the conduct. Under the ADP process the ESC will first consult with the CCC about the proposed disciplinary sanction or management action proposed to

be offered to a subject officer. If this indicative sanction is accepted by the subject officer and the CCC, there are no review rights for any party, unless new evidence comes to light.

The introduction of this pilot program has seen a reduction of 33 per cent in the number of matters requiring a formal discipline hearing, from 73 in 2017–18 to 49 in 2018–19.

It is also anticipated that the ADP process will significantly reduce the need for the review of outcomes by the CCC, and will ensure greater consistency and fairness in sanctions imposed.

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Legislation before Parliament

The Police Service (Discipline Reform) and Other Legislation Amendment Bill 2019 was introduced in Parliament on 13 February 2019 with the objective to implement the new police discipline system. The proposed discipline model provides options for abbreviated investigations, introduces a broader range of sanctions, and improves timeframes.

On 25 February 2019 the CCC Chairperson gave evidence at the Economics and Governance Committee's Inquiry into the Bill.

If passed, the new legislation will enhance the CCC's oversight role and expand our ability to apply for review of all disciplinary decisions.

As at 30 June 2019 the Bill is still progressing through Parliament.

Responding to corruption risks

Although the CCC develops areas of focus as part of its strategic planning process, the CCC's agile resourcing model enables us to respond to matters outside our areas of focus, particularly when they are of high risk or significant public interest. In some cases, an issue that emerges in one year will prove significant enough to become an area of focus in subsequent years, as witnessed most recently with our focus on corruption involving elected officials.

The CCC also shares lessons learnt from its assessments, investigations and audits to help raise public sector awareness of emerging or persistent issues.

Examples of some significant matters that we dealt with in this reporting period are detailed in this section.

The renaming of the Lady Cilento Children's Hospital

In completing its assessment of concerns surrounding the survey of public opinion to support a decision to rename the Lady Cilento Children's Hospital, the CCC conducted numerous enquiries in relation to the matter.

The CCC assessed whether the Minister for Health, other elected officials, ministerial staff or any public service employee submitted multiple votes with the intent to skew the results of the survey, and if any direction was given to public servants to vote for or against the name change.

To inform the assessment, the CCC considered data from a number of sources in relation to IP addresses and the voting website. After thorough analysis of the data, it was established that the ability to distinguish between an IP address that had simply accessed the voting website and an IP address that had proceeded with a vote was problematic. The inability to obtain data that simply records the IP addresses of individual users who actually

vote on these matters and the inability to simply link these IP addresses to an individual user in a government entity was of concern to the CCC. In the CCC's view, the lack of transparency and inability to robustly audit the results of a voting website limits the integrity of a process to engage meaningfully with Queenslanders on matters of public interest.

The CCC made a number of recommendations to the Department of Housing and Public Works to ensure that any future websites or software used by the State Government to gauge Queensland community opinion contain terms of use and eligibility instructions, technical restrictions and auditing functionality.

Improved transparency of Government board appointments

In July 2018 the CCC completed an assessment in relation to the appointment process of Mr Mark Algie to the board of Energy Queensland Limited (EQL).

As part of an investigation into Minister Mark Bailey's use of a private email account, the CCC identified an email from the Electrical Trades Union attaching a copy of the resume of Mr Algie. While the forwarding of a resume to the Minister did not in itself raise a reasonable suspicion of corrupt conduct, the CCC had also subsequently received complaints relating to the appointment process of Mr Algie.

To inform the assessment, the CCC requested a range of information from Queensland Treasury including correspondence, briefing notes, emails and other documents relating to the appointment, or recommendations for appointment, of the current directors on the EQL board, including Mr Algie. The CCC also requested information about any policies and procedures that govern the processes in relation to recruiting and appointing directors to the boards of Government Owned Corporations, including EQL.



After reviewing the material provided by Queensland Treasury, the CCC determined that there was insufficient evidence to raise a reasonable suspicion that any person involved in the appointment of Mr Algie engaged in corrupt conduct.

The CCC was, however, of the view that the processes to identify and nominate candidates for board appointments of Government Owned Corporations lacked transparency and good governance, and recommended the policies and procedures be revised to improve transparency of these appointments in the future. The CCC's recommendations included applying the same process equally for all candidates and conducting due diligence checks before recommendations for appointment are progressed to Cabinet.

Highlighting the perils of procurement fraud

Procurement fraud and conflicts of interest continue to be major corruption risk areas for the public sector, prompting the CCC to publish a Prevention in focus paper that dealt with those topics.

Following a joint investigation between the CCC, the Ethical Standards Command of the Queensland Fire and Emergency Services (QFES) and the QPS Financial and Cyber Crime Group, in May 2019 a former QFES Inspector was jailed for three years, to serve six months, after pleading guilty to four counts of official corruption.

The evidence gathered during this investigation revealed multiple types of corrupt conduct including undeclared secondary employment, undeclared conflicts of interest, supervisory failures, fraudulent procurement and improper disclosure of confidential information.

The results of the investigation and the sentencing remarks serve to remind all public servants that they are required to act transparently and with integrity at all times, and that they are not immune from criminal prosecution when their conduct does not serve the public interest and contravenes the law.



Above: The CCC's Prevention in focus publication, *Procurement fraud attracts prison sentence*

Responding to corruption risks

Raising public sector awareness

Our prevention work, which includes specific publications and audits, encourages a commitment to ethical behaviour and transparency across the entire public sector. We regularly review our corruption complaints data and the insights obtained from our audits to identify trends and areas of vulnerability, and reposition our priorities accordingly.

Expansion of the definition of corrupt conduct

From 1 March, with amendments to the *Crime and Corruption Act 2001*, a new definition of corrupt conduct came into effect.

The CCC updated one of its most frequently referenced publications, its *Corruption in focus: a guide to dealing with corrupt conduct in the Queensland public sector* to reflect the changes to the CC Act.

We produced two new fact sheets to alert agency complaints managers, supervisors and senior staff to the changes to the CC Act, and to some of the behaviours which would now come within the CCC's jurisdiction.

At the request of public sector agencies for further information about the changes to the CC Act, we also published a prevention in focus entitled *Corruption in the Queensland public sector - it's not just about public servants*. The publication highlighted the types of external influences and actions that could subvert their agency's operations and used case studies to step through the assessment processes and associated consultation with the CCC. Further, it advised on action that could be taken to guard against corrupt conduct involving people both

within and outside the public sector and to minimize risks and vulnerabilities.

Corruption audits

In identifying potential audit topics, the CCC conducts environmental scanning and consults with internal and external stakeholders to gain perspectives on corruption risks.

In 2018–19 the CCC published summary audit reports subsequent to the completion of the following audits:

- Integrity in procurement decision-making (see opposite page)
- Managing corruption risks associated with secondary employment
- Managing security risks associated with chemicals of security concern
- Assessing complaints of corruption (QPS)
- Responding to corruption related to failure of duty (Department of Education and the QPS).

Two other audits from our Corruption Audit Plan for 2017–19 are currently being finalised. One audit examined the conduct of councils in the awarding of community grants, with particular focus on the management of risk and probity.

An audit report will be published by the end of October 2019.

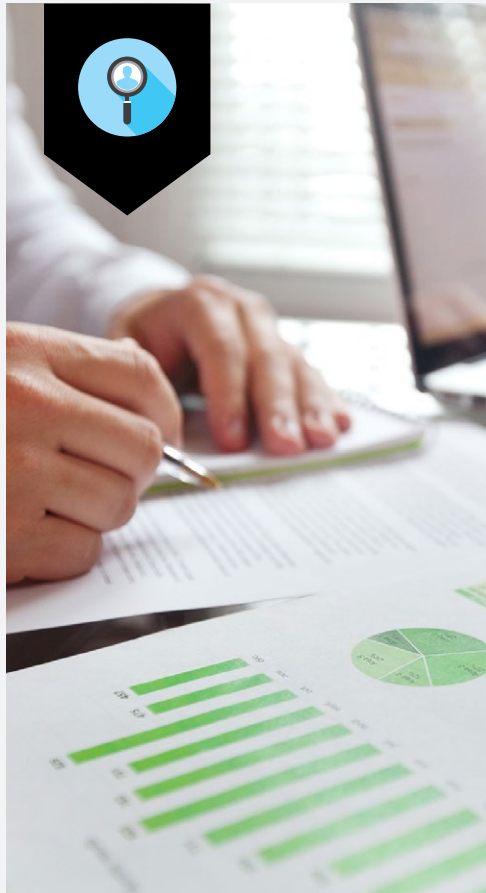
The second audit relates to the obligation under section 40 (CC Act) for agencies to notify the CCC of allegations of corrupt conduct. An audit report will be published by December 2019.

Due to delays in the enactment of legislation, two audits have been postponed until 2019–20. These audits will examine:

- record keeping requirements required under recent amendments to the CC Act
- councillors' interests and use of information.

Our audit plans and summary audit reports are published on our website.





Audit of integrity in procurement decision-making

It is estimated that each year the Queensland Government spends more than \$14 billion procuring a wide range of goods and services. This high level of spending presents opportunities for suppliers and contractors to secure lucrative government contracts and for employees with specialised knowledge and/or influence to be tempted or induced to act corruptly.

In 2019 the CCC audited the procurement activities of 16 agencies. The objectives of the audit were to examine whether Queensland's Hospital and Health Services demonstrably achieve value for money from their goods/ services procured; and to assess how public sector agencies have dealt with allegations about corrupt conduct related to procurement and contracting activities.

The first scope area was limited to five Hospital and Health Services – Metro South, North West, Sunshine Coast, Townsville and West Moreton. The second scope area involved a detailed review of 21 complaints received by the CCC about corrupt conduct related to procurement activity relating to 12 agencies.

Thirteen areas for improvement were identified and recommendations made.

They centred on the correct creation and maintenance of records for all procurement, not just high-value procurement. Documentation should provide an understanding of why the procurement was necessary, the process that was followed, all relevant decisions made and the basis of those decisions. There should also be evidence of the reasoning behind any decisions that depart from established procedures.

The audit of complaints revealed that in most matters considered, the selected agencies had dealt with complaints appropriately. However, areas for improvement related to investigative practices, disciplinary processes and internal controls.

The Department of Health considered the CCC's detailed audit report a valuable resource and has said they will use it in strengthening corruption prevention concerning probity during procurement across Queensland Health.

The report was published in May 2019 and is available on the CCC's website.

Exploitation of public sector resources will be an area of focus for the CCC in 2019–20.

Responding to corruption risks



International Anti-Corruption Day 2018

Joint communique from Australia's anti-corruption Commissioners

To mark International Anti-Corruption Day on 9 December 2018, the CCC Chairperson joined with heads of independent state-based anti-corruption agencies across Australia to issue a joint communiqué themed “Leadership is the key to corruption prevention”. The communiqué called on public sector leaders to do more to build strong cultures of integrity that resist corruption. Read the full communiqué on the CCC’s website.

Corruption in Queensland: perceptions and prevention

In May and June 2018, the Global Corruption Barometer survey (Australia) of people’s perceptions of corruption was conducted by Griffith University and Transparency International Australia, with additional funding from the CCC to enable more Queenslanders to be included in the survey. On International Anti-Corruption Day, the CCC released its publication *Corruption in Queensland: perceptions and prevention*. This short report is a Queensland-specific snapshot of corruption perceptions and experiences, developed by the CCC based on the overall survey findings.

Prevention publications

Our prevention publications are an important means through which we disseminate guidance and advice, along with lessons learnt from our corruption investigations.

Our Prevention in focus series draws on CCC investigations to highlight specific prevention lessons for public sector managers (including police), staff and others. This year our series covered a range of topics including procurement risks, improper access to public sector databases, and the role of body worn cameras in the resolution of complaints against police officers.

All the papers in the Prevention in focus series are available on the CCC website.

Information roadshows

As part of a state-wide proactive engagement strategy, the CCC Chairperson and Executive Director, Operations Support Cheryl Scanlon joined Assistant Commissioner Sharon Cowden of QPS Ethical Standards Command to present at the CCC–QPS Senior Officers Professional Practice forums during 2018–19. Over 900 senior police officers from across Queensland attended these forums.

These information roadshows provided an excellent opportunity to discuss the role of the CCC and the new police discipline system, and deliver key corruption prevention messages.

Privacy Awareness Week

In 2019 the CCC was a partner agency for Privacy Awareness Week (12–18 May), which was led by the Queensland Office of the Information Commissioner. This year’s theme was “Build privacy into your everyday”.

On 15 May 2019 the CCC issued a media release reminding public servants that improper access to personal data can have serious consequences. Our CCC Connect eNewsletter on this date also focused on information privacy and what can be done to safeguard it.